



Frequently Asked Questions (FAQs) & Guidelines for Applying

OVERVIEW

These Frequently Asked Questions (FAQs) are intended to provide guidance and additional information to applicants completing the *InnovationConnect* (ICon) Expression of Interest and Formal Application forms.

FAQS

What do Proof of Technology and Accelerating Innovation grants support?

Proof of Technology Grants support the development of:

- prototypes that prove a concept; or
- a technology plan or business case that demonstrates whether a concept is commercially viable.

Accelerating Innovation Grants support start-up and growth companies with a viable proven concept or service with funding that will enable:

- participation in formalised commercialisation training;
- provision of IP strategies and advice;
- establishment of advanced business processes;
- market testing and research;
- mentoring; and/or
- projects that link the technology and creative industry sectors.

How much can I apply for?

- Proof of Technology grants range from \$5,000 to \$50,000. No applicant may apply for more than \$50,000 within a 12-month period.
- Accelerating Innovation grants range from \$5,000 to \$10,000.
- All funding grants are awarded on a matched-funding basis (ie. if you are awarded funding of \$10,000 then you are required to also contribute \$10,000 towards the project).
- Note however, if you are successful you may be granted funding of an amount other than your requested amount. You are not guaranteed to receive the full funding amount you are seeking.

How do I apply?

- Completed Expressions of Interest should be emailed to business.mailbox@act.gov.au
- An ICon Client Manager will make contact with you to confirm receipt of your application and to make arrangements for further discussion.
- If your application is deemed potentially suitable for ICon support you will be invited to submit a Formal Application.

How does the application process work?

- The application process is a continuous one, with Proof of Technology Grants assessed four times per year.
- Proof of Technology applications are considered by an Assessment Panel made up of government and independent private-sector individuals.
- Accelerating Innovation applications are assessed by the ICon Client Management team within Business and Industry Development on an as-received basis. Final approval is given by senior management.

What should I put in my application?

- Does your idea fill a gap in the market? Explain who your competitors are and how your concept compares to theirs. What are the differences and the advantages of your idea?
- What is the innovation?
- Outline the market research you have undertaken. Is the market large enough to ensure your commercial viability?
- How will you market your idea? Consider your strategy carefully. Don't just assume that once you have your product it will sell itself.
- Will customers have an incentive to switch to this new product?
- How will you distribute your product? Have you developed or are you developing a well-planned and appropriately financed distribution strategy?
- Outline how your product will have an extended life cycle that ensures long-term revenue flow.

Supporting Material

- A minimum of two (2) quotes for work to be undertaken by a third party.
- CVs of the project team should be provided.
- Evidence that a commercial off the shelf (COTS) product or package is not able to carry out what your prototype is intended to do.
- Attachments such as business plans are not required, but are helpful. There is no limit to the number of attachments you can provide to support your application, though this should be within reason.

How is the grant paid?

- All grant funding is awarded on a dollar-for-dollar matched-funding basis.
- Funding support is milestone-based, and funds are paid following completion of individual milestones.
- Applicants are requested to limit the number of milestones to a maximum of four and should consider what these will be when preparing the application. The proposed date for each milestone must be achievable and the activity measurable. Client Managers will work with applicants to determine suitable milestones.
- Each milestone claim will require a comprehensive written report of activities undertaken, outcomes achieved and whether objectives were met.
- The milestone report must address all requirements of each particular milestone, and include suitable evidence of its completion.
- Evidence may include proof of expenditure such as paid receipts & invoices, evidence from your bank, staffing timesheets, photographs, screenshots, diagrams and/or demonstrations where relevant.
- Client Managers may request to inspect projects on-site throughout the project duration, including as part of the milestone verification process.
- There is no provision for up-front funding in advance of any program activities and proof of expenditure will be required before milestone claims are approved and paid.
- You will require an ABN if your application is successful. This will enable you to invoice the ACT Government at the completion of each milestone.

- Grant funds will not be paid until the ACT Government is satisfied the milestone has been completed.

Does the grant funding cover labour costs in developing proof of concept products?

- Grant funding may be used for the purposes of engaging professional services to conduct development work on your project.
- These can include but are not restricted to:
 - the development of functional software;
 - professional development of a formal marketing strategy;
 - professional market testing;
 - professional IP and patenting advice; and/or
 - costs associated with the development of a prototype.
 - ❖ Please discuss with a Client Manager if you need further clarification.
- Costs are reimbursed based on substantiated expenditure (ie. provision of receipts/invoices as evidence) therefore only services conducted during the period of the funding agreement may be claimed.

What is not funded?

Funding will not support:

- business set up costs;
- marketing and promotional activities;
- printing of promotional material including brochures and business cards;
- membership costs of industry organisations or groups;
- website design;
- business plans;
- remuneration for the applicant or employees of the applicant;
- travel or accommodation expenses; and/or
- the purchase of hardware, equipment or consumables.

As funding is provided on a matched dollar-for-dollar basis, what qualifies as in-kind support?

- In-kind support is the non-cash contribution to the project by the applicant.
- Eligible in-kind support must be specific to the activities and expenses of the proposed project.
- The matched funding provided by the applicant refers to costs associated with aspects of the project not funded by ICon.
- This can include the salaries paid to employees of the organisation for their professional services on the project, verified by a timesheet recording the hours claimed on the project and the cost per hour.
- In-kind salaries should be calculated on what employees are currently earning, not what they believe they should be receiving. Listing high in-kind salaries for employees when the organisation has minimal revenue may be detrimental to your application.

Are grant funds exempt from tax?

- No, grant funds are not tax exempt. You should consult your financial advisor to understand how receiving grant funding relates to your particular circumstances.

Consider the benefits to the ACT.

ICon is an ACT Government program and support is only available to Canberra-based businesses that are registered in the ACT. All applications are required to demonstrate the suitability and strategic value of the requested support to the ACT, including the potential for long term economic benefit. Outlined below are examples of what these benefits may include.

- Does the project contribute to diversity of economic enterprises in the ACT?
- Does the project support the local economy, particularly in the purchase of local goods and services?
- Does the project provide specific employment opportunities or fill employment needs of particular groups of people?
- What social value will the goods and services produced by the project have? Will they fill an unmet need?
- Does the project improve the efficiency in the use of resources, reduce environmental impacts, or improve environmental quality?
- Does the project enhance cooperation and partnerships including with other businesses, academic institutions, government and community groups?
- Does the project enhance or promote a competitive advantage for the ACT and region?
- Does the project create greater choices or opportunities for the ACT and region?

FURTHER INFORMATION

To obtain a copy of the Expression of Interest form:

- visit the Business Development Website at www.business.act.gov.au;

For further information on the grant program, contact one of the following Business Development Client Managers:

- Ellis Maher
Email: ellis.maher@act.gov.au
Phone: 6207 5816

OR

- Sharyn Smith
Email: sharyn.smith@act.gov.au
Phone: 6207 0165

For further business advice and support or to speak to a business advisor:

- Contact the ACT Government business support and advisory service **Canberra BusinessPoint** at www.canberrabusinesspoint.com.au or phone 1300 648 641.