

# DESIGN TERMINAL

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ANNUAL REPORT



# 2018

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LOCAL VALUE,  
GLOBAL OPENING



## DEAR FRIEND,

The new era of Design Terminal was launched two years ago. This was the time when we transformed our company from a state agency to a privately owned, non-profit organisation. **We promised three things: firstly, that we would open the gates of our talent management programs to foreigners; secondly, that we would enter into alliances with the most important companies; thirdly, that we would significantly increase our business revenues in the medium term.** Now as we approach the end of 2018, it is time to take stock of our goals and achievements.

In terms of an international opening, **the past year was the year of the breakthrough. Although initial encounters occurred earlier, two hundred and fifteen enterprises from fifty-six countries applied for the fall semester of our mentoring program.** All of them – including Americans, Portuguese and Swedes, in addition to our friends from Central Europe – thought that Budapest is the right place, and that Design Terminal is the right partner for their ideas and innovations to move to the next level.

We have launched innovation partnerships to build bridges between startups and large companies. Twelve months after the announcement of our first corporate co-operation, we can say **that we are working and thinking together with leading global companies in regards to business, technological and cultural challenges, and are able to attract the most creative and impressive solutions to Budapest from anywhere on the planet.**

Finally, a perspective about our management is important. **By 2018, we have substantially reduced the amount of support drawn from the Ministry of Human Resources, while we have increased our business and bidding revenues six-fold since 2016.** From the very beginning, we have believed that a major country-building value is generated in the workshops of Design Terminal.

**Gergely Böszörményi-Nagy**  
CEO



## DEAR READER,

Albert-László Barabási describes the elements leading to personal success in almost mathematical precision in his book 'The Formula'. But how would one describe the success formula for an incubator?

Design Terminal is like a midwife, helping talented people full of ideas develop solutions to the genuine human needs in our communities. With the assistance of seasoned mentors entrepreneurs develop their market-ready products/services and we guide them into various networks of customers and investors. In short, **Design Terminal helps relentless dreamers realize their dreams – for the benefit of the community.**

It is not that simple though. It is very rare that someone's first idea is a resounding success and so fulfilling that lasts for a whole life. In the start-up world, failure is commonplace. It is the lessons learned in marketing, operational and financial management that will be critically useful when developing the next product/service.

Turning back to our opening question, **Design Terminal's success is measured by the long-term productivity of its mentored team, and by the success of the innovative solutions nurtured.**

We thank the trust and joint work of our start-ups, mentors, investors and corporate partners. We can promise only one thing: our uncompromised dedication to make many talented people successful.

