Entrepreneurs’ Programme
Accelerating Commercialisation

The Entrepreneurs’ Programme (EP, previously the Entrepreneurs’ Infrastructure Programme) is the Australian Government’s flagship initiative for business competitiveness and productivity at the firm level. It forms part of the Australian Government’s new industry policy outlined in the Industry Innovation and Competitiveness Agenda. The primary focus of EP is providing access to the best advice and networks to solve problems rather than focusing on financial assistance.

The Entrepreneurs’ Programme has three elements: Business Management, Research Connections, and Accelerating Commercialisation.

More information on EP can be found on business.gov.au.

General

1. **What is Accelerating Commercialisation?**

Accelerating Commercialisation is a key offering under EP that encourages and assists small and medium businesses, entrepreneurs and researchers to find the right commercialisation solutions for their novel product, process or service.

Accelerating Commercialisation provides expert guidance and connections through Commercialisation Advisers by helping you to find the right commercialisation solutions for your novel product, process or service. This may include matched funding to support your commercialisation activities.

2. **What assistance is available under Accelerating Commercialisation?**

Available assistance includes Portfolio-only support, covering:

- Membership of the Portfolio of Australian businesses that are undertaking early stage commercialisation activities
- Guidance from a Commercialisation Adviser to help achieve project objectives
- An opportunity to access the Expert Network (via Advisers) to help make important business connections, create opportunities to raise capital, and/or enter new markets
- Potential exposure to investors and multinational corporations through domestic and international roadshows

You can also apply for a grant of up to 50 per cent of eligible project expenditure to assist in the commercialisation of novel products, processes and services. Successful grant applicants will also receive access to the Portfolio assistance detailed above.

3. **What are the minimum and maximum grant amounts I can apply for?**

There is no minimum grant amount under Accelerating Commercialisation. The maximum grant amount for commercialisation offices and eligible partner entities is $250,000. All other applicants can seek up to $1 million in grant funding.
4. What is the minimum project period? What is the maximum project period?

There is no minimum project period under Accelerating Commercialisation. The maximum project period is two years.

5. When can I apply?

Applications are accepted for Accelerating Commercialisation on a continuous basis. You may apply at any time from programme launch. Applications are considered by the committee every 6 to 8 weeks.

Commercialisation Advisers will inform applicants when their application will be considered by the committee.

Eligibility

6. Who is eligible to apply?

Eligible applicants include:

- Non tax-exempt eligible corporations that are registered for GST.
- Individuals, researchers, partnerships, or unincorporated trustees who agree to form an eligible corporation before signing a funding agreement or Deed of Services and Release.
- Commercialisation offices of publicly funded research organisations (PFROs).
- Eligible Partner Entities (EPE) whose primary purpose is research but also look to commercialise the resultant intellectual property and are eligible corporations.

7. What is an eligible corporation?

A corporation incorporated under the Corporations Act 2001 (Cth) will be an ‘eligible corporation’ for the purposes of Accelerating Commercialisation if its trading activities:

1. form a sufficiently significant proportion of its overall activities as to merit it being described as a trading corporation; or
2. are a substantial and not merely peripheral activity of the corporation.

8. As a start-up company we don’t yet have a trading history – are we eligible to apply?

Yes, as long as the company is set up with the purpose or intention to trade and to return a profit to its shareholders.

9. Are there any limits on applicant turnover?

Yes. Non tax-exempt eligible corporations must have a combined turnover of less than $20 million for each of the three years prior to lodgement of the application. For entities controlled by a PFRO or an EPE, the applicant’s annual turnover by itself must be less than $20 million for each of the three years prior to lodgement of the application.

10. Do I have to operate in one of the growth sectors to be eligible to apply?

No. However, the extent to which you operate in and/or target one of the growth sectors is prioritised through the National Benefits merit criterion during assessment of your application.

