



---

# Regulations and innovations

# Inherent conflict of interest

Short and mid term regulatory goals are incompatible with innovations



Innovations →

◆  
Impose risks for the regulatory system itself

◆  
Risks for the traditional large business

◆  
Change status QUO

◆  
Increase risks

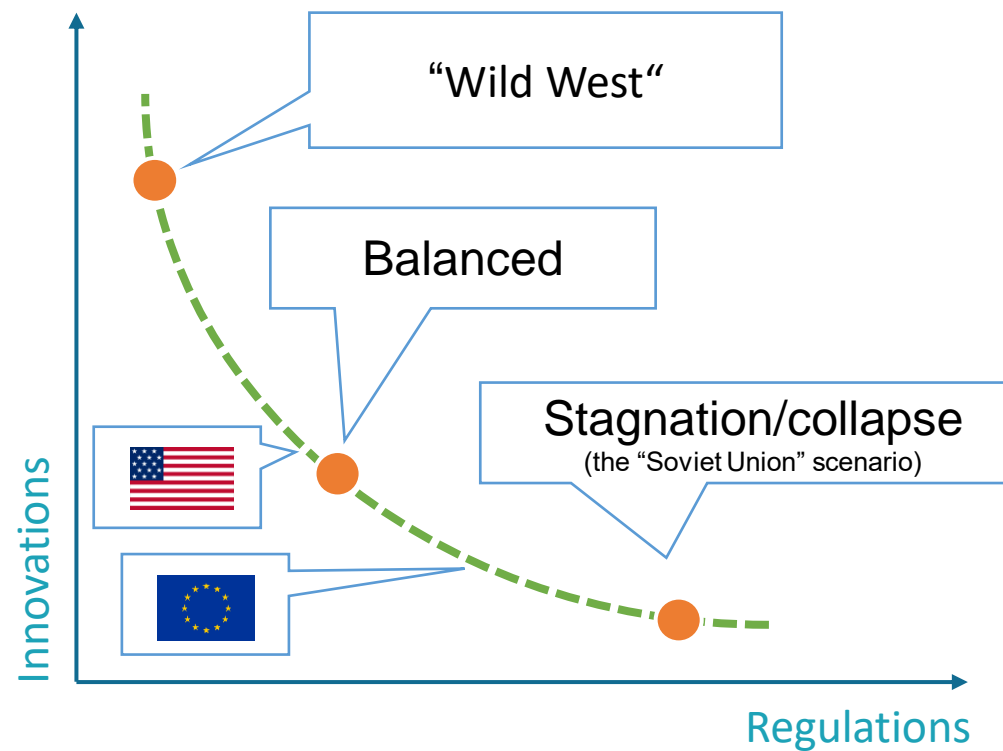
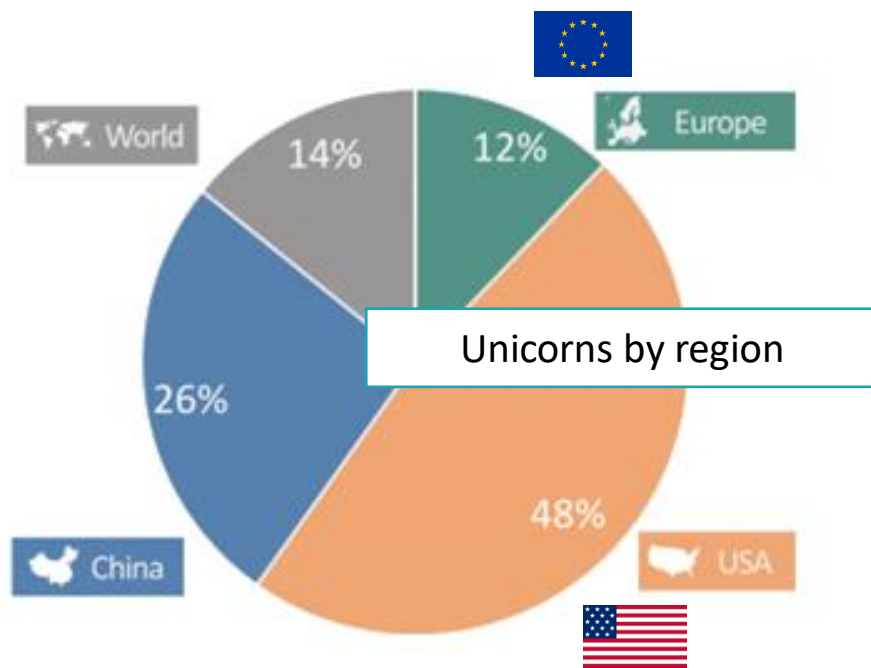
← Regulations