Sincerely,

**János Csák**  
Chairman









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## OUR TEAM



**János Csák**  
*Chairman*



**Csaba Lantos**  
*Member of the  
Supervisory Board*



**Zsuzsanna Kun**  
*Member of the  
Supervisory Board*



**Júlia Molnár**  
*Member of the  
Supervisory Board*



**Péter Szabadhegy**  
*Consultant*



**Zoltán Ács**



**Tamás Balogh**



**Gergely Böszörményi-Nagy**



**Zsófia Csukonyi**



**Andrea Farkas**



**dr. Laura Götzinger**



**László Jónás**



**Ábel Kocsó**



**Dávid Kozák**



**Diána Lajos**



**Nóra Lázár**



**Lilla Liskay**



**Bernadett Miklós**



**Kamilla Nagy**



**Dorka Orbán**



**Zsófia Péter**



**Ibolya Rác**



**Mária Rác**



**Bernadett Raffai**



**Zsolt Renge**



**Veronika Serly**



**Anna Szabadhegy**



**Vanda Széplaki**



**Márta Tankó**



**Tamás Tossenberger**



**Krisztina Vajda**



**Miklós Vargha**



**Zoltán Várdy**

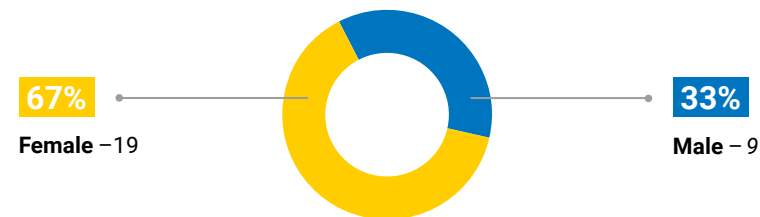


**Tímea Végh**

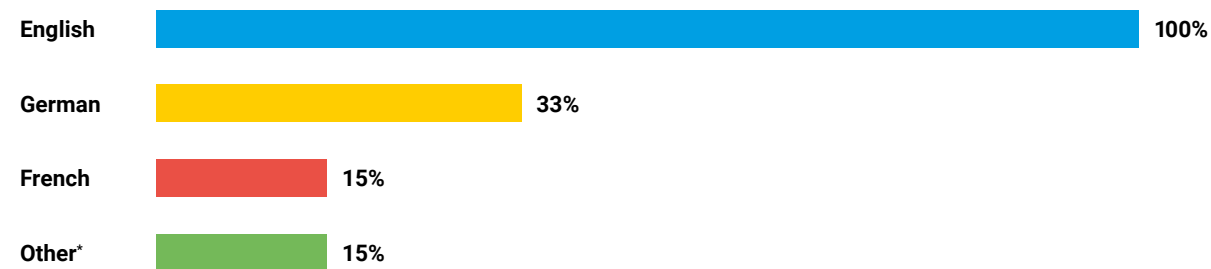
## Average Age of the Team



## Team Members by Gender

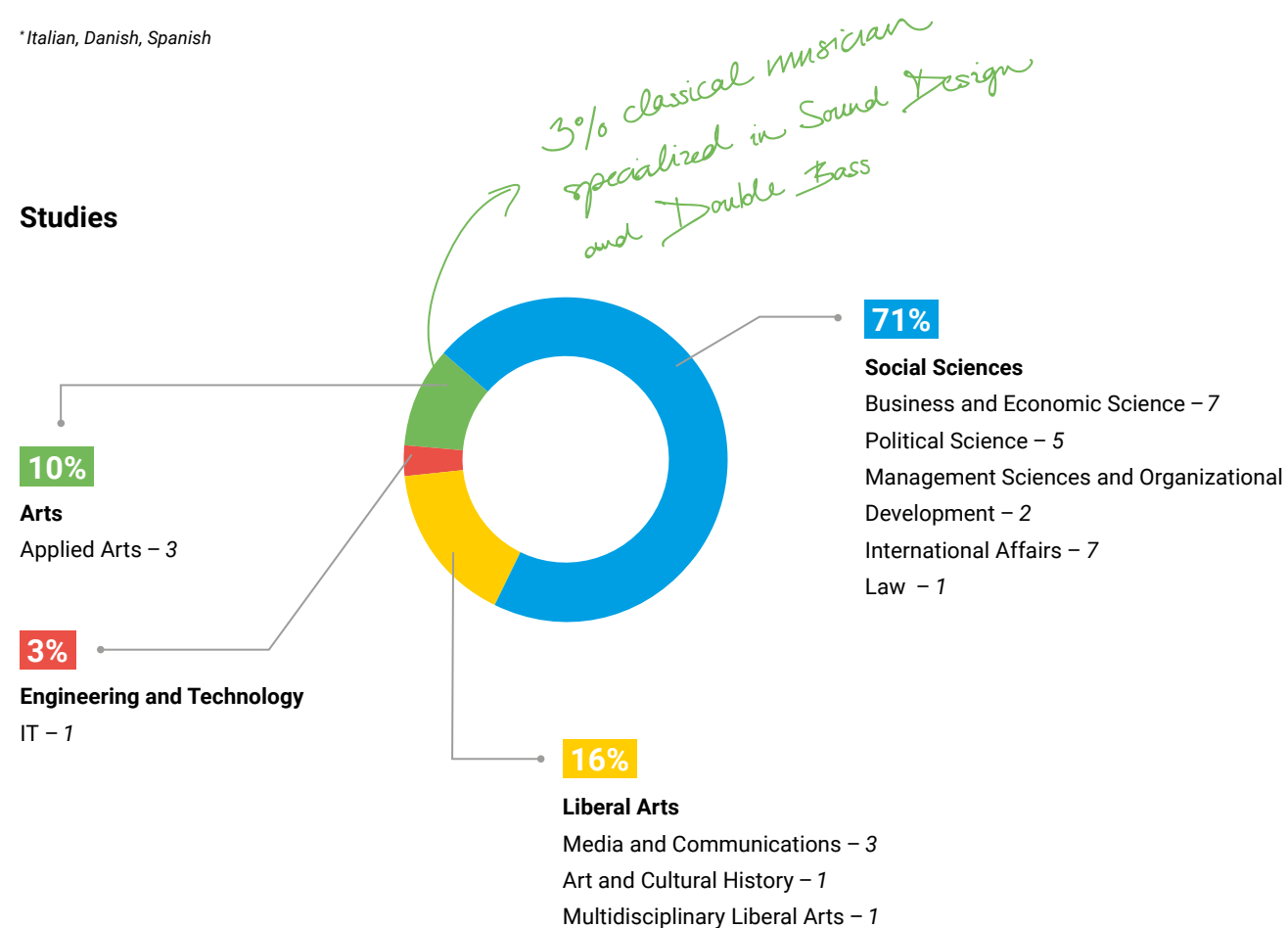


## Languages Spoken by the Team



\* Italian, Danish, Spanish

## Studies



**Tímea Végh**

Operational Manager

*„We are proud that an increasing number of Hungarian students studying abroad choose Design Terminal instead of Western European companies.”*

**Regarding the Design Terminal team, 2018 was about organisational development. What were the most exciting stages in the process?**

We have always endeavoured to flexibly adapt to the changes around us. This year, we have been consciously shaping the organisation so that this ability will remain our strength in the future. The renewed Design Terminal is a kind of innovation agency where the most important goal of organisational development is to efficiently serve our business cooperation. For this, it is essential to exploit personal competencies and to evaluate individual motivational paths. As a first and most exciting step, we have created an internal audit where we examined the challenges, capacity and asset shortages within the company through group sessions and individual employee interviews. Finally, we benefitted much more from the work done. We have become more familiar with our own processes,

group dynamics, and actually what the most special values of a Design Terminal employee are. All of these have helped us to create new organisational units, establish more streamlined internal processes, and define a long-term HR strategy.

**The internship program has also been renewed. How can the change be shown?**

It is still the most important thing that our trainees are doing useful and real professional work with us. In the new system, we offer the opportunity for career starters coming to us to discover new areas month by month in a rotating system. We are proud that an increasing number of Hungarian students studying abroad choose Design Terminal instead of Western European companies. As they typically return from longer internships, they also favour the varied tasks in the new system.



## Student Ambassador Program

In 2018, the student ambassador program of Design Terminal was launched under the name “Changemakers”. Our student community is committed to embracing high school and university-aged young people inclined to entrepreneurial lifestyles and innovation. Within the framework of this initiative, the most able Hungarian and foreign talents are given the opportunity to get acquainted with the way a startup business is built up, how large companies open to technological innovation operate and how international thinkers shaping future trends see the world.

**Thanks to the program, many of the students are employed by startups, innovative companies and prestigious educational institutions.**

*“This not what the privileged are entitled to. Everybody has the opportunity to make changes.”*

**Tamar Buachidze**  
Student Ambassador of Design Terminal







## OUR NEW HOME IN BUDA

In the summer of 2018, Design Terminal moved to a new building. The building, located at the foot of the Buda hills and reachable from the city centre within a quarter of an hour, was built in modernist style in the 1930s. Traces of the Bauhaus school, close to many of us, can be discovered in its design. One of Hungary's most talented interior designers, Gáspár Bonta, re-dreamt the spaces of the building for us.

The mission of our new headquarters is to provide inspirational space for professional work in Design Terminal workshops and for the common thinking with government and corporate partners. **Our community office, developed in the attic of the building, also serves as home to businesses that we mentor. As with all the services of our talent management program, we also provide this option free of charge to startup companies embraced by Design Terminal.**











