Innovation and Entrepreneurship Center


Towards an understanding of corporate venturing practices in Brazil

Abstract:

Corporate venturing (CV) is an important mechanism for companies seeking to renew their product offerings by creating new markets, launching new products and forming new stand-alone business units. It is a common practice amongst companies in developed countries but remains underutilized by companies in developing countries. This paper examines CV in Brazil. A survey of the 100 largest companies in Brazil indicates that it is uncommon. Most of the CV activities that do exit are less than 5 years old. Case studies of Intel Corporation and Telefônica illustrate the strategic objectives of CV in these companies. Intel uses external CV to promote the development of its ecosystem. At Telefônica, CV is used to stimulate radical innovation through investment in new ideas generated both within the company and externally.