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# Grant finders unearth a motherlode of funds

By Nicole Manktelow  
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It can be a lifeline, a handy boost or a chance to expand. Few companies would knock back government funding, yet many don't realise it's available - or that they qualify for it.

Research and development-based tax incentives, rebates, staff grants and commercialisation loans are available to companies that meet government guidelines and can cut through the red tape.

That's where fund finders like Rick Eardley come in. Eardley is manager of the R&D unit at Business Strategies International, which offers services such as accounting and business strategy planning.

"Small companies are often too focused on their business to be aware of these schemes," he says.

Problem solving, new product design or the creation of new functionality in products are the keys to accessing R&D-related benefits. Importantly, the Government's definition of R&D can be different to the developers'.

"People don't realise that they are doing R&D," Eardley says. "We ask them, 'What was the state of the art at the start of your project?' and we look to see if they are doing something new, or if they are building a better widget. If there is nothing that can already do that job, or if it has an extra function or two, well that's R&D."

This realisation can make a big difference - one of Eardley's clients was able to obtain more than \$300,000.

R&D tax concessions can provide a crucial break. "For every dollar spent on R&D there's an extra 25 cents tax back," Eardley says. "Some government schemes have saved jobs."

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Even better than concessions, Eardley says, is an R&D refundable tax offset, or rebate for companies in a tax-loss situation, with a group turnover of less than \$5 million and R&D expenditure less than \$1 million.

There are other avenues worth investigating, such as export market development grants, R&D staff grants and loans for the commercialisation of emerging technologies.

There's a mixture of federal and state grants for people without degrees or Certificate III training to undertake training through registered training organisations. "The Commonwealth grant is about \$4400, the state pays for the training at nearly \$3000, and you are exempt from payroll tax and WorkCover, which is a value of potentially \$12,000 per employee," Eardley says.

Often it is by word of mouth or coincidence that clients come to BSI for help. Bulletproof Networks, a provider of secure networks and managed virtual private networks, is one example. Eardley had called Bulletproof about development it had done for another BSI client. During the conversation Eardley discovered that Bulletproof had been busy with R&D of its own.

Bulletproof had developed two patent-pending systems, one for keeping its ADSL customers online, automatically switching to a back-up internet connection when necessary, and another for managing multiple gateways.

"Well, a patent is almost proof that you have been doing R&D," says Eardley, who was able to help Bulletproof access a tax rebate of \$60,000.

"It's made a lot of things possible," says Lorenzo Modesto, Bulletproof's marketing director. "It helped bring the development of a new product forward and we were able to get more staff. It changed our growth and strategy . . . We're spending so much time on processes and systems that it's challenging to grow a business at the same time. This has really helped."

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