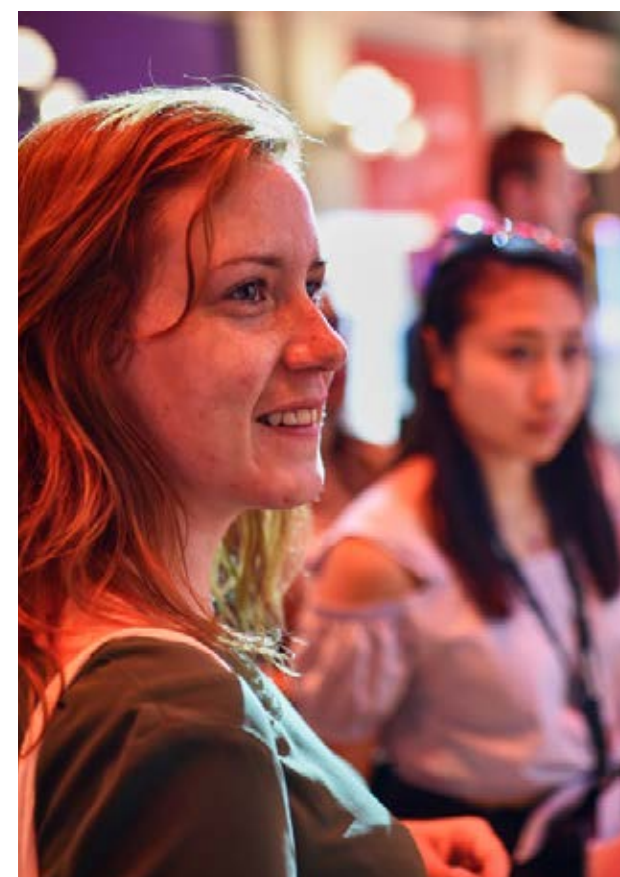
# MEMORABLE MOMENTS OF 2018

## Further Education at the World's Best University

Gergely Böszörményi-Nagy, CEO of Design Terminal, has been admitted to the Social Entrepreneurship Program at Stanford Graduate School of Business in California. **The training was offered to leaders of organisations that contribute to achieving important social goals worldwide.** Only two applicants from Europe were selected for the program. In 2018, the Stanford Graduate School of Business was chosen the best in the world by the Financial Times.

## Najat Vallaud-Belkacem at the Yellow Table

In spring, Design Terminal hosted the former Education Minister of France, the Special Adviser to the European Commission. We exchanged experiences with the leader considered to be one of the most popular young politicians of his country on best practices of business talent management and the tools of disseminating the culture of entrepreneurship.



## Open Gates for Talent

At the beginning of the summer, we were independent exhibitors at the Future Jobs exhibition fair organised by Brain Bar. **Design Terminal hunted for talent among key companies such as Bosch, BlackRock and Magyar Telekom.** We are proud that our stand in this field proved to be one of the most popular.



## ZOLTÁN VÁRDY IN A SPECIAL ROLE

*„There is a sense of mission, which is missing from most organisations. It's not easy to build a bridge between startups and big companies, but this team is defined by the determination that „we will do it“.”*

2018 meant not only the year of physical, but also of organisational renewal. With the leadership of Zoltán Ács, our think-tank responsible for product development was established. Its task is to develop and continuously improve the mentoring program and the professional content of the innovation partnerships of Design Terminal. From September we will strengthen our professional workshop with another new and special position. Zoltán Várdy, former vice president of TV2 and vice president of NBC Universal, helps the work of Design Terminal as Senior Adviser in an Entrepreneur-in-Residence capacity. We benefit from his unique experience in positioning and sales in the development of our mentoring program and our innovation partnerships as well.

### **Why have you decided on collaboration?**

In the fall of 2017, I joined Design Terminal as a lead mentor. For nearly a year I could experience the dynamism and single-mindedness that characterizes the entire operation of the organisation. I was fascinated by this community and I wondered if there was any area in the company's life where I could apply my nearly thirty years of international business experience. After a few meetings we managed to put it all together and since then we have been in the same boat.

### **From a strictly professional point of view, what are the features that are most characteristic to the Design Terminal team?**

There is a sense of mission, which is missing from most organisations. It's not easy to build a bridge between startups and big companies, but this team is defined by the determination that “we will do it”. This ambition is accompanied by a professional attitude and openness to innovation, which is why it is not only interesting but effective for me to work together.

### **What is the measure of success? When would you be satisfied with your personal involvement?**

In the world of business, effectiveness is measured by numbers, and here I also have to rely largely on these. I will be satisfied if we succeed in establishing the corporate innovation partnerships with the number and of the value we have set, and we have a sufficient number of startup companies of adequate standard listed. I will also feel the result of my personal involvement if the planned and conscious organisational activity, which has always characterised the companies I managed, is further intensified in everyday processes. I look forward to next year.

A portrait of Zoltán Várdy, a middle-aged man with short, dark hair, smiling at the camera. He is wearing a light blue button-down shirt under a grey blazer. The background is a soft-focus outdoor scene with green foliage and some yellow flowers.

**Zoltán Várdy**

Entrepreneur in Residence





# BUSINESS TALENT MANAGEMENT

In 2018, the popularity of the business talent programs of Design Terminal exceeded our expectations by overturning our previous record. **In addition to domestic talents, two hundred and fifty enterprises, from fifty-six countries worldwide, applied for the last semester of our mentoring program launched four years ago.** The ever-increasing range of choice has offered an opportunity to further tighten the selection, thus enhancing the “homogeneity” of the contestants and the professional standard to which we adhere. We have tried to meet the growing expectations of the involved teams by reorganising our mentoring community and by introducing new training modules.

In addition to the support provided by the Ministry of Human Capacities (MHC), we continuously improve the personnel and technical tools of our talent management with the business revenues of our innovation partnerships.

Number of applicants for our mentoring program

73

2017

340

2018









SPRING SEMESTER



CollMot is a startup developing a multi-drone service. They have been working with their intelligent drones mostly in the entertainment industry (e.g. the fireworks on 20th of August and the opening ceremony of FINA Swimming World Cup). Their new goal is to exploit the opportunities provided by drones in agriculture, environmental protection, industrial measurements and other useful public services.



FabriXense's smart clothing is capable of measuring health (heart rate, breathing, oximetry, blood pressure) without the direct contact of skin and clothing. The purpose of the product is to monitor the health condition of pregnant women and the foetus during pregnancy, as well as to monitor the baby's health.



People with visual impairments can read traditional books or official documents with GloveEye's small and portable device. The program converts the printed characters to Braille. The product is similar to a glove. The user only has to run it through the text and the spikes built into the glove will translate the text in real time.







Learn IT provides families and educators with ready-to-use curricula to organise coding clubs, workshops and camps for children aged 9-16. The target group of the company is not only parents but also state and private educational institutions.



Nold is a smart-home startup. Their first product, Nold Open, is a bluetooth-based device driver that makes it easy and comfortable to solve the problems of the increasing number of different controllers and remote controls in our homes and the inconveniences associated with them.



The StudyX solution enables every company to create mobile applications that develop their employees' knowledge based on pre-made patterns without programming knowledge. The "micro-courses" can be accessed by employees from any device, and the customizable and continuously renewable materials also enhance the employees' commitment to their workplaces.



DESIGN TERMINAL

**HOW THEIR STORY  
UNFOLDS IS IN YOUR  
HANDS TOO.**

**WHICH STARTUP  
WOULD YOU INVEST IN?**

2018



FALL SEMESTER



It is an award-winning Hungarian innovation that makes education more experiential with the help of extended reality. Innobie, founded by university students in Vojvodina, won the domestic round of the Microsoft Imagine Cup and reached the global final.



It is a smartphone that provides local and safe communication without a network. Sharekiwi can be useful in a number of areas of use (e.g. military, construction, communication at large sites or in office buildings). One can even share HD-quality content through a test version of the system, yet it's also suitable for sending messages.