11. What are the growth sectors?

The growth sectors are:

1. Advanced Manufacturing;
2. Food and Agribusiness;
3. Medical Technologies and Pharmaceuticals;
4. Mining Equipment, Technology and Services; or
5. Oil, Gas and Energy Resources.

12. Do I need to have a prototype to apply?

Generally yes, a working prototype is required.

It is important to note that Accelerating Commercialisation does not fund research and development (R&D) projects. A project is considered an R&D project if its focus is on basic research or technical experiments. However, a project may include R&D activities and still be eligible if these R&D activities are essential to undertake in order to achieve a commercial transaction after the successful completion of the project. The likelihood of a commercial transaction must be high and will be assessed through the merit criteria.
13. When can an eligible commercialisation project start?

The earliest commercialisation project start date is the "Application Acceptance Date". This is the date that AusIndustry accepts an application as final and complete. AusIndustry will advise applicants of this date in writing.

Please note that we will not provide grant funding to unsuccessful applicants, and we are not responsible for any expenditure by successful applicants until a funding agreement is in place. If you choose to start your project before a funding agreement is signed, you do so at your own risk.

14. Does the government own the intellectual property (IP) generated from the project?

No. The Commonwealth will not own project IP. There are provisions around dealing with project IP. If the participant wishes to deal with IP in a manner other than that set out in the Funding Agreement, permission must be sought from the Department.

15. Does a state or territory government agency that is active in research and has a dedicated commercialisation office satisfy the definition of PFRO in the Customer Information Guide?

Yes. The current Programme Guidelines for Accelerating Commercialisation define a PFRO to include Federal, state and territory government agencies which undertake publicly funded research. If the agency does not qualify as a PRFO it may be able to register as an Eligible Partner Entity if it meets the relevant criteria.

16. What is an Eligible Partner Entity (EPE)?

An EPE is an eligible corporation whose primary purpose is research but also looks to commercialise the resultant IP and has been approved by the Programme Delegate.

Information on EPEs, including how to apply, is available on business.gov.au.

17. Who assesses EPE applications?

The Accelerating Commercialisation Programme Delegate assesses and approves applications to become an EPE.

The relevant application form can be requested by emailing ACStrategy@industry.gov.au.

The Programme Delegate or a staff member will discuss with you the requirements and the process for becoming an EPE prior to completing the application form.

18. How do I locate an EPE?

A list of approved EPEs is published on business.gov.au.

Merit

19. What are the merit criteria?

The merit criteria for grant assistance are:

1. Need for funding
2. Market opportunity
3. Value proposition
4. Execution plan
5. Management capability

Please note that commercialisation offices and Eligible Partner Entities do not need to address “Need for funding”.

20. How are the merit criteria weighted?

All of the merit criteria, except for “Need for funding”, are equally weighted.

For grant applications, “Need for funding” is assessed on a yes/no basis. If you do not establish a need for funding to support your project, your application will not be assessed any further.

Applicants for non-grant support are not required to respond to the “Need for funding” criterion.

21. Will the assessment process value a patent pending differently from a granted patent or an innovation patent? Are these considered to have different merit?

No. In applying for funding, applicants need to show that they have access to, and/or the beneficial use of, the intellectual property that is the subject of their commercialisation project.
and/or is otherwise required in order to achieve their projects intended outcome.

**Portfolio assistance**

**22. How do I join the Portfolio?**

To join the Portfolio, you should submit an Expression of Interest (EOI) through business.gov.au. Your EOI will be checked by AusIndustry staff and referred onto a Commercialisation Adviser, who will contact you with feedback and advice on the potential ways forward. If applicable, the Adviser may also refer you to the Portfolio application form.

The Portfolio application form contains instructions on how to submit the form. Your application will be considered by an internal panel and you will be notified of the outcome.

All successful Accelerating Commercialisation grant recipients are automatically part of the Portfolio.

