



Frequently Asked Questions (FAQs)

(Revised: November 2009)

OVERVIEW

These Frequently Asked Questions (FAQs) are intended to provide guidance and additional information to applicants completing the *InnovationConnect (ICon)* Application Forms.

GLOSSARY OF ICON TERMS

Innovation	The creation of an entirely new or significantly improved knowledge-based product, process or service.
Proof of Technology	Typically the development of a 'prototype' product or process that allows the applicant to demonstrate the feasibility of the 'technology'. The aim is to provide a greater degree of certainty about the concept, provide the foundation for further development work and perhaps assist in raising further investment capital.
In-Kind Support	The non-cash contribution of applicants to the specific project-related activities and costs of the proposed project. Payment in kind refers to payment for goods or services with a medium other than legal tender.
Sustainability	<ul style="list-style-type: none">— The integration of social, economic and environmental goals.— A focus on equity and fairness.— A recognition that meeting the needs of today must not be at the expense of the ability of future generations to meet their own needs.
Start-up	Recently formed organisation.
Pre Start-up	Organisation to be set up.
Growth	The period in which a company's development continues to mature and expand.



FREQUENTLY ASKED QUESTIONS (FAQs)

1. What do Proof of Technology grants support?

Proof of Technology Grants support the development of:

- prototypes that prove a concept; or
- a technology plan or business case study 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 advance business processes;
- market testing;
- mentoring; and
- projects that link the technology and creative industry sectors.

2. What are the benefits to 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 be:

- 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?

3. How much can I apply for?

Proof of Technology Grants range from \$5,000 to \$25,000. In exceptional circumstances \$50,000 may be granted.

Accelerating Innovation Grants range from \$5,000 to \$10,000.

If you are granted funding you are **NOT GUARANTEED** to receive the full amount you are seeking.

4. How does the application process work?

- The application process is a continuous one, with Proof of Technology Grants assessed bi-monthly.
- Proof of Technology applications are assessed by an Assessment Panel made up of government and independent private sector individuals.
- Accelerating Innovation applications are assessed by the Client Managers in the Business and Industry Development (BID) Team running the Innovation Connect Program on an as-received basis. Final approval is given by senior management.

5. Can I provide supporting material with my written application?

- Attachments such as business plans and CVs are not required, but may be helpful. There is no limit to the number of attachments you can provide to support your application, though this should be within reason.

6. How is the grant paid?

- Funding support is milestone-based and is paid following completion of the stated milestone. Each claim will require a comprehensive written report of activities undertaken, outcomes achieved and whether objectives were met. You are requested to limit the number of milestones to a maximum of four and you should consider what these will be when preparing your application. The proposed date for each milestone **must** be achievable and the activity measurable. Client Managers will work with you to determine these.
- **THERE IS NO PROVISION FOR UP FRONT FUNDING IN ADVANCE OF ANY PROGRAM ACTIVITIES AND PROOF OF EXPENDITURE WILL BE REQUIRED FOR ALL FUNDING SUPPORT. ALL FUNDING IS AWARDED ON A DOLLAR-FOR-DOLLAR MATCHED FUNDING BASIS.**
- You will require an ABN if your application is successful. This will enable you to invoice the Chief Minister's Department at the completion of each milestone.

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

- Funding can be used to engage professional developers for technical development of software. Other areas to which funding can be applied and which may be suitable for a software development-type project include professional market testing, IP and patenting advice, or costs associated with the development of a prototype.

8. If labour costs are covered, must I spend the funding hiring labour from other sources, or can I be the sole source of labour for the project?

- The main intention of the funding provision is that you use it to engage professional services to assist with some aspect of the development of your project.

9. What is not funded?

Funding **WILL NOT** support:

- marketing and promotion;
- business plans;
- the purchase of hardware or infrastructure;

- travel or accommodation expenses; and
- website development.

10. 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 of applicants to the specific project-related activities and costs of the proposed project. This can include the salaries paid to both employees and directors of the organisation. Salaries should be calculated on what employees are currently earning, not what they believe they should be receiving. Listing high in-kind salaries for directors and employees when the organisation has minimal revenue may be detrimental to your application. Please note that if successful, the applicant will be required to demonstrate how the allocation of employee resources to project activities is calculated through the provision of a time sheet outlining hours spent on the project and the cost per hour.
- The matched funding provided by the applicant must fall within the eligibility guidelines, meaning costs associated with aspects of the project not funded by ICon can not be claimed as the matched funding component. As costs are reimbursed based on substantiated expenditure (ie. provision of receipts/invoices as evidence) only new purchases are eligible.

11. Are grant funds exempt from tax?

- No, grant funds are not tax exempt. We recommend you consult with your financial advisor to understand how receiving grant funding relates to your particular circumstances.

12. What is *CanberraBusiness Point*?

- *Canberra BusinessPoint* is the ACT Government's business mentoring and advisory service, provided by Deloitte Growth Solutions. *Canberra BusinessPoint* provides a comprehensive suite of services, all completely free of charge, including the provision of start-up and regulatory information, business development tools, mentoring, e-learning tutorials, and networking events. In order to be eligible for funding, applicants are required to attend a workshop. Further information can be found at: www.canberrabusinesspoint.com.au; or by telephoning (02) 6263 7200.

More detailed information on *ICon* grants can found on the following information sheets:

- Proof of Technology Criteria; and
- Accelerating Innovation Criteria.

To obtain copies of these information sheets:

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

OR

- contact a BID Client Manager.

FURTHER INFORMATION

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

- Sharyn Smith
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OR

- Ellis Maher
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