

The SA Centre for Innovation (CFI) is a partnership of industry, universities and government with a goal of promoting the uptake of innovation in South Australian industry.

The Innovation Development Grant (IDG) is a competitive, merit-based, grant that helps companies with the process of taking a business opportunity to market by increasing the likelihood of obtaining external funding to assist with the growth of the business.

These Guidelines are a reference guide to be used when applying for a CFI **Innovation Development Grant**.

For further information on the grant, including opening and closing dates for funding rounds, contact Bob Jones on 08 8201 7520 or via email: <mailto:robert.jones@centreforinnovation.org.au>

Objectives

The objective is to assist South Australian companies with new, innovative products or services, to assist with business readiness and building the foundations to support growth.

The IDG is available to companies with a turnover of between \$250,000 and \$5 million per annum, or be partnered with a related entity which meets this criteria. Its key aims are to:

- Target companies with a clearly identified and innovative business opportunity, that need some external financial support to commercialise that opportunity.
- Support the development of innovative practices and new technologies for commercialisation
- If applicable, assist companies to identify and apply for government or non-government funding.
- Enhance the economic growth of South Australia.

Level of Grant Support

Assistance is available up to a maximum of \$25,000 plus GST. Payment will be made on the signing of a Funding Agreement.

Application Process

The application process consists of three stages:

1. Potential applicants will submit a written (1-2 page) [Expression of Interest](#) to the CFI for review.
2. Selected potential applicants will be invited to meet with the CFI to discuss the proposal.
3. Suitable applicants will be invited to submit a final application for assessment.

Eligibility

The applicant must:

- be a registered, solvent South Australian business with a minimum trading history of two years or be partnered with a related entity which meets this criteria.
- have an Australian Business Number (ABN)
- be a non-tax exempt company incorporated under the Corporations Act 2001

Applications for the IDG may be accepted if:

1. The applicant has a turnover of between \$250,000 and \$5 million per annum, or be partnered with a related entity which meets this criteria.
2. The applicant is developing a product or service that involves a reasonable degree of technical and/or financial and/or commercial risk.
3. The applicant can outline the business opportunity that requires funding to take the new product or service to market.
4. For projects involving the attraction of equity, the applicant has or will undertake the Venture Capital Board Equity Ready Program.
5. The business opportunity presents the potential to provide favourable economic outcomes for South Australia.
6. The applicant is willing to work with a CFI Industry Development Manager to prepare a project plan including the project aims, objectives, deliverables and milestones and to participate in ongoing mentoring.
7. The applicant is willing to formalise the arrangement in a Funding Agreement.

Please note: Companies in receipt of Commonwealth funding, such as COMET, or State Government funding for the project, are not eligible to apply.

Eligible Expenditure

The grant funding supports direct costs relating to:

- Costs associated with finalisation and/or refinement of a prototype
- Costs associated with product development and/or testing or conduct of clinical trials
- Costs associated with securing and managing intellectual property rights
- Costs associated with the sourcing, assessment and transfer of external technology into the business for the express purpose of commercialisation or increased innovation
- Engaging third-party service providers for the following types of activity:
 - To help secure further government and non-government funding (e.g. preparation of a grant application or an Information Memorandum)
 - To conduct a private equity review to identify the options for equity raising and the implementation of equity into the business.
 - Costs associated with the further development and preparation of a business plan, and/or marketing plan and/or commercialisation plan
 - The provision of mentoring and facilitation.

Selection Criteria

The selection criteria are:

- 1. Management Capability**
The management team has the prerequisite skills, experience and commitment to successfully implement the project and maximise the commercial potential.
- 2. Demonstrated Proof of Concept**
The product or service is innovative, has a reasonable degree of technical and/or financial and/or commercial risk.
- 3. Commercial Potential**
The market opportunity for the product or service has been outlined or the actions to perform required market research are clearly understood.
- 4. Commercial Viability**
A feasibility assessment (can be high level) has been performed to demonstrate the commercial viability of the opportunity.
- 5. Funding & Economic Impact**
 - i. Demonstrate the need for IDG funding.
 - ii. Outline the economic benefits of the project to South Australia (incl. reference to potential new job creation, increased sales & exports, environmental/social benefits, etc.).

Contact Us

If you are considering an application for the IDG, please contact Bob Jones on 08 8201 7520 or via email: <mailto:robert.jones@centreforinnovation.org.au>

Assessment Process

- Applications for funding will be assessed initially by the CFI in the context of the Selection Criteria and then submitted to the CFI Assessment Panel for final assessment.
- The CFI reserves the right not to fund any applications regardless of whether an applicant company fulfils the eligibility requirements and addresses all Selection Criteria.
- Successful applicants will be notified in writing and will be required to enter into a Funding Agreement with the South Australian Government.
- There is a finite pool of funding available.
- Reporting requirements will be specific to each applicant and will be set out in the Funding Agreement.
- Unsuccessful applicants will be notified in writing.

Confidentiality and Conflicts of Interest

- Protecting applicants' confidential information is important to the CFI. Information provided by applicants will be considered confidential and treated as such by the CFI and any third parties from whom advice is sought. Confidential information will only be released with the applicant's agreement or where required by law.
- All CFI staff, Board members and third parties from whom advice is sought regarding applications will be required to declare any conflict of interest before having access to confidential material. Where a conflict of interest exists, the Chair of the CFI Board will take appropriate action. CFI staff will sign a confidentiality agreement if required.
- Following approval by the CFI the broad details of successful applications, such as the name of the recipient, the amount of funding and a brief explanation of the project taken from the application, may be disclosed for the purposes of promoting the CFI and the program.

Post Project Evaluation

- Successful applicants will be required to report on the outcomes of the project in accordance with the Funding Agreement.
- Failure to comply with the terms of the Funding Agreement may result in the applicant being required to refund some or all of the grant.
- In addition, successful applicants may be asked to provide details of the economic benefits of the project to South Australia, as they relate to turnover, employment and exports.