City of Munich and UnternehmerTUM plan the city of the future: New innovation and start-up center in the creative quarter

The City of Munich and UnternehmerTUM GmbH, the company launched by entrepreneur Susanne Klatten, are planning a new innovation and start-up center in the city's creative quarter. The aim is for start-ups and established firms, creatives and scientists to engage in dialogue with urban planners, architects and the public at large and to work together on the innovative products, smart technologies and forward-looking services that will shape the city of the future. Thanks to this unique approach and to the new innovation and start-up center, Munich will assume a pioneering role in the development of smart city solutions. On February 16, the City Council will make the final decision on construction of the new center.

More than half of the world's population already live in urban areas. By 2050, this figure will have risen to two out of every three people on the planet. Munich too is experiencing continual growth, with its current
population of 1.5 million expected to swell to 1.8 million by 2030. Increasing urbanization is changing people’s lives and confronting cities with a series of major challenges: Examples include networking, mobility, renewable energy, the power supply in general and the design of public spaces. Whether or not we find sustainable solutions to these challenges will to a large extent depend on new technologies - a fact which opens up a wealth of opportunities, above all for innovative start-ups and entrepreneurs. An excellent environment awaits technology start-ups in particular in Munich: Six DAX-listed groups, a potent array of SMEs, a uniquely diverse spread of industries, the inspiring presence of universities and research institutes, a well-developed investor community, a highly qualified labor pool and the cultural and creative sector with the strongest revenues in Germany all converge to powerful effect in the Bavarian capital.

Founded in 2002, UnternehmerTUM, the Center for Innovation and Business Creation at the Technische Universität München, provides all kinds of services and assistance to start-ups and young tech companies. As such, it plays an instrumental role in developing Munich’s start-up scene. At UnternehmerTUM, start-ups such as Ivenox, Navvis and Park Here are already collaborating with established players on new technologies and innovative solutions to make the urban infrastructure more sustainable. Networking opportunities are also being used to facilitate the sharing of information in and around the city.

The City of Munich itself has for years been deeply committed to encouraging start-ups and entrepreneurship. Thanks to its support,
important projects have been initialized in recent years: September saw the launch of online platform munich-startup.de, which brings all actors and activities in the Munich start-up community together in a single virtual space. The Munich Technology Center (MTZ) provides premises for technology start-ups, as does Werk 1 in the east-end Werksviertel district, in which the City of Munich has held a stake since 2015. Yet for all these different offerings, a central location in the heart of the city – a place where young companies can be supported and put in contact with each other in the start-up and growth phases, a place where they have the freedom to experiment and try things out – has been sadly lacking.

In the future, all these needs are to be met under one roof, ably assisted by the creative industry that is already resident in the creative quarter. Building bridges with the creative community opens up new possibilities for interdisciplinary cooperation between start-ups and artists, designers and architects, all of which will invigorate and enrich Munich’s approach to smart city topics. Another factor is close proximity to the city’s scientific community, which creates ideal conditions to develop technologies for clean technologies, environmental protection, energy efficiency, material efficiency, data exchange and connectivity, the power supply and urban mobility. Technische Universität München (TUM) is already on hand as a powerful partner. In addition, universities and research organizations from both Germany and abroad are welcome to contribute their expertise. The central location of the planned new facility in the creative quarter – on the site of the former Luitpold military barracks – is perfect as a testing ground for solutions for the city of tomorrow and a place to involve the public from an early stage. Municipal utility SWM too has signed an extensive letter of
intent regarding collaboration with the new center. By incorporating existing initiatives such as the European project Smarter Together, Munich now has a chance to assume an international leading role in smart city solutions.

Bavaria’s Minister of Economic Affairs Ilse Aigner welcomes the commitment of UnternehmerTUM and the City of Munich. Her ministry will likewise support the project in future.

This joint project involving UnternehmerTUM, the City of Munich and the Bavarian government creates a tremendous opportunity to enhance Munich’s and Bavaria’s standing as an outstanding venue for start-ups and innovation, enabling the region to operate on the same level as other major international projects, such as those in Paris, London, Singapore and Beijing.

Construction of the new innovation and start-up center for smart city solutions is due to commence in 2017. The facility will ultimately boast around 10,000 m2 of floor space or offices, event spaces, co-working spaces and a prototype workshop. The City of Munich will grant a leasehold on the land, while UnternehmerTUM will bear the cost of building and operating the new facility. Assuming a positive decision by the City Council on February 16, the next steps will include drafting detailed specifications for the new building, enlisting additional partners and requesting submissions for a general contractor competition with the involvement of the City Council.
Quotes

**Susanne Klatten**

“The new facility will create a unique venue for start-up entrepreneurs, innovators and creative talents from around the globe who want to work together on solutions for the city of tomorrow. I am pleased that the City of Munich, UnternehmerTUM and the Bavarian state government are bundling Bavaria's industrial strengths in mobility, clean technologies, digitization and manufacturing – focusing on smart city solutions – in this ground-breaking public-private partnership. The special location in the creative quarter gives us a creative setting that will exert a powerful attraction on German and international partners in industry, science and the start-up scene.”

**Josef Schmid**

“Munich's start-ups need a place in the heart of the city where they are in touch with all the key players. Munich needs innovative companies that work with us to develop the city of the future. So building a new center will help both the city and the companies themselves. The new innovation and start-up center will take Munich a huge step forward. The future is coming to Munich.”

**Ilse Aigner**

“The new innovation and start-up center will provide room for creativity and innovation, and that will further reinforce Bavaria’s standing as ‘start-up country’. What we are doing in the field of digitization and to promote technology development can also be used for smart city projects. At the same time, we are currently working with UnternehmerTUM to launch a
funding program to which the Bavarian Ministry of Economic Affairs will contribute EUR 2.5 million."

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About UnternehmerTUM
Ever since it was set up by entrepreneur Susanne Klatten in 2002, UnternehmerTUM, the Center for Innovation and Business Creation at the Technische Universität München, has helped international start-ups and established firms to develop new products and services, successfully build their businesses, enter markets and transition to the growth phase. Its TechFounders accelerator program gives innovative technology start-ups three months of intensive coaching and mentoring to prepare them for a first round of
venture capital financing. It also prepares the way for strategic cooperation with partners in industry. UnternehmerTUM's 1,500 m² high-tech workshop MakerSpace provides a unique machine park set aside for the engineering of prototypes and small batch production runs. The UnternehmerTUM Fund supplies capital to young technology businesses with international market potential. More than 50 fast-growing spin-offs and over 1,000 participants in qualification programs testify to UnternehmerTUM's leading role in Europe.

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