It is an online agency that deals with the placement of photographers and video makers. Photon does not simply deal with placement, but it matches the appropriate workforce with the suitable project.



Cogito is a community platform helping efficient learning, through which students jointly prepare notes that can also be checked by their teachers. They have already involved 800 students in order to develop their product, and their aim is to reach 70 percent of those in higher education within five years.



It is a team that develops an online helpdesk. Welcome.Chat helps businesses increase customer satisfaction and acquire new business opportunities. Their service is based on a user-friendly chat window that can be embedded in any website and can be used without registration or login.





It is a tool for analysing corporate employees. Socialmap analyses the employees' verbal and non-verbal communication through teamwork, using artificial intelligence and machine vision to help managers improve team dynamics.



## Pedro Melgarejo

CEO

**You have literally arrived in Budapest from the other side of the world. Why have you exactly chosen the mentoring program of Design Terminal?**

This program seemed to be outstanding in the international field as well. It was a great opportunity for us to become better known, and finally, to learn about the European market.

**What specific help did you receive to achieve your goals?**

Decision-making skills, primarily in building our company and addressing the most important internal challenges. We have succeeded in developing our business model as well. The mentors of Design Terminal have real on-site experience and have been very committed to transferring their knowledge to us as well.

**What is next after the mentoring program?**

We have received the appropriate samples and the "homework". Our task now is to break down the last barriers in scaling our product in order to become fully marketable.





*„Thanks to the prompt and efficient contribution of Design Terminal and its mentors, our company is on a fast track.”*

Dávid, Wellcome.chat





## AT HOME IN THE CARPATHIAN BASIN

In cooperation with the government of Hungary, we have been working for years to help the young Hungarian entrepreneurs of the Carpathian Basin create a community that provides for sharing knowledge and experience. **In June 2018 in Mezőkövesd, we held a training for two hundred Hungarian company-founders from Upper Hungary, Transcarpathia, Transylvania, Vojvodina, Prekmurje and Croatia.** In addition to the group sessions, the six leading mentors of Design Terminal also helped young entrepreneurs through a twenty-four-hour individual consultation - free of charge.







## V4 STARTUP FORCE: THE VISEGRAD DIMENSION

In the fall of 2018, we launched V4 Startup Force, the first entrepreneurial scholarship for Central Europe. The program, which is funded by the International Visegrad Fund, **aims to create co-operation between the business talents and big corporations of the region, thus strengthening business relations between the Visegrad countries.**

**The four promising companies selected from the Visegrad Group countries first received a ten-day intensive business development training in Budapest. Then, at the Bratislava, Prague and Warsaw stages of the program, they attended business meetings** with their prospective clients, Central Europe's dominant companies. In the implementation, the professional partners of Design Terminal are the Slovak 0100 CAMPUS, the Polish Foundation for Technology Entrepreneurship and the Czech UP21. Our firm goal is that the V4 Startup Force will be implemented annually in the future.

## PARTICIPATING TEAMS

### Aeriu.

Aeriu's solution automates the lives of logistic centres by using drone software that can be tailored to the client's needs. Companies are now able to carry out inventory and stockpiling processes by saving a significant amount of labour, time and money, since work can be done by a drone instead of people. The Hungarian Aeriu is also in a test-phase in the international network of IKEA.



The Slovak Freya helps women and men in family planning by recommending steps that they can take before they have children. It is a tailor-made tool based on the analysis of health, lifestyle and priorities. Their plan is to assist in financial planning, to share success stories of young mothers who have found the balance between family life and work, as well as to give tips on communicating with the partner and the family.



Polish Runvido helps enterprises to better communicate with their customers by their tools of extended reality. With this platform, advertisements can be expanded and extended, thereby allowing companies to share multiple information on the same image.



Czech Aibrace is a digital bracelet that can save lives in cases of emergency related to heart, nervous system or breathing problems. The device can monitor heartrate, breathing, body temperature and location in real time. It realises if something is wrong and automatically calls for help. Aibrace also provides remote access to information, so doctors can track the status of an individual.





COLLABORATION WITH BUCKINGHAM PALACE

One of the highlights of this year, a significant moment in the history of Design Terminal, was when **Buckingham Palace** asked our team in spring 2018 to bring the **British Monarch's own innovation talent competition to Central Europe**. The initiative, Pitch@Palace, founded by Andrew, the Duke of York, provides a spectacular introduction in several places around the world, as well as a lifetime experience and relationships for young company founders.

The first Central European event could be implemented with the mediation of the Ambassador of Hungary in London, Kristóf Szalay-Bobrovniczky, and in partnership with Századvég Foundation and KPMG. In the regional final organised in Vigadó, in addition to Andrew, the Duke of York, László Palkovics, Minister of Innovation and Technology and László György, State Secretary responsible for economic strategy and regulation, also made a speech in front of hundreds of people.



■ Andrew, the Duke of York, founder of Pitch@Palace talent competition and László Palkovics, Minister of Innovation and Technology