◆  
Maintain status QUO

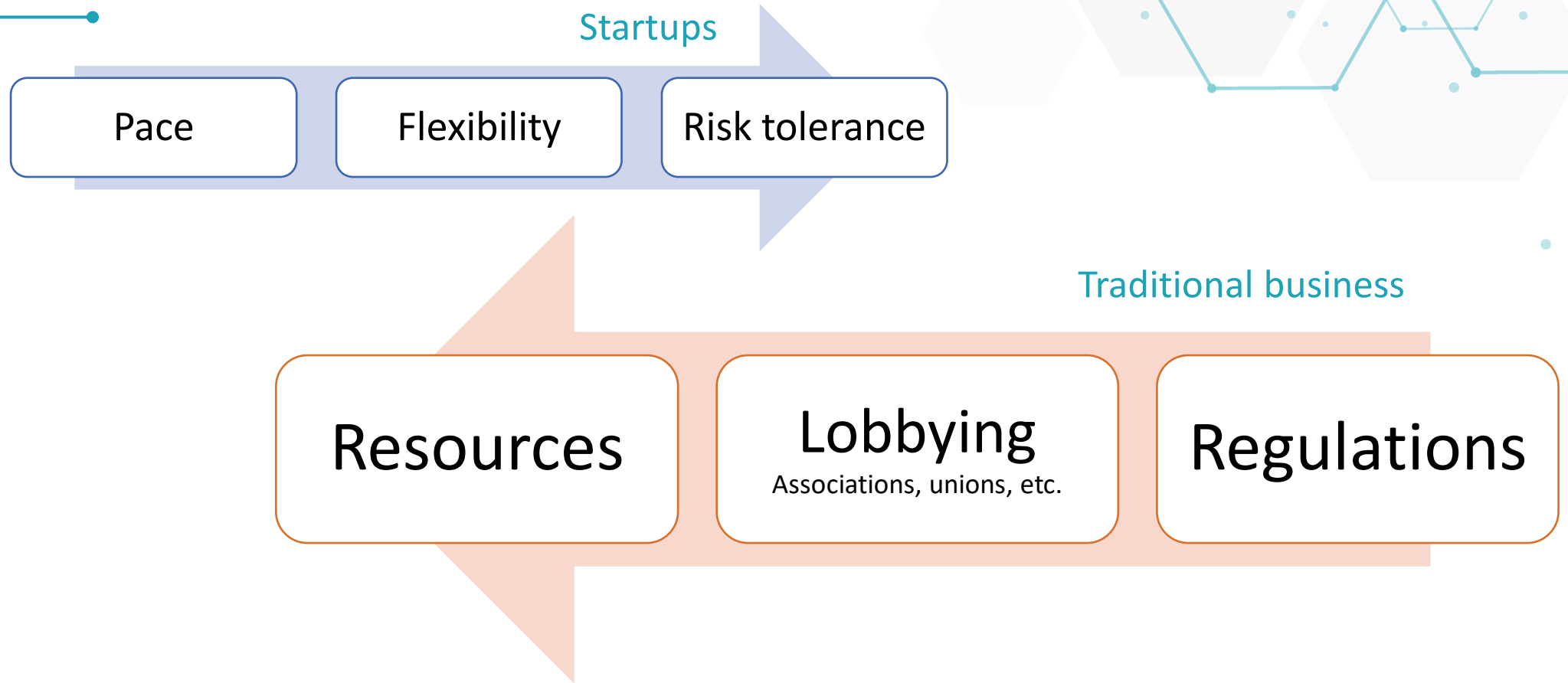
◆  
Decrease risks

◆  
Protect traditional large business

## EU heading stagnation



The most disruptive innovations come from startups, much less so from traditional corporations, who employ various resistance methods, including lobbying/regulations.





Solutions

1

2


3

4

5

# Hyper-specialization

“Nominal” domains (like „IT“, „FinTech“ etc.) are not sufficient. It is critical to define the opportunities down to specific “unicorn” business models and work on creating the best environment.





## Dedicated resources

Resources (human, budgets, etc.), exclusively dedicated to innovation goals are mandatory. Otherwise, direct conflict of interests where innovation fails.





## Highest competence in the priority verticals

Best talent is rare and expensive. However, not being able to attract it means failing.





Solutions

1

2


3

4

5

## Real vs. “optical” KPIs

E.g. growth in sector market cap as oppose to number of startups, revenue of the innovative business models as oppose to number of licenses issued, license fees are oppose to number of patents, etc.







Solutions

1

2


3

4

5

# Actions speak louder than words

The real internal and external communication occurs through precedents, not rhetoric. Sanctions, fines, bureaucratic barriers, length of processes and so on are the true signals, not pretty marketing videos on CNN.



# Questions?

