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ENTERPRISE CONNECT

Shaping Business, Transforming Industry

Enterprise Connect

WineEng Conference 2011

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What is Enterprise Connect?

Enterprise Connect is a $50M+ pa Commonwealth Govt national initiative to offer eligible SME's practical advice to increase Productivity & profitability.

Provides a national network of approx 45+ Business Advisers that conduct a FREE business review and provide a dollar-for-dollar matching grant (up to $20k) to implement projects tailored for your business.

Informal peer group Workshops on SME's premises and Mentors for assisting SME's to sustain "best practice". Inclusive of Metro, Regional and Remote.

Eligibility includes ACN, 3yrs+, Manufacturing -Defence-Mining-Clean Energy-Creative Industries with Min and Max Turnover criteria.

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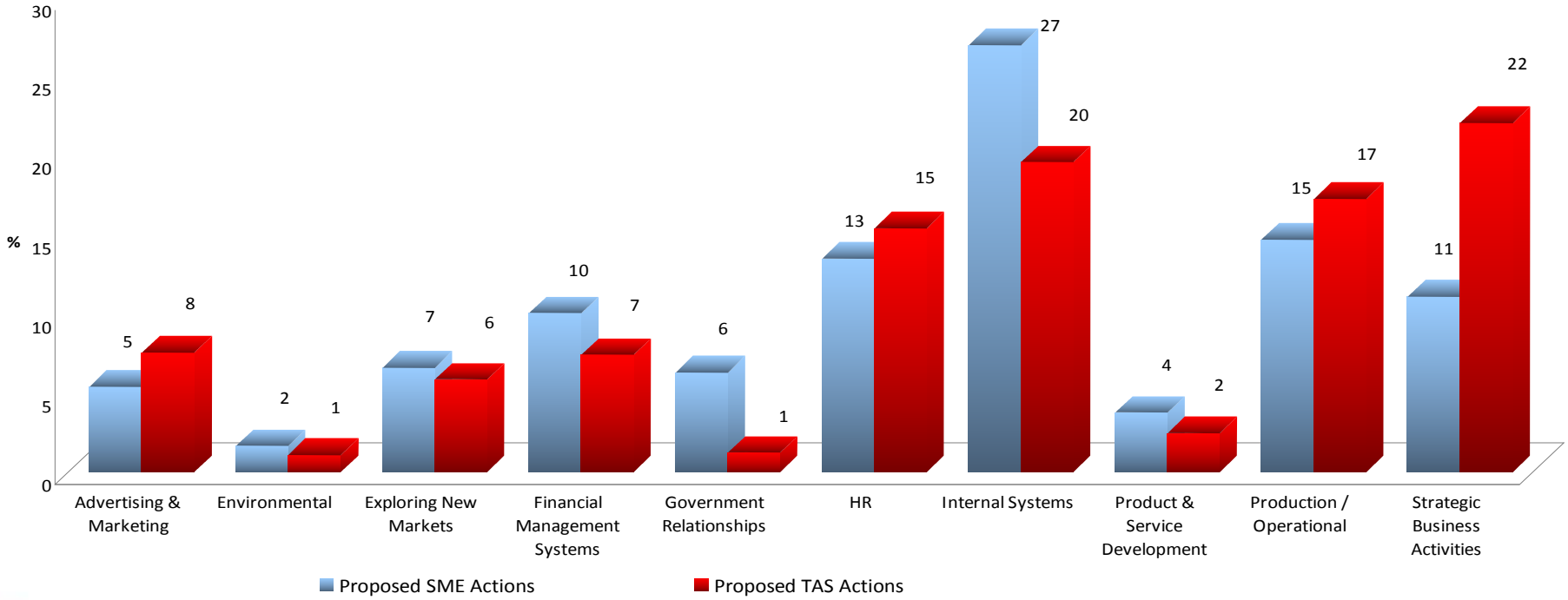
Recommendations from the Business Review



Source: Enterprise Connect Portal (01/02/11)

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Common within 'Better' Businesses

1. Lean Principals (total business not just manufacturing)
2. Finance Matching (short term debt from cash flow, assets purchase on lease etc)
3. Generous with time for others (Assoc, Committee, staff, collaborating with other businesses)
4. External advisors (board or temp advisory panel, engaging with industry assoc)
5. Strategy is clearly communicated to staff and updated at regular staff meetings
6. Continuous Improvement culture with input from staff
7. Cash-flow forecasting
8. Accepts innovation is not invention
9. Product development includes Voice of Customer
10. Business Plans have strong strategic intent vs overuse of operations detail

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How it works

Meet with management – Goals & Strategy v's Current systems

Collect relevant data – manufacturing, financial, HR etc.

Meet key staff, conduct a workshop to collect information (a learning component of the program)

Benchmarking against industry averages (optional if available)

Detailed written report (including contacts with other programs)

Assess recommendations and priorities to access the funding

Apply for the funding (up to $20k)

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AusIndustry

- Business program delivery division in Commonwealth Department of Innovation, Industry, Science & Research
- 35 business programs - grants, tax and duty concessions, venture capital support
- Approx. $2 billion to 12,000 businesses and 85,000 individuals each year

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Commercialisation Australia

- New program, open for applications since 4 Jan 2010, delivery supported by AusIndustry and contracted Case Managers
- Assists researchers, entrepreneurs and innovative companies to convert ideas for new products, processes or services into commercial reality
- Competitive grants and advisory support tailored to circumstances of the applicant

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Example of CA Grants

- Zag Beverages, QLD – Proof of Concept grant of $208,455 to produce a range of novel functional drinks from naturally based ingredients

- Pressure Fresh Australia, QLD – Proof of Concept grant of $346,480 to develop innovative packaging and high pressure processing of avacado products

- (More info on these and other grants on the CA website)

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Tax Concession for Research and Development

- Biggest area of Federal $ support for innovation. For companies developing new / better products, processes, services.

- Deduct most R&D costs at 125%, or 175% in some circumstances. Reduces tax paid by company. Benefit generally 7.5 cents per R&D dollar, sometimes up to 22.5 cents.

- Businesses with turnover under $5m, spending less than $2m (2009/10) on R&D, can access a refundable tax offset – 37.5 cents per dollar

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New R&D Tax Incentive

- 45% refundable tax offset* proposed, on R&D spending for companies with turnover less than $20 million
- 40% non-refundable offset over $20m t/o, or for foreign owned businesses
- *$0.45 for every $1.00 on eligible R&D, offset against tax liabilities, ATO cheque for balance

Subject to legislation being passed by the Senate – already passed through the House of Reps.

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Contacting AusIndustry

Adelaide Office
Level 11,178 North Terrace
8406 4700, email: aisa@innovation.gov.au

Stephen Chapple,
Regional Manager Southern SA (Mt Gambier)

Mark Arnold
Regional Manager Northern SA (Pt Augusta)

AusIndustry Hotline 13 28 46 www.ausindustry.gov.au
Information on programs, register for national e-bulletin, for program updates

Also *Commercialisation Australia* direct Hotline 13 22 56, and
www.commercialisationaustralia.gov.au

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How Enterprise Connect works

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Questions

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Thank you