## INNOVATION STORIES

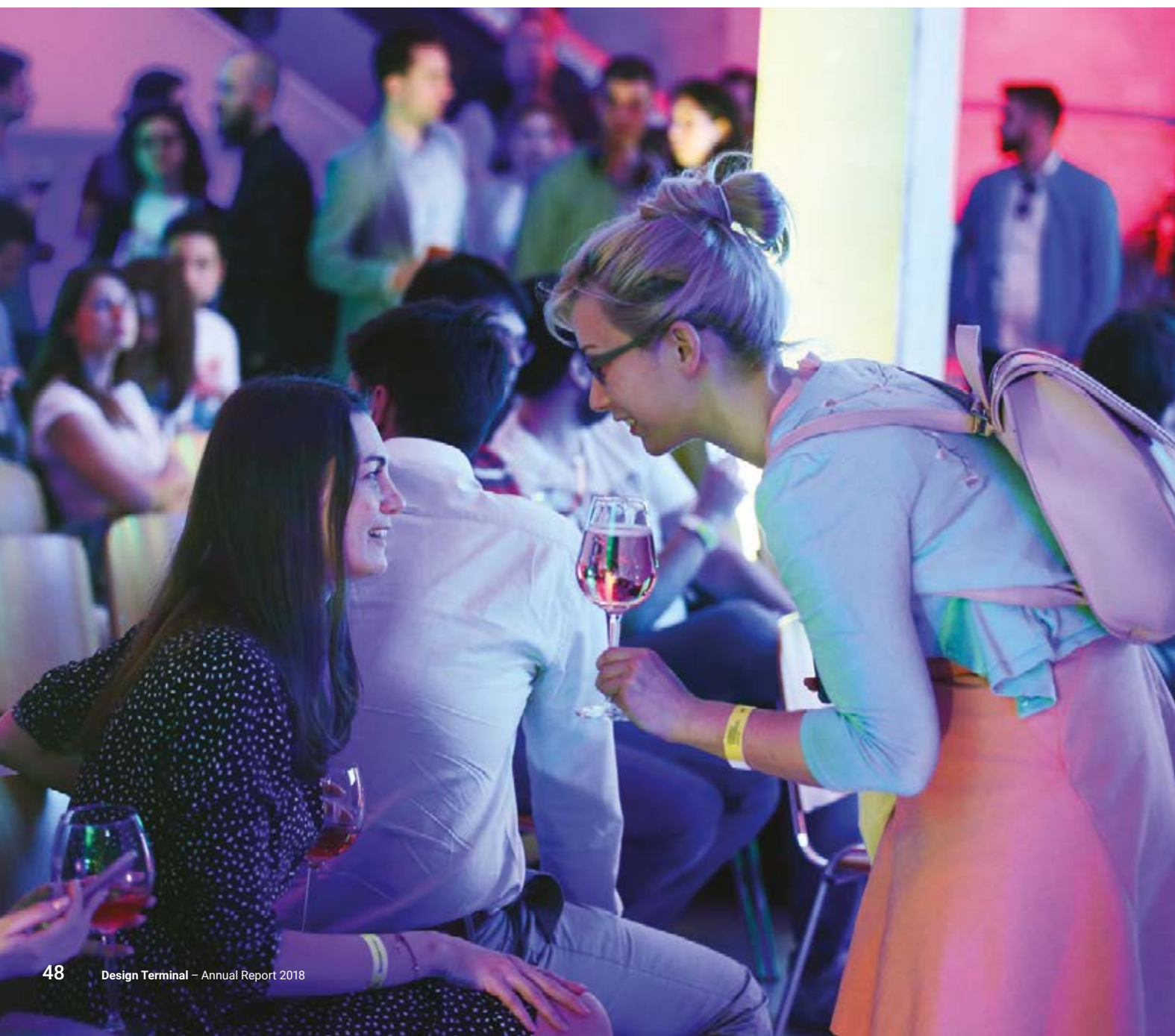
In May and October, "Innovation Stories", our series of events for young people interested in the world of innovation, continued with new events. For our spring theme, we chose digital healthcare, from its role of artificial intelligence in medicine through wearable sensors to the animals bred in laboratories. We had financial technologies, crypto-currencies and banking services of the 21st century on the agenda of our fall event. On both occasions, our host was "Három Holló", the popular restaurant on Március 15. tér, in downtown Budapest.



## SUMMER OFFICE

In 2018, our popular relationship building series, Summer Office, continued. In the framework of the series, Design Terminal's professional partners, and those previously and currently mentored by **Design Terminal**, moved to a common "office" on the working days of the summer months where they had the opportunity to share the latest professional experiences and inspirations.

Our new centre has made it possible for the Summer Office to move from the open-air catering market to our own community space since August 2018. By this, our team has become a true host, so the series can continue in a more direct and friendly mood in 2019.











# INNOVATION PARTNERSHIPS

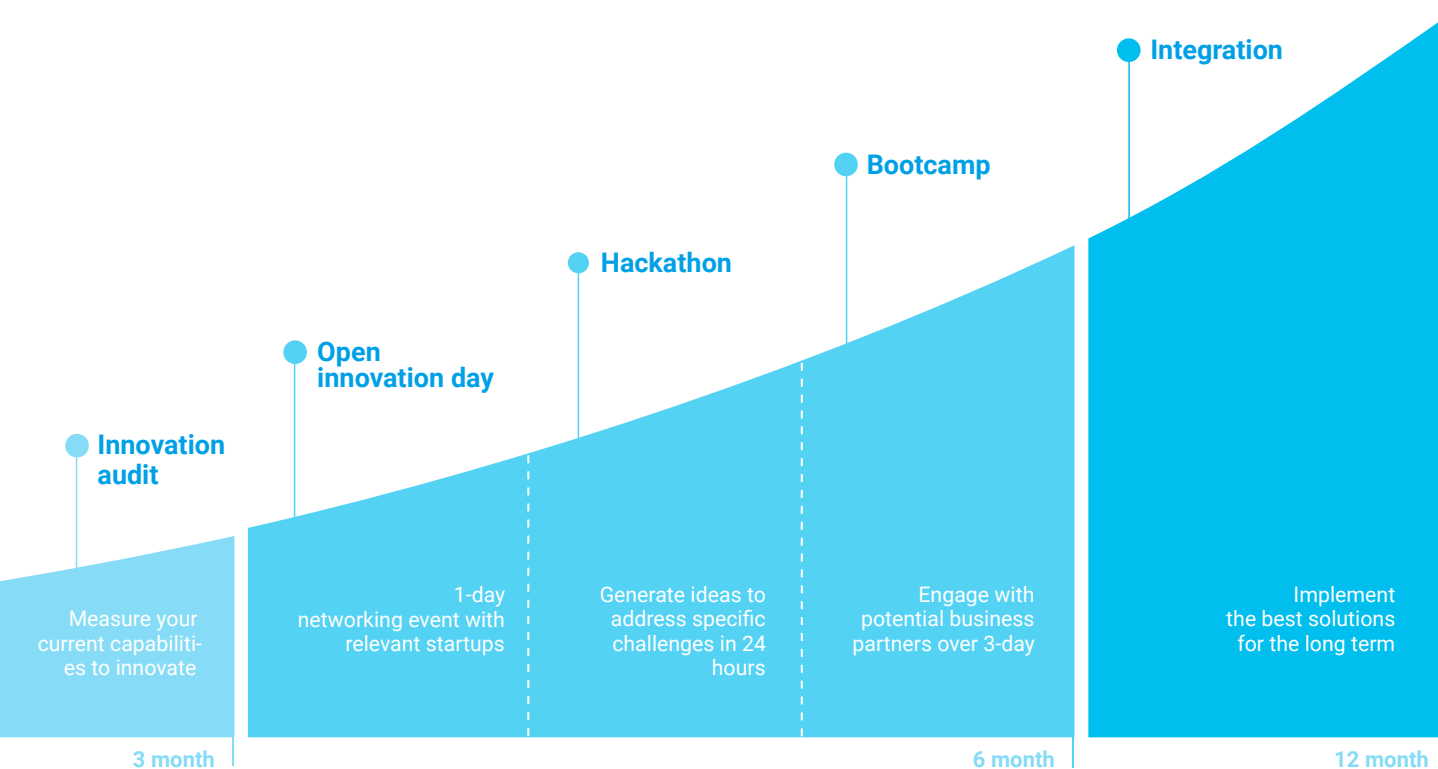
In 2017, Design Terminal launched its innovation partnerships where we built a **bridge between key business actors and the most promising startup enterprises**. The essence of our service is to create tailor-made innovation programs for large companies entering into partnership with us, through which they can fit technology and business solutions from the world of startups to their everyday operations. With the help of this, our corporate clients **increase their competitiveness, strengthen their business value chain and thus become more attractive to talented youth**.

