



**2016**

**REAP Report Team**  
**Puerto Rico**  
Executive Summary

**LOOKING  
BACK  
&  
LOOKING  
FORWARD**

# EXECUTIVE SUMMARY

## ABOUT MIT REAP

This report summarizes the journey and results of the team representing Puerto Rico at the Massachusetts Institute of Technology's (MIT) Regional Entrepreneurship Acceleration Program (REAP). This two-year program brings together teams with representatives from 5 key sectors (Entrepreneurship, Academia, Corporate, Risk Capital, and Government) in order to design an acceleration strategy for their particular region or country's innovation-driven entrepreneurship ecosystem. Team Puerto Rico participated in the 2014-2016 cohort alongside teams from London, England; Valencia, Spain; Seoul, South Korea; Morocco; Moscow, Russia; Qatar; and Singapore.

The MIT REAP Methodology is based on the premise that Innovation Driven Enterprises (IDEs) can drive sustained economic growth for a particular region or country through regional or global impact, high growth potential, high quality job creation potential, and a clear and defined competitive advantage. These types of businesses flourish in an ecosystem that fosters innovation capacity as well as entrepreneurial capacity, enables linkages between innovators and entrepreneurs, and is based on a series of strong, focused clusters.

The two-year program is anchored by a series of four workshops, two of which were held at MIT and the other two in London and Singapore, respectively. These workshops allowed the team to learn and share global best practice from MIT faculty and other regional teams as well as engage in global interactions and network building with international peers. Between each workshop, teams went through action phases with specific deliverables that allowed for deeper analysis, validating assumptions, strategy design and implementation. The REAP journey is structured in order to achieve the following objectives:

1. **Accelerate innovation-driven entrepreneurship** to create vibrant regional economies
2. **Understand key drivers** of IDE ecosystems
3. **Evaluate strengths and weaknesses** of regional IDE ecosystem
4. Design an **Acceleration Strategy** to strengthen and catalyze regional IDE ecosystem
5. Find **resources and engage stakeholders** to move towards **implementation** of Acceleration Strategy

The analysis and strategic focus resulting from this journey is set forth throughout this report and includes: in-depth analysis of the local IDE ecosystem; detailed acceleration strategy; and a plan for driving the implementation of said strategy beyond the official conclusion of the REAP Program.

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## ACCELERATION STRATEGY OVERVIEW

The REAP Team's work is guided by a long term commitment towards sustainable economic growth for Puerto Rico. Our team encourages local stakeholders to embrace a new Vision for Puerto Rico's future which seizes on the opportunity to leverage innovation, entrepreneurship, and collective impact:



To develop and implement a new economic development strategy for Puerto Rico based on a budding generation of IDE entrepreneurs and a strong local capital base in order to restore economic growth.



After assessing the current state of Puerto Rico's IDE ecosystem, the REAP Team has selected a Strategic Objective that reflects what we believe to be the crucial set of actions needed to transform the island's entrepreneurial ecosystem into an important driver for economic and social development for Puerto Rico:



To jumpstart Puerto Rico's entrepreneurial ecosystem by supporting the transformation of our culture into one that nurtures, supports and celebrates entrepreneurs and entrepreneurial activities, and provides the education, infrastructure and capital needed to make innovation driven entrepreneurship THE CHOICE for the best and brightest.



The first step towards reaching our Strategic Objective is recognizing that the entrepreneur and the entrepreneurial entity must be at the center of our efforts. The policies, programs, and interventions that stem from Puerto Rico's IDE Acceleration Strategy must be long-term focused and shaped around the entrepreneur, supporting those who have already made THE CHOICE, while encouraging others – through education, policies, and public celebration – to take the leap.

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## ACCELERATION STRATEGY OVERVIEW

Our Strategic Objective also reflects the three impact areas around which we have decided to focus our strategy: education, infrastructure, and capital. These choices are the product of an in-depth evaluation of Puerto Rico's strengths and weaknesses regarding each of the key drivers of both entrepreneurial and innovation capacity. Based on the research and assessments conducted by the Puerto Rico REAP Team, we have broken down our strategy into three main strategic themes:

<p><b>Building Blocks</b></p> 	<p>Prioritize <b>education, infrastructure</b> and <b>capital</b> as key elements for the new innovation driven economy, building upon existing core strengths and leveraging strategic elements in order to turn weaknesses into opportunities to develop a robust local entrepreneurial ecosystem.</p>
<p><b>Connecting the Dots</b></p> 	<p>Bridge communication and collaboration gaps in the ecosystem through sustainable networks enabling collisions, connections and communication between all stakeholders. Enable and support entrepreneurs in navigating a complex and highly fragmented ecosystem by facilitating networks and communications between strategic stakeholders.</p>
<p><b>Broadcasting the Message</b></p> 	<p>Align both the urgency of the message and the long-term focus of it, by promoting a common and clear terminology around IDE entrepreneurship and celebrate entrepreneurs as role models by rewarding opportunity seeking and risk-taking, celebrating success, and valuing the teachings of failure.</p>