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DEVELOPMENT



ACT Government backs grain venture capital project

Stephen Hardy
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It is generally uncommon for governments to be involved in promoting businesses through mechanisms such as venture capital. But for the ACT Government, use of such funding, in addition to its many other business development programs, is proving to be more than a winner.

For some weeks now supermarkets in the ACT and elsewhere around the country have been inundated with requests for a new breakfast cereal product, all brought about by a unique grain and seeding (in the plant and financial sense) from within the ACT.

The new grain, known as BARLEYmax™, is a non-GM patented barley developed by the CSIRO.

Anne Howard, business manager of BARLEYmax for the CSIRO's Food Futures Flagship, said the new barley is a nutritious wholegrain that provides an excellent source of both soluble and insoluble fibre, including resistant starch.

"BARLEYmax has exceptional nutritional properties including a low glycemic load and very high fibre levels, to help promote health and potentially reduce the risk of developing chronic diseases such as type 2 diabetes and certain cancers," Anne said. "It is highly versatile with a naturally sweet, nutty taste that can be incorporated into a wide range of foods such as breads, muffins, snack bars, pasta, biscuits and of course, breakfast cereals."

The ACT Government's involvement with BARLEYmax stems from its investment in a joint venture with the CSIRO through the Canberra Business Development Fund (CBDF), an equity investment vehicle specialising in local technol-

ogy-based companies. CBDF is a joint venture between the ACT Government and Australian Capital Ventures Limited (ACVL), an entity related to Hindmarsh.

alternatively, has developed a prototype that is being trialed for commercialisation and offers a sound business plan for expansion and growth.

"Typically, CBDF provides working capital for market expansion, increased production capacity and further product development. CBDF only provides equity or semi-equity (convertible notes) and does not provide loans or grants."

Investment proposals located in, or providing benefits to, the Canberra Region qualify for an initial assessment where the proposal is for a business that has already generated revenue, or,

from its unique health benefits and disease prevention potential with global and domestic markets growing. It is immensely satisfying to work on something that can combine health improvements for millions of people with potential profitability and a great taste," Stephen said.



Photo: Carl Davies, CSIRO Plant Industry VRU

"We also look at a return on investment. The signing of licence agreements for the production of Goodness Superfoods cereals using BARLEYmax, and others to follow, has significant potential to generate high returns for all investors, including the government," he said.

The BARLEYmax joint venture has already licenced Austgrains to manage contract growing and supply for food manufacturers, and Popina Food Services is the first licensee to release products incorporating BARLEYmax under the Goodness Superfoods brand.

Products featuring BARLEYmax are expected to be on the market soon, including extruded and rolled breads; muffins and health bars. Meanwhile the rush to those cereal shelves is continuing.

Other ACT companies supported by the CBDF include the ASX-listed Biotron Limited and Simmerion Pty Limited. ■

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alternatively, has developed a prototype that is being trialed for commercialisation and offers a sound business plan for expansion and growth.

"BARLEYmax is a great example of the CBDF criteria at work: intellectual property has been secured and BARLEYmax grain is now licenced for food production. Product differentiation comes