Following our first partnership, the pilot program built for MOL Group, we switched into a higher gear in 2018 and formed an alliance with other domestic and global companies. As a non-profit organisation, we spend the total revenue of our business partnerships on the development of the talent management activity of Design Terminal.

**80+**  
*national and international mentors*

**220+**  
*participating teams*

**500+**  
*collaborating corporate employees*



László Jónás

Head of Business Development

*„We can support those open and brave leaders who recognize the importance of their organisation by constantly discovering innovations born in their territory, and yet independent of them.”*

**Design Terminal has been working with corporate partners for a year. Did you expect experiences like these?**

We have an exciting year behind us, we have been enriched with a lot of experiences and knowledge. Our innovation partnerships have always met and even exceeded the pre-defined expectations, for example in the number of candidates. It is important that we have been able to collaborate in several industries at the same time, so our methodology has been able to offer proof in different areas.

**What exactly are the typical steps of cooperation?**

Joint work usually starts with an innovation audit, where we explore the areas where the company faces challenges and can benefit from the cooperation with startups as a kind of external resource. The next step depends on the result thereof. The Open Innovation Day offered by us gives the client an insight into the innovations already on the market, all in an afternoon. Hackathon is a spectacular, 24-hour idea competition tailored to the company's challenges, and at Bootcamp, in just three days, new, innovative suppliers will be introduced to the company. Whichever is chosen by our partner, the most exciting part comes after that, since with our integration program, we are also actively involved in making the newly selected startup solutions a part of the company in an organisational and cultural sense.

**How would you describe the company leader you would most likely offer the Design Terminal partnership?**

We can support those open and brave leaders who recognize the importance of their organisation by constantly discovering innovations born in their territory, and yet independent of them. We also welcome those who would like to introduce successful international methodologies related to the development of startups with the employees of their own company.

**How and by what means can the benefits of such cooperation be measured from business owners and shareholders' point of view?**

The results within the organisation are already visible within one year, depending on the startups' area of operation and degree of maturity that the company collaborates with. Of course, the most productive model is if we can continuously be present in the life of our partner, since the agile approach of the startups becomes part of the organisation's daily operation.



The 110-year-old Knorr-Bremse is the world's largest brake system manufacturing company, with sales reaching 6.24 billion euros in 2017. It is a special professional challenge that the Budapest division of the corporate group, which is also important from Hungary's export performance point of view, has chosen Design Terminal. The innovation partnership launched with Knorr-Bremse **was not just the most complex business program of 2018, but was also the start of a long-term cooperation, according to our plans.**

Knorr-Bremse that also manufactures the brake system of the Japanese high speed bullet train, the earthquake and typhoid-safe, Shinkansen, initially looked for startup businesses with the help of Design Terminal, which can help the management **to develop internal communication, streamline administrative processes, and strengthen corporate culture.**

**As a result of our global recruitment campaign, more than eighty businesses have applied from all over the world.** From among them, the twelve most promising teams were hosted at a three-day Bootcamp event on the Budapest A38 ship, which could also be an unusual, flexible tender procedure. Knorr-Bremse took advantage of the special format and involved forty specialists of its senior staff members in dialogue with current startups. Knorr-Bremse is launching concrete pilot projects with the team presenting the three most useful solutions. Integrating innovative tools into the everyday operation of our client is supported by Design Terminal.



*„Design Terminal is an excellent catalyst between the world of startups and big corporations. They have a wide range of social capital around the world, helping to choose the best startups and making the integration of the selected solutions more effective.“*

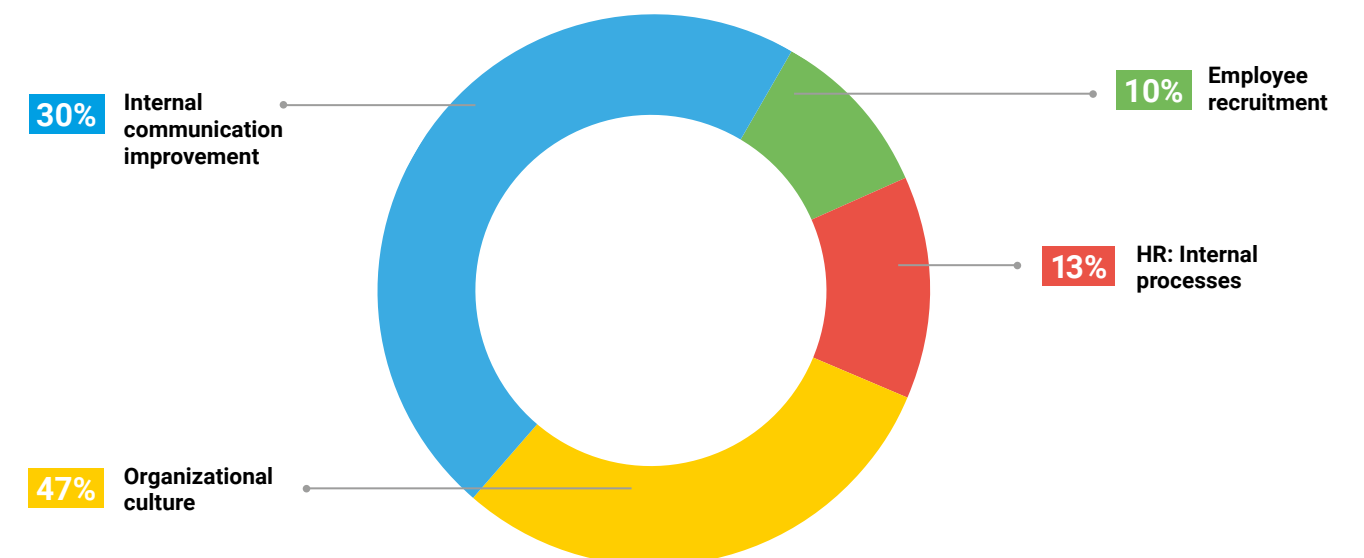
**Attila Bolla**  
Head of Development

**82** applicants

**21** countries

**11** mentors

#### Ideas of applicants by topics





## THE CHOSEN ONES: WITH WHOM KNORR-BREMSE CONTINUES IN COLLABORATION

Feedyou offers a chatbot solution to manage the company's personnel processes. It can be used for employer branding, recruiting and new employee entry processes, answering frequently asked questions from the HR Department or even training employees. The advantage of the system is that it is easy to align with other information systems and is available on many online platforms.