**23. Is there a list of Portfolio members?**

Yes, a list of the Portfolio members is available on business.gov.au/acceleratingcommercialisation

**Grant assistance**

**24. How do I receive grant assistance?**

To receive grant assistance, you should submit an Expression of Interest (EOI) which contains instructions on how to submit the form. Your EOI will be checked by AusIndustry staff and referred onto a Commercialisation Adviser, who will contact you with feedback and advice on the potential ways forward. If applicable, the Adviser may also refer you to the grant application form.

The grant application form contains instructions on how to submit the form. Your application will be considered by Innovation Australia and you will be notified of the outcome.

All successful Accelerating Commercialisation grant recipients are automatically part of the Portfolio.

**25. Can an existing Commercialisation Australia customer apply for Accelerating Commercialisation funding?**

Yes, for a new project with activities that do not overlap previously funded activities. Accelerating Commercialisation will not fund activities also funded under Commercialisation Australia.

**26. Can an applicant submit two applications for two projects that are being carried out at the same time?**

Yes, but the applicant will have to demonstrate that they have the resources and capability to carry out both projects.

**27. When can I start accruing eligible expenditure on the project?**

Eligible expenditure can be accrued from the project start date. The earliest project start date is the “Application Acceptance Date” as advised by AusIndustry.

Please note that we will not provide grant funding to unsuccessful applicants, and we are not responsible for any expenditure by successful applicants until a funding agreement is in place. If you choose to start your project before a funding agreement is signed, you do so at your own risk.

**28. If my Accelerating Commercialisation grant application is unsuccessful, do I need to resubmit a new application to join the Portfolio?**

Yes, as there is a separate application and assessment process for joining the Portfolio.

**Commercialisation Advisers**

**29. What is a Commercialisation Adviser?**

Commercialisation Advisers are independent professional advisers who will guide applicants along the pathway to commercialising your intellectual property in the form of a novel product, process or service.

Each Commercialisation Adviser has extensive experience in commercialisation either having taken their own products, processes or services to market, or having held senior roles...
in companies commercialising novel products, processes or services.

Successful applicants will be partnered with a Commercialisation Adviser for the duration of their involvement with Accelerating Commercialisation.

30. What is a Business Development Commercialisation Adviser?

Business Development Commercialisation Advisers are external consultants with extensive experience in building and expanding high quality professional networks and linkages in the innovation and commercialisation space.

The Business Development Commercialisation Advisers bring their international and domestic networks and commercialisation experience to drive commercialisation success for early stage companies. They create awareness of the Portfolio as a collection of the best Australian businesses that are undertaking early stage commercialisation activities.

31. How are Commercialisation Advisers assigned, and can I choose mine?

Participants will generally be assigned a Commercialisation Adviser on the basis of geographic proximity to the applicant (e.g. a Queensland applicant will be assigned a Queensland-based Adviser). Customers will not be able to choose their Adviser.

If a Commercialisation Adviser has a particular set of skills that relate to a particular company's needs, then a Commercialisation Adviser may not be assigned on the basis of geography alone.

32. What happens if I don't get along with my Commercialisation Adviser?

In the circumstances where a company doesn't want to work with the Commercialisation Adviser assigned to them, the company may make a request to the Programme Delegate to be assigned another Commercialisation Adviser. However, these requests are only approved in exceptional circumstances.

Expert Network

33. How do I register to join the Expert Network?

If you are interested in joining the Expert Network, an Expression of Interest form is available on business.gov.au.

34. Are Expert Network members paid?

No.

Matched funding

35. Why must I commit to funding part of the costs of my project?

As the Government is making a significant commitment to projects funded under Accelerating Commercialisation, applicants also need to show a similar level of commitment.

36. At what stage do I have to have money for the matching funding?

You do not need to have all matching funding at the time of application. However, you must show that you can match the grant at the rate at which eligible expenditure on the project will be incurred.

37. Does a Government loan count as a "government grant source"?

Yes, government loans are considered to be "government grant sources" and cannot be used as matched funding for an Accelerating Commercialisation grant.

