

GCRI INTERVIEW

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How has the German startup scene changed over the past five years, and what are some of the factors that have contributed to its evolution?

Five years ago the startup scene was an attempt to cope with rising levels of unemployment. It was the heyday of the popular notion that everyone should lay the foundation for one's own future career. To a certain extent, the notion also harks back to the countercultural movements and ideals of the eighties. During the past five years, even politicians have come to realize the importance of entrepreneurship and have initiated support programs to that effect. Such measures have, for a considerable part of the startup scene, evoked tendencies to rely on these official financial support schemes. Another part of the startup scene tends to direct its attention towards Silicon Valley and the big venture capital groups. Berlin is a rather special case with a marked impact of the cultural and artistic scene – a superb breeding ground for new ideas and concepts.

How do you think the startup scene in Germany will develop over the next five years?

My guess is that the impact and importance of venture capital and of official support programs will keep growing. However, I can well imagine that today's winners of that scene – most of them emphasize quick growth at the expense of profitability – will, in the long run, gradually lose their status as heroes. Quite possibly we will find our way back to a reliable course of steady, solid, and substantial development.

Could you describe some of the most significant accomplishments of the Foundation for Entrepreneurship and what are some of the goals you would like to achieve?

In German public discourse and awareness, we have contributed to the liberation of the idea of entrepreneurship. We have, so to speak, gotten rid of the cliché that only those with special talents and tough attitudes can be successful. Today, taking the initiative and setting up your own business has become very popular, which is

certainly due, at least in part, to the efforts of our *Entrepreneurship Lab* and our annual *Entrepreneurship Summit*.

Our campaigns are aimed at people who had never seriously seen themselves as entrepreneurs but have been able to recognize their potential for becoming entrepreneurs. Today's bottleneck, in this respect, is no longer access to capital, but the ability to devise and present an innovative and marketable concept. We want to enable more people to become a part of the overall economy – something like Citizen Entrepreneurship.

What are the key factors that have contributed to the success of your Teekampagne (Tea Campaign)?

From the beginning, the Teekampagne followed uncompromising goals. These goals were to offer the highest quality, Darjeeling First Flush finest tippy orange pekoe, Fairtrade, organic tea and reforestation while compensating for the extra costs by concentrating on Darjeeling tea. This single product enables us to import directly without intermediary exporters, wholesalers or retailers, which enables us to save the usual transaction costs, transportation, and storage. In addition, we were able to convince many customers about the benefits of buying annual supplies, often in the form of collective orders through the Internet. From an ecological point of view, these strategies are hard to beat. Finally, due to these tactical savings and despite all of the exceptional qualities that we offer, we are able to easily match normal price levels in the marketplace.

What advice would you give to individuals who are thinking about starting their own company?

Concentrate on your individual concept. Elaborate a business model in order to approximate a complete work of art (a type of *Gesamtkunstwerk*), comprising many aspects. Do not just take into account the quality and price, but also ecology, social impact and social costs, which you can expect reasonable people to accept. In this case, you should have a clear competitive edge over all those limited to *business as usual*.