Client.io's solution can connect multiple web applications and databases, thus making corporate workflows smooth. The platform is suitable for the visual display of a wide variety of business processes so that everyone can use the service easily.



Delgate has realised that in most companies, many, otherwise excellent ideas, get stuck at the negotiating table and do not reach the implementation stage. The startup solution helps to explore the currently free resources and identify the professional knowledge necessary for the implementation of stray ideas. With Delgate, the company can more easily launch internal development projects, thus supporting the strengthening of internal processes and organisational culture.



## Zoltán Ács

Head of Innovation



*“Knorr-Bremse realized that experiments are necessary for innovation, and that making mistakes is also part of experimentation. Investment in innovation, however, will be profitable in the long run.”*

**The position of innovation and product development manager is a completely new position in Design Terminal's life. How can we imagine your daily work?**

Busy, varied and exciting. A product, that is, the innovation program development of a big corporation, consists of three phases. The research phase requires empathy, and the ability to innovate is a complex issue where the key is to understand the client. The most creative part of my work is to create a company-tailored program. Late night brainstorming, plenty of drawings, design and experimentation... And the real jump comes after that, the implementation of the programs. Consistent and steady work is needed from the startups, the staff of the client and our own staff and mentors to achieve a real increase at operating level from the cooperation. With us, every client does what he has never done before, so the key is to create a balance. In the course of innovation, we have to be flexible and at the same time the risks accompanying experimentation shall be addressed.

**Knorr-Bremse is a highly successful company with best practices. How can Design Terminal help a company with such a high calibre?**

Indeed, we are talking about a true market leader. At the same time, the business environment changes so rapidly that no company can be certain of its position. Knorr-Bremse has realized that it has to be prepared for the future if it wants to keep pace. This requires streamlined processes, an efficient organisation and the ability to work effectively with startup businesses. The task of Design Terminal is to find external solutions that help improve organisational development, and make internal processes, recruitment and internal communication more efficient. It is also part of our mission that after selecting the appropriate startups, we direct the effective collaboration between companies and big corporations, and we also develop the organisation of the company, as no successful cooperation can be achieved without it.

**What has been the biggest surprise to you so far during the partnership?**

How much each party can learn from each other... It turned out that Knorr-Bremse is actually full of intrapreneurs, secret entrepreneurs within the company, who, if they learn the proper methodologies from the little ones, i.e. the startups, can do wonders in a large organisation as well. It was also a positive surprise how fast the management of Knorr-Bremse realized that experiments are necessary for innovation, and that making mistakes is also part of experimentation. Investment in innovation, however, will be profitable in the long run.









In the spring of 2018, we joined forces with the Hungarian team of one of the leading energy service providers of Europe, E.ON Hungary. Within a couple of weeks, **we organised two very different but successful hackathons for our partner, which attractively illustrated the diversity of the company's business challenges and its openness to innovative solutions from the outside.** In addition, as a professional partner, we supported the organisation of E.ON's own competition with a long tradition, the successful domestic Energy Globe, now with a new category specially for startups.

In the case of our hackathon, Challenge.ON - The Future of Energy, the participants were brainstorming the expansion of the range of energy-related services, the increase in the demand for the awareness of energy consumption, and the methods of promoting greater client commitment. At the event organised at the Moholy-Nagy University of Arts, teams of 2-4 members with engineering, environmental or even natural sciences backgrounds developed their ideas in the categories of Smart Home Applications, Increase in Client Commitment, and the Future Consumer.

**70** applicants

**15** countries

**27** mentors



Our brainstorming competition "Watch the Bird!" focused on a very specific issue which concerns the public from time to time: **How can birds, including the storks especially beloved in Hungary, be protected from high-running electric wires?**



■ Andrea Nagy, employer branding expert and László Nagy, innovation officer.

## E.ON AND DESIGN TERMINAL JOINTLY FOR STARTUPS

The tender for the international competition for energetics, Energy Globe embraced by E.ON, was expanded by the category of "Idea". **The competition also provides for popularising the innovative solutions of enterprises in their early stage.** Creating this category and reaching enterprises as a professional partner was supported by Design Terminal. The award was given by Gergely Böszörményi-Nagy, Design Terminal CEO.

The winner of 2018, KonvekPRO, digitalises the mechanical gas convectors so they can be controlled by any modern digital device, whether it is a room thermostat, a modern smart home system or even a mobile phone. **The jury appreciated that KonvekPRO has created a widely accessible, affordable energy efficiency solution.** 78% of families using KonvekPRO experience a 10% reduction in consumption.





# A jóvo energiája

Hackathon



*„Brilliant thoughts  
have been born.”*

Lajos Gelencsér  
E.ON



# BLACKROCK®

We are proud that we have been friends with the world's biggest fund manager since it first appeared in Hungary. The spectacular scene for our first innovation co-operation was a special hackathon organised for BlackRock. In the 24-hour brainstorming competition, the teams had the task of designing applications that would allow users to spend their money more consciously and more efficiently in their daily lives.