For further information, please refer to the Customer Information Guide, which is available on business.gov.au.

38. Is venture capital funding acceptable as matching funding?

Yes, both government-backed and non-government-backed venture capital funding can be used as matching funding, however the applicant must provide evidence of the funds.

39. Can in-kind funding be used as matching funding?

No. Activities paid for by the grant recipient using non-cash considerations or 'in-kind' contributions are not eligible expenditure. Allowing employee time on the project is not considered an 'in kind' contribution.

40. Can I put forward my projected sales income of the proposed product, process or service as evidence of matching funding for my grant?

Income from sales of the proposed product, process or services being developed under the project receiving the grant cannot be claimed as a source of matching funding in the application given the inherent risks and challenges in getting a new product, process or service to market. Additionally, it would indicate that some of your planned project activities may be past ‘first sales’ and therefore ineligible.

Eligible expenditure

41. Are legal fees considered eligible expenditure?

Legal fees that relate to IP protection (but not for defending IP) are eligible expenditure. Otherwise they are taken into account in the overall administration costs overhead.


42. How is plant expenditure treated under this programme?

Treatment of plant expenditure is outlined in Section 3.3 of the Eligible Expenditure Guidelines, which are in Appendix A of the Customer Information Guide, available on business.gov.au.

43. Is the cost of outsourcing some parts of a project classified as eligible funding? Does it make a difference if the outsourcer is Australian or from overseas?

Outsourcing costs may be considered as eligible contract expenditure. If the outsourcer is based overseas, it would then be classified as overseas expenditure and be subject to the provisions outlined for this particular type of expenditure.


44. Are patent costs considered eligible expenditure?

The cost of protecting the IP of a project can be claimed as eligible expenditure. The cost of defending IP rights associated with a project cannot be claimed.


45. In relation to eligible expenditure for salaries, how are on-costs dealt with?

Eligible expenditure guidelines allow for 40 per cent salary on-costs and administration overheads. Salaries must be pro-rated for work on the project.


Experienced Executive

46. Does the CEO or Experienced Executive need to be ‘new’ to the company? Can you apply if you already have the CEO/Executive on board?

It is not necessary for an executive to be new in order to be eligible for support under Accelerating Commercialisation. However, a strong case would need to be made as to why the company does not have the resources to continue to retain the Executive’s services without grant funding.

47. Can I apply for more than one Experienced Executive (e.g. a CEO and marketing executive; or a marketing executive and a finance executive)?

Yes.

48. Does the CEO/Executive need to be located in Australia?

It is possible to submit an application for an executive based overseas; however there would need to be a very strong case made as to why the executive is located overseas.
49. Can you fund a non-executive director?

The Experienced Executive funded under this element needs to be an employed executive and directly involved in the management of the company.

Application process

50. How do I submit an application?

You must submit your application on an approved form available through business.gov.au.

51. Will my application be treated as confidential?

Yes. AusIndustry has appropriate processes in place for commercially sensitive information.

52. How are conflicts of interest managed?

The Department of Industry and Science has robust conflict of interest processes for all staff members and contractors. The Department’s conflict of interest policy is available at industry.gov.au.

53. How will competing interests or more than one project of a similar nature be assessed - will one project be backed one over the other?

Innovation Australia will assess and rank each application on its own merits. The Programme Delegate will then award funding with regard to the merit ranking and available funds. Projects developing similar technology could be supported if they are considered meritorious.

54. Can I present my grant application directly to the committee?

No, the committee does not meet with individual applicants.

55. Who makes the final decision on grant offers?

The Programme Delegate, an AusIndustry official authorised by the Minister to administer Accelerating Commercialisation, makes the grant offers, taking into account recommendations made by Innovation Australia and the availability of programme funds.

