



Department of  
**Jobs, Tourism, Science  
and Innovation**



# COMMERCIALISATION BRIDGE GRANT

2023/24

FREQUENTLY ASKED QUESTIONS

Assisting WA innovators in bridging the gap (the so-called 'Valley of Death') between a commercialised innovation and a sustainable, scalable business.

**FREQUENTLY ASKED QUESTIONS**

## ELIGIBILITY

### What is innovation?

Innovation refers to improvements in technology, products, services or business operations that create value, such as a distinct competitive advantage or productivity gain.

### What is a startup or small business?

For the purposes of this grant, we are defining both a startup and small business within the same definition used in the *Small Business Development Corporation Act 1983*.

### Which business or industry sectors are eligible to be considered?

This grant is open to businesses across all industry sectors, provided they are based in Western Australia and meet the criteria of being classified as either startups or small businesses.

### My business has over 200 employees – can I apply?

Businesses with a workforce ranging from one to 50 employees exclusively qualify for consideration in the Commercialisation Bridging Grant (CBG) application process.

### My business is located outside Western Australia – can I apply?

Only businesses that are registered, operational and developing their innovation within the confines of Western Australia are eligible to apply. This includes sole-traders, private sector firms, partnerships and non-profit entities. Businesses must also confirm that they will continue to be based in Western Australia in the next three years of receiving the grant.

### I don't have an ABN or ACN – can I apply?

Applicants must possess either an Australian Business Number (ABN) or an Australian Company Number (ACN) to be eligible for this grant.

## FUNDING

### What would a 'fundable' startup/ small business look like?

It must:

- Be based in WA;
- Have at least a three-year trading history;
- Have developed a commercial innovation;
- Have some early customer revenues; but,
- Not yet achieved 'break through growth', (but has the potential to do so).

### What are the conditions of the funding?

Matching grants of between \$50,000 to \$200,000 are available. Your business must be willing, and have the financial capacity, to contribute at least 50% of the requested project funding costs.

For example, a project of \$400,000 (total cost excluding GST) would involve the recipient providing at least \$200,000 of funding themselves to match the \$200,000 grant. The minimum grant request is for \$50,000.

### **Can I receive funding for the same project from another government grant?**

Applicants should be aware that they cannot 'double dip' from other government grants and/ or incentives. Applicants must also confirm that they have not, and will not, claim the same project expenses for this IBG application from other government grants and refunds (such as the R&D tax incentive).

### **Are grant payments subject to GST?**

The Department does not classify grants under the Commercialisation Bridge Grant as payment for supply of goods or services. Thus, the Department will not increase the grant to include GST, nor will it reimburse a Grant Recipient for GST paid or payable to a third party. Grant Recipients must provide the Department with a tax invoice for the **GST exclusive** value of the Grant.

## **ELIGIBLE EXPENDITURE**

### **What types of activities are eligible for funding?**

Funding requests must fall into **one or more** of the following four categories, and sub-categories:

#### **1. Product Readiness**

- Laboratory verification
- Necessary certification
- Software development and tech work
- Machining and tooling
- Product testing and validation

#### **2. Team Readiness**

- Hiring experienced C-suite person/personnel
- Adding to team, to fill gaps in skills and experience
- Developing an advisory/board

#### **3. IP Readiness**

- Protection of intellectual property through patents, and other protections, in various countries
- Legal and other professional advice
- Licensing

#### **4. Commercialisation Readiness**

- Innovation management and consulting services
- Commercialization, growth and marketing work
- Preparing to enter new markets
- Export readiness

### **What types of activities are NOT eligible for funding?**

Funding cannot be spent on general business/operational/business planning activities that are 'business as usual' for the organisation.

These excluded activities include, but are not limited to:

- Training courses;
- Hardware and software purchases (for standard business purposes);
- Business and strategic planning;
- Design and production of marketing or promotional materials or events (unless it can be demonstrated that this expenditure is focused on the commercialisation pathway);
- 'Business as usual' website development;
- Maintenance and upkeep of facilities; and
- Any other general business / operational / business planning activities that are usual requirements of a business.

### **Can I apply for funding for an external consultant/ supplier(s)?**

Applicants may apply for funding to engage up to three external consultants or suppliers. However, the services accessed must fall under the same eligible expenditure category applicants indicated on the Good Grants application and Project Plan spreadsheet.

**Note:** Applicants do not have to use an external consultant/ supplier(s).

### **Can I apply for funding for an activity that has already commenced prior to this application?**

Only activities that commence **after** the execution of the Financial Assistance Agreement can be considered for funding.

## **SUBMITTING AN APPLICATION**

### **Can I make a late application?**

The CBG operates without a fixed closing date and is open year-round. However, there are specific 'cut off dates' which will be announced on the Good Grants platform throughout the year. Applications submitted before these cut-off dates will be reviewed, while those still in progress will be assessed at a subsequent cut-off date.

### **Can I send a hard copy application?**

All applicants are required to apply via the online [Good Grants platform](#). In case of platform-related issues, please contact the Program Manager at [cbg@jtsi.wa.gov.au](mailto:cbg@jtsi.wa.gov.au).

### **How do I know my application has been received?**

Upon successful submission of your application via the [Commercialisation Bridge Grant Good Grants platform](#), you will receive a confirmation email.

### **Can I submit more than one application?**

It is permissible to submit multiple applications, provided they are for different innovative ideas or projects. However, applicants (entity applying) and the innovation itself is only eligible for one Commercialisation Bridge Grant.