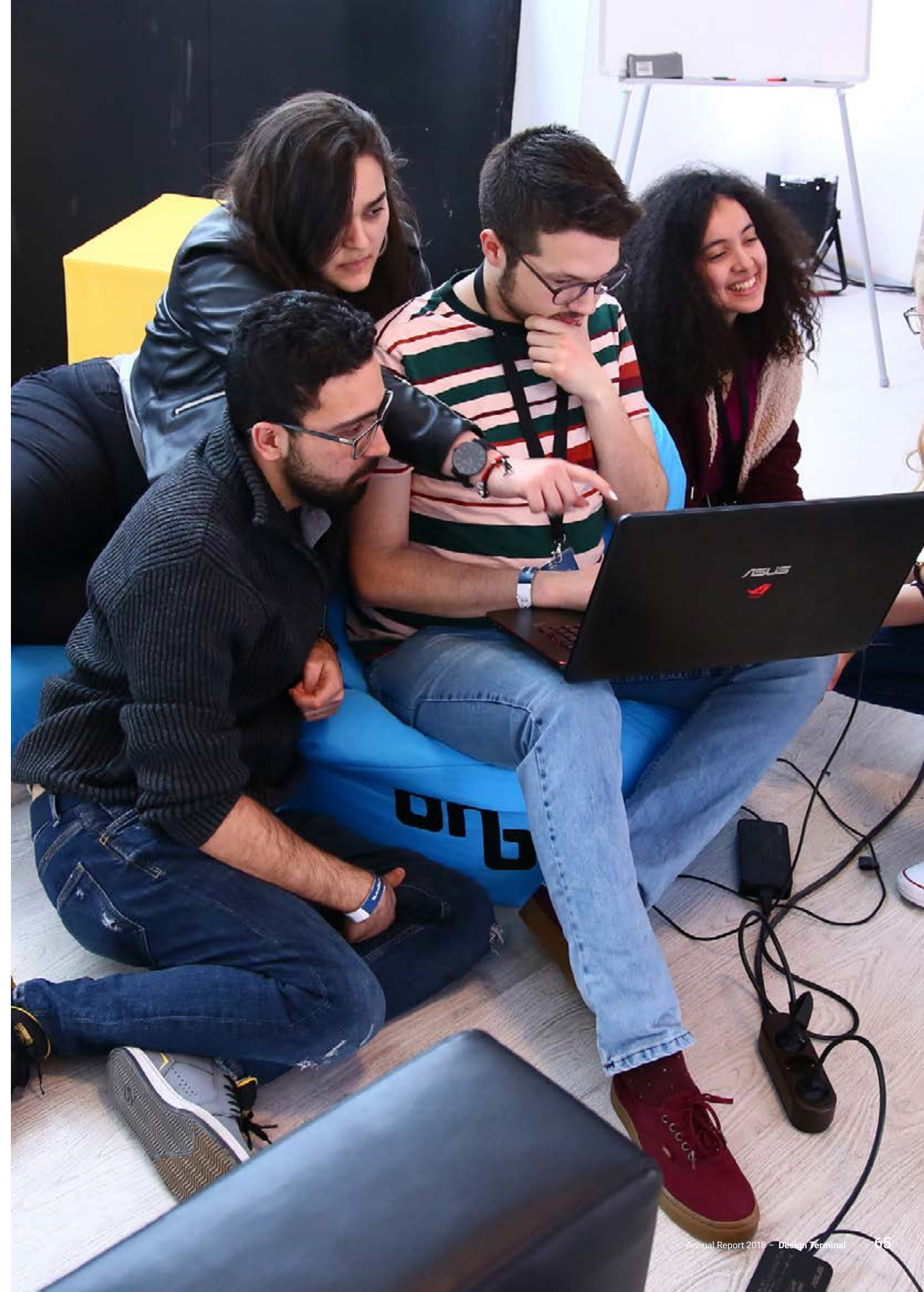
With the help of such challenges, our client's unconcealed aim is to find innovative developers that perfectly match the company's culture.

142 applicants   16 teams   10 countries   28 mentors



*„Budapest is a magnificent city with brilliant talents. The most diverse ideas and experiences become alive here.”*

**Martin Syms**  
BlackRock





Union Insurance Company, part of the Vienna Insurance Group, the second largest insurance company in Europe, has decided to open up to the world of startups, allowing for innovations to become available to the life and services of the organisation from the outside from 2018. Design Terminal supported the process in the development of UNION's innovation strategy as an adviser. **We could announce the first spectacular results of the cooperation within a few months: the insurance company entered into a strategic agreement with a Hungarian start-up company, Fitpuli.**



The solution of Fitpuli is an application that organises information about chronic diseases, is able to perform basic vision and hearing-related screening tests, and helps the user interpret laboratory findings. **In the future, UNION will sell the new service to its own corporate customers, who can use Fitpuli to pay more attention to their employees' health.**

We know of few more exciting industries than public transport. At the same time, the challenges vary considerably between countries. While in some places hypermodern railways are the symbol of the future, in Hungary the right ambition is to catch up. **The aim of our cooperation with MÁV Zrt was to establish an internal system of innovation based on employees' ideas. The first result of our joint work is the INNOMÁV application program, which gives employees the opportunity to present their own development proposals and formulate them as a concrete corporate project.**



Design Terminal's involvement covered the planning of the application criteria, the form and content requirements of the applications, and the evaluation system and the back-testing of tender efficiency. In order to strengthen the organisational culture, the application could only be applied for in teams. **Seventy-one teams delivered one hundred and six ideas** to the first INNOMÁV announcement.



## The Meeting of Sentient Leaders

Every year, our friends and partners, the KPMG team, conduct their global survey on the expectations of the managers affecting the future. **In 2018, taking the opportunity of the niche publication, CEO Outlook, we organised a joint event, which was held in the popular event space of Brody House at Brain Bar's future festival. At the discussion open to the general public, we also asked the leaders of Knorr-Bremse, E.ON, BlackRod and UNION to make their comments. The event also provided an excellent opportunity to introduce the practice of our innovation partnerships to new, potential clients.**



In 2017 Design Terminal and Google joined forces to organise the first Developers Launchpad event in Hungary where start-ups participated in a 1-day long consultation in order to further develop their ideas and business models. This november new partners, experts from MKB Fintechlab and Millenáris Startup Campus joined the program to help **fintech focused businesses. Our topic was validation, the application of market feedbacks on innovative products and services.** Workshops and personal mentoring consultations helped the young founders improving their businesses.







## PHILANTHROPIC ACTIVITIES

We are proud that Design Terminal has been a strategic partner of the Hungarian Inter-church Aid (HIA) for several years. The most important and constantly growing event of this cooperation is our traditional Christmas charity auction. **At Talent for Good, held in Müpa Budapest, our mentored startups and corporate partners offered their best products and most exciting services to help us support the Christmas charity program of HIA with the entire proceeds.**







## OUR FAILURES

In 2018, the expanding international relationships and new services of Design Terminal, including the innovation partnerships with market actors, tested the organisation. **As a result of the increasing workload and the transforming responsibility structures, this year our fluctuation rate exceeded the previously planned level.** There have also been several cases when we bade farewell to certain staff members (due to the decision made either by the management or the person concerned) within a painfully short time. Since the summer of 2018, learning from these lessons, we have consciously been **developing our selection system, the onboarding process, the division of labour within the organisation and the management feedback system** by involving professional consultants.





# TRANSPARENCY

STATE GRANTS

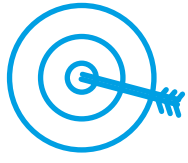
Design Terminal is a nonprofit organization. Our operations are financed by state grants and company partnerships. State grants are provided by the form of a public service contract signed with the Ministry of Human Resources of the Government of Hungary. As such, Design Terminal has a regular reporting obligation, including the submission of annual, and project based financial statements. **The business operations and financial statements of Design Terminal are audited by the widely acknowledged international audit company BDO.**

COMPANY PARTNERSHIPS

2017

2018





# COLLABORATIONS

## KEY PARTNER



## PHILANTROPIC PARTNER



## BUSINESS PARTNERS



## PARTNERSHIPS



## MEDIA PARTNERS





## IMPRESSUM

Responsible publisher:  
Design Terminal Nonprofit Ltd.

Photos:  
Lilla Liszkay, Miklós Vargha, Bálint Jaksa

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