

Advance Queensland Ignite Ideas Fund Round 9 Guidelines

About the Fund

The Queensland Government's Advance Queensland initiative focuses on economic recovery, growing the economy and creating jobs. This includes supporting the growth of Queensland businesses to deliver new products and services into domestic and global markets and establish new industries that will provide the jobs of the future.

The Ignite Ideas Fund supports Queensland based small to medium businesses that have high-growth potential to undertake commercialisation projects that will:

- strengthen key industries in Queensland
- diversify the Queensland economy
- compete in domestic and global markets
- engage and/or benefit regional Queensland
- create new jobs, now and into the future.

Ignite Ideas funding is available to commercialise highly **innovative** and **new** products or services that are at **minimum viable product** stage or beyond.

Ignite Ideas funding will not support the development of a concept for a new business, the further development or improvement of an existing product or service, or to expand into new markets if the product or service is already in a market.

Funding and Support

Funding is available under two Tiers:

Tier 1

- Up to **\$100,000** (excluding GST) for projects of up to 12 months duration.

Tier 2

- Greater than \$100,000 and up to **\$200,000** (excluding GST) for projects of up to 24 months duration.

For Round 9, successful applicants will be eligible for additional business development support through the Ignite+ program. This pilot program will encompass support across sales and marketing: customer acquisition; scalability; competitor analysis: IP / legal support; financial structure; connections to mentors and sponsors; and access and introductions to business and investment networks.

Eligibility Criteria

To be eligible to apply for Ignite Ideas funding the applicant organisation must at the time of application:

- be a business headquartered in Queensland
- have no more than 50 full-time equivalent employees
- not be a subsidiary of a group of companies that has more than 50 full-time equivalent employees in total
- be registered for GST (*at time of Full Application submission*)
- not have received funding for the proposed project activity from either the State, Federal or Local Government.

If applying for Tier 1, the applicant organisation and/or related parties must:

- not have received Ignite Ideas funding previously
- make a cash contribution to the project that is at least equal to 20% of the value of grant funding sought.

If applying for Tier 2, the applicant organisation and/or related parties must:

- not have received an Ignite Ideas Fund Tier 2 grant previously
- not be applying for a product or service that has previously received Ignite Ideas funding
- have successfully completed any project funded under Tier 1 of the Ignite Ideas Fund (if relevant)
- make a cash contribution to the project that is at least equal to the amount of Ignite Ideas funding sought.

Organisations and their related parties are limited to one application per funding round.

Using the Ignite Ideas Funding

Ignite Ideas Fund expenditure must be related to project specific commercialisation activities and fall within the following eligible cost categories:

- salary expenditure (including salary-related on-costs) for new employees directly contributing to the delivery of the project
- salary expenditure (including salary-related on-costs) for founders and existing employees directly contributing to the delivery of the project (capped at 20% of the total grant)
- services provided by (unrelated) external parties
- equipment not exceeding \$10,000 per item (capped at 10% of the total grant)
- consumables
- travel, accommodation and subsistence costs.

It is expected that all Ignite Ideas funding will be expended in Queensland, unless it can be demonstrated that expenditure outside Queensland is essential to ensure successful delivery of the project. Project costs must be deemed appropriate for the project and reasonable in nature by the Department.

Costs **not** eligible for Ignite Ideas funding include:

- FDA/TGA or other regulatory approval costs
- capital works and/or physical infrastructure including any buildings, telecommunications and IT networks
- individual items of equipment exceeding \$10,000
- costs associated with the production of products for sale, employee allowances, bonuses and fringe benefits

- air travel other than economy class
- conference fees
- entertainment costs
- ongoing compliance fees and licences
- inventory and warehousing costs
- costs associated with securing and/or managing the grant funding (e.g. grant writers and bookkeeping costs)
- general business operating costs including but not limited to rent, rates, electricity, water, internet, insurance, software and accounting fees.

Ignite Ideas Fund projects should **not** include the following activities:

- business as usual or general operational activities and associated expenses
- development or testing of a prototype
- the further development or improvement of an existing product or service including testing or customer trials
- clinical trials
- distribution other than to send samples for market/customer acceptance testing.

Applicant Contribution

Tier 2 applicants must provide at the time of full application evidence of their ability to meet the required matching funding contribution in the form of a declaration from a suitably qualified independent party who:

- is a member of:
 - the Institute of Chartered Accountants, or
 - CPA Australia, or
 - the Institute of Public Accountants with a Professional Practice Certificate.

The cash contribution of the applicant organisation can cover any direct project costs.

Assessment Criteria

Read the Ignite Ideas Fund Frequently Asked Questions for guidance on addressing the assessment criteria.

1. Innovation

The application should demonstrate that:

- the product or service is clearly innovative, unique and new
- there is a sound understanding of potential competitors and what differentiates the product or service from those already in the market
- the applicant organisation:
 - owns, or has been assigned irrevocable, perpetual rights to any intellectual property necessary to commercialise the product or service.
 - has appropriate measures in place to protect any intellectual property relating to the product or service.

2. Market potential

The application should demonstrate a significant understanding of potential markets and justify that:

- there is significant market demand for the product or service from identifiable customers/users
- the market demand for the product or service is scalable.

The letters of support from customers/potential customers will also be considered under this assessment criterion.