### **Where can I find the Project Plan spreadsheet?**

The downloadable spreadsheet can be found on the [Commercialisation Bridge Grant webpage](#). This template should be completed, saved, and uploaded as an attachment when submitting the application on the [Commercialisation Bridge Grant Good Grants platform](#).

**Note:** There are two (2) project plan spreadsheets on the CBG webpage, an example one (1) that is not interactive and a template document that is the one you will need to complete.

### **I want to attach diagrams to my application is this allowed?**

Applicants are able to attach up to two (2) pictures or diagrams (e.g. jpegs) of their innovation when submitting their application. This can include technical drawings, website screenshots, diagrams or photographs.

### **Can I revise my application after lodgment?**

Applicants have the flexibility to revise their applications via the online IBG grant platform up to and even after submission. However, edits cannot be made once the 'cut-off' date has passed, as applications will be downloaded and sent for assessment.

If you don't want your application to be assessed, do not 'submit' it. It will stay as is (work in progress), and can be worked as long as you wish. When you are ready, press 'submit', and it will then be assessed at the next 'cut-off' date.

## **USING CONSULTANT/ SUPPLIER(S)**

### **What are the options for paying third party suppliers and consultants under the CBG?**

Eligible startups or small businesses are able to use internal resources to undertake eligible project work for them to advance their innovative idea or project. However, if your business does not have these skills, you can engage up to three (3) external consultant/ supplier(s) to undertake eligible project work to advance your innovative idea or project.

**Note:** At the end of the project, in order to release the final 25% grant payment, you will need to provide evidence that you have paid internal and/or external consultant/ supplier(s) as per the project plan spreadsheet.

### **My external consultant/ supplier(s) is not based in WA, is that okay?**

While a preference exists for external consultants/suppliers to be based in Western Australia, we acknowledge that this may not always be feasible. Applicants considering engagement from interstate or overseas consultants/suppliers should provide a comprehensive explanation detailing the unavailability of such services within Western Australia.

## **APPLICATION OUTCOME**

### **When will I find out if I have been successful with funding?**

Under normal circumstances (e.g. not during an election period or over holiday seasons), successful recipients of the CBG will be notified within approximately three months from the cut off dates which will be announced during the year, when the latest submissions will be assessed. All applicants will be advised on the outcome of their application simultaneously.

**Will I need to enter into a Financial Assistance Agreement?**

Recipients of funding will be required to enter into a Financial Assistance Agreement (FAA) with the Western Australian government prior to funding being released.

**When will funding be available if I am successful?**

For approved recipients, funds will be accessible for up to 12 months from the initial awarding of the grant - unless an extension is confirmed with JTSI - with 50% of the funding made available upfront.

However, prior to receiving funds, recipients must enter into a Financial Assistance Agreement with the Department. This agreement must be executed (signed) before invoicing can occur and funds are released. Only then can project work commence.

The remaining (50%) funds can be claimed at two further stages of the project: a mid-term milestone (further 25%), and then at the conclusion of the project and a final acquittal report has been provided to, and approved by, JTSI (final 25%).

**What happens if my application is not successful?**

The CBG is expected to be a highly competitive process. Previous experience indicates there will be many more applications than can be funded. Applicants should weigh up the time taken to apply, and consider whether the 'invested cost' may yield a return or not. Please respect that the decision on recipients is **final** and **no further correspondence can be entered into**.

**Will my idea be made public or shared with others?**

The content of all unsuccessful applications will remain strictly commercial-in-confidence. Shortlisted and winning ideas may be promoted in a way which retains the commercial integrity of the project in the public domain.

**Will I be asked to provide further information to support my application at any future stage?**

Selected businesses may be requested to provide more detailed information about their operations. Applications may be subject to due diligence, technical, financial and economic appraisals. The evaluators may also consider the level of funding sought by the applicants compared to how the application meets these requirements.

**ADDITIONAL FAQs (UPDATED 06.02.24)**

**Will any applications be reviewed before April 2024?**

No. The first cut-off date for CBG applications is 11am AWST, Thursday 4 April 2024, with decisions expected in May 2024. Any awarded projects could then only commence after these dates (i.e June 2024 onwards).

**Can you apply for a CBG if you are a current recipient of an Innovation Booster Grant (IBG) project, but have not completed that project yet?**

Yes, you can, providing the CBG application is for a different project, and you pass all the other eligibility criteria.

**Is the three-year trading history for the CBG a hard and fast rule?**

Yes. The CBG is targeted at businesses that have made some progress in developing their innovation and already have commercialised. The CBG is for scale-up projects. Businesses with a trading history of below three years may consider applying for the Innovation Booster Grant.

**In terms of ineligible costs, what does hardware and software purchases (for business-as-usual purposes) relate to?**

Eligible expenditure has to be purchased for the specific project, not business-as-usual. If software is required, you would need to prove that it is being acquired exclusively for the project.

**Can you match the CBG grant with recurring revenue?**

As per the guidelines, your matched funding “must be a cash co-contribution”. Revenue is not the same as cash, especially future revenue.

Fresh investment from new investors can be the co-contribution as long as written proof is provided, as well as “money already in the bank, ring-fenced for this project”. See guidelines.

**Can the investment be conditional on receiving the grant?**

Yes it can. The written proof from the investors matching the grant can be conditional on the grant being awarded.

**Can matched funding come from other government grant sources (federal, state and local)?**

No. This would be regarded as “double dipping”. The guidelines clearly state “that you have not, and will not, claim the same project expenses for this CBG application.”