56. If my application is unsuccessful, can I reapply?

If you are not successful for funding assistance, you may at a future date submit a new application for the same or similar project. However, your application must be substantially different to the first application and only one such new application is permitted. Options for submitting a new application can be discussed with your Commercialisation Adviser.

The Programme Delegate may refuse to accept a new application if it is substantially similar to a previous ineligible or unsuccessful application.

Successful applicants

57. Are the terms of the funding agreement or deed of services and release negotiable?

The general terms of the funding and deed of services and release are not negotiable. The schedules, covering project details, milestones, payments, reporting requirements etc., are specific to each project based on information provided in the application and will be agreed with successful applicants.

58. Can the funding agreement be varied during the life of the project?

Where unexpected circumstances have affected project progress, participants can request a project variation, including changes to project milestones or an extension of the project duration up to a maximum of two years. Project variation requests are considered in the context of issues including impacts on the project outcome, changes to the timing of grant payments and availability of programme funds.

There is no guarantee that variation requests will be successful. Therefore, applicants should plan their projects carefully so as to avoid the need for a variation.

Payment of the grant

59. When will successful applicants receive grant payments?

Successful grant recipients will be required to provide quarterly progress reports to AusIndustry, which will be linked to grant payments. Progress payments may be made in
advance based on the grant recipient’s estimate of its eligible expenditure for the next review period.

Generally, AusIndustry will calculate the amount of each grant payment based on actual eligible expenditure incurred to the end of the current review period, and the grant recipient’s estimate of eligible expenditure for the next review period, taking account of payments already made.

60. What if actual expenditure ends up different to what is in the funding agreement?

The total grant amount specified in the funding agreement is the maximum grant amount that can be paid for the particular project. This is based on the estimated project costs the applicant proposed in their application. However, the amount each recipient is actually paid is based on actual expenditure and the grant ratio for their project.

61. Is there an administration fee taken from the grant amount?

No.

62. Are grant payments subject to the GST?

Yes, they are. Grant payments are therefore increased to compensate for GST payments.

63. Do recipients have to pay tax on their grant?

Grants under Accelerating Commercialisation are typically treated as assessable income for taxation purposes, unless specifically exempted.

AusIndustry does not provide any advice on tax, and recommends that grant recipients seek independent professional advice on their taxation obligations.

Project reporting

64. What are the obligations in relation to reporting a change of control?

Grant recipients are required to seek prior written consent from AusIndustry where a company change of control takes place or the grant recipient undertakes to ‘deal’ with the intellectual property within two years of the agreed project start date.

65. How often do grant recipients have to report on their project?

Successful applicants will be required to report on the progress of their project quarterly. Additionally, an end of project report and audited financial report on project completion will be required.

Further information on reporting requirements is available in your funding agreement.

66. How will the results be measured by AusIndustry to understand the success of the government investment into the programme?

Information provided by grantees through the project will inform measurement of the success of the programme in meeting its objectives.

AusIndustry will also work with a selection of successful grantees to prepare case studies outlining the benefits that the services and grant funding have provided to the development and commercialisation projects.

Grantees may also be required to provide performance data reports at regular intervals including after project completion.

Other programmes

67. Can companies that receive the R&D Tax Incentive apply for Accelerating Commercialisation assistance?

Yes, however please note that Accelerating Commercialisation does not support research and development activities, as noted above.

Additionally, receiving funding assistance under Accelerating Commercialisation may affect the ability to claim expenditure on research and development under the R&D Tax Incentive.

For more information on the R&D Tax Incentive, including information about eligibility requirements and clawback provisions, visit


the Australian Tax Office website

68. Can I apply for funding from another government programme at the same time as I apply for this programme?

Yes. However, activities already funded under another government source will not be funded under Accelerating Commercialisation.

You may seek funding under this programme for another stage of the project that is not funded by another government programme.

If I need further information or assistance?

For more information, visit business.gov.au or call 13 28 46. More in depth face-to-face assistance is also available from AusIndustry’s national network.