3. Technology/market readiness

The application should demonstrate that:

- at the time of application, the product or service is at, or beyond, minimum viable product stage (i.e. beyond initial proof of concept/prototype and has been tested with potential users of the product or service)
- by project completion, the product or service will have entered the market as evidenced by increased paying customers and increased business revenue.

4. Project viability

The application should demonstrate:

- that the project is well planned and achievable with key **commercialisation** activities, outcomes, expenditure and timeframes identified
- how, and to what extent, the project will increase sales revenue and/or profitability
- that key project risks have been identified and risk mitigation strategies are in place.

The Milestone Activities and Outcomes will be considered under this assessment criterion.

The letter(s) confirming a Tier 2 applicant's ability to make the required matching cash contribution will also be considered under this assessment criterion.

5. Organisational capability

The application should demonstrate that:

- the applicant organisation has:
 - the technical skills relevant to the project
 - the management skills and experience in delivering commercialisation projects
 - access to mentoring support, if required, to provide guidance in delivering the commercialisation outcomes.

The resumes of key project staff will be considered under this assessment criterion.

6. Benefits to Queensland

The application should demonstrate how:

- the project will provide benefit to Queensland industries and/or the broader community (outside of the benefit to the applicant organisation)
- the project will create jobs, both during the project execution and in the longer-term, for both the applicant organisation and the associated supply chain
- the project has the potential to positively contribute to/create a new Queensland industry
- where possible, the project will benefit Queensland regions (outside of Brisbane).

Submitting an Application

The Ignite Ideas Fund has a two-stage application process.

Stage 1 – Expression of Interest round

Expressions of Interest should be submitted online via the Advance Queensland website.

The closing time and date for submitting applications can be found on the website.

Stage 2 – Full Application round

Following assessment of the Expression of Interest applications, a number of applicants will be invited to submit a Full Application.

Expressions of Interest not progressing to the Full Application stage will not be considered further for funding.

Application Assessment

All applications will be assessed against the eligibility requirements. Only eligible submissions will be considered for funding support.

Applicant organisations may be contacted at any stage of the assessment process to clarify any information provided in the application and/or to request further information to enable a due diligence and probity assessment.

There is no implicit guarantee of approval at any stage in the process, and applicants will be notified via email of the assessment outcomes.

The Queensland Government may consider ensuring successful applications are equitably distributed across the state and to recognise priority target groups inclusive of regional, female led, and Aboriginal and Torres Strait Islander businesses (*refer to FAQs for definitions*).

The Queensland Government may, at its discretion, not accept an application or award funding in the case that a project involves (*but not limited to*) activities involving liquor, gambling, tobacco, adult services and illicit substances.

There is no appeals process for unsuccessful applicants.

Conditions of Funding

Successful applicants will be required to enter into a legally binding Financial Incentive Agreement (FIA) with the Queensland Government. You should ensure you have read and accept the terms and conditions of the FIA, prior to submitting an application, as they will not be negotiable at the time a funding offer is made.

Successful applicants will be required to finalise the FIA within 30 business days of receiving the initial draft of the FIA and execute a FIA within 10 business days of the department providing the final version of the FIA.

Successful applicants must commence projects within 40 business days of execution of the FIA and eligible expenditure can only be incurred from the project commencement date as detailed in the FIA.

Failure to meet either of these timeframes will result in the funding offer being withdrawn.

Payment of grants will be made in instalments based on project milestones. The first payment will be made upon execution of the FIA; subsequent payments will be made upon successful completion of project milestones activities and outcomes; and the final milestone payment will be in arrears following successful completion of the project.

Grant payments will be made upon the provision of documentary evidence that all project requirements have been satisfied, including evidence that the relevant activities have been completed, adequate project expenditure has been incurred by the recipient organisation, and matching cash has been contributed by all committed parties.

Funding recipients will be expected to actively promote their projects, and to provide information and attend media/promotion events if requested.

The Queensland Government funding should be acknowledged by recipients in all relevant published material, media releases and public statements.

Privacy

The Department of Tourism, Innovation and Sport (the department) is collecting personal information from you such as your name, address, contact details of yourself and your business (including employees and partners), resume, employment and directorship, corporate officer history, payslips, asset and financial information and other information relevant to your application or provided by you.

This information is collected for the purpose of assessing and evaluating your application for funded projects, milestone reports, and otherwise the departments function of supporting businesses and industry through innovation programs and grants.

The email address you provide will be used to communicate with you about your application or program participation (if successful). For example, you may be contacted via email about participating in a survey, interview or focus group. Dependent upon the email service provider you have chosen, this may result in your personal information being transferred overseas.

The personal information provided may be provided to other relevant Queensland government departments and Ministers, to publicly announce or publish as identified in the guidelines and Frequently Asked Questions (FAQ's) and promote those projects that have been funded. This may include the recipient's name and the amount of funding awarded, project details, agreed outcomes, and progress. De-identified aggregated data may also be used for the purpose of managing and evaluating the 'Ignite Ideas' initiative and inform government. Your personal information will also be used to provide the services outlined in the guidelines and FAQ's, and for the purposes of research, evaluation, promotion and monitoring of such services, and to improve and design services and programs.

Your personal information will not be otherwise used or disclosed unless authorised or required by law and will be managed in accordance with the *Information Privacy Act 2009*. The provisions of the *Right to Information Act 2009* apply to documents in the possession of the Queensland Government.

The Queensland government privacy policy can be found at: www.qld.gov.au/legal/privacy

Further information

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