

# Technology Transfer Vouchers

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## Introducing the Technology Transfer Voucher

The Technology Transfer Voucher makes it easy for businesses to work with research organisations on research and development (R&D) projects.

The voucher is available to businesses that need external R&D expertise.

For 2010/2011, \$5 million of funding is available for businesses requiring R&D expertise in high value manufacturing and services in these areas:

- novel materials, manufacturing and applications
- health and medical technologies
- information, communications and digital technologies.

## Is the voucher right for you?

- Are you a business based in New Zealand?
- Are you developing products or enhancing existing ones?
- Do you need external R&D expertise?
- Are you keen to work with a research organisation on an R&D projects to accelerate your business growth?

If you answered yes, then the voucher could be right for you.

## How it works

Vouchers provide 50 per cent funding towards businesses' R&D projects. Businesses must pay the other half.

You can use a voucher for product and/or process design activities, trial production runs or processes and product testing.

It's available on-demand, so it's first in, first served for businesses and projects that meet eligibility criteria and the objectives of the voucher programme.

Vouchers can range from \$30,000 to \$1 million (excluding GST). If you have a larger proposal, we would still like to hear from you.

Vouchers can be used with the following accredited R&D partners:

- Auckland University of Technology
- Industrial Research Limited
- University of Auckland
- University of Canterbury
- University of Otago
- Wellington Institute of Technology.

## Investing in innovation and growth

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The Technology Transfer Voucher is part of the Government's 2010 budget, which injected another \$234 million into business R&D over four years, to be delivered through TechNZ.

TechNZ is the Ministry of Science and Innovation's business programme. We have a range of R&D funding products and services to support businesses to grow through innovation.

Each year, we help more than 500 New Zealand businesses undertake R&D projects and grow their R&D capability. Whether you are a small start up business or a large established exporter, we can tailor a package to help you develop your products and get to market faster.

### Want more information?

Information about the voucher and how to apply can be found on [www.technzvoucher.co.nz](http://www.technzvoucher.co.nz)

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## Frequently asked questions and answers

A few questions have been coming through about the eligibility of companies. The key area of uncertainty is around what we mean by 'limited R&D capability'.

### Are spin outs eligible?

Where the spin out is operating as a separate entity and has an appropriate dilution in shareholding (<50%) from a CRI or university then they are eligible. The key question might typically relate to the ability of the company to operate as an independent entity. The key here is that it has access to funds to support its R&D and the ongoing commercialisation of the technology. The personnel within the company should also be committed (preferably) fulltime to making the technology a success. Secondly, there is the question about the R&D capability that might exist. Typically if it is a start up then there might not be too much of a track record. Ultimately this will be a case-by-case review.

### Previous funding

If they have undertaken a previous R&D project with support from the Ministry of Science and Innovation (or previously the Foundation for Research, Science and Technology) then they could be seen to have more than a limited R&D capability. As previously discussed, if they have had funding of greater than \$250k from MSI or the Foundation to do an R&D project then that would raise a question about the appropriateness of the voucher as a support tool. This is not a blanket rule and if the company has historically out-sourced their R&D then there would be a strong case to support.

Where they have done previous R&D there should not be a significant existing relationship with the research partner. The ideal voucher candidates are companies that have done little R&D and done that R&D in isolation from publicly funded research organisations.

### What about a company that is experienced in R&D but wants to get expertise in a completely new area?

The key test still relates back to the company having 'limited R&D capability'. The criteria also state that the company 'lacks the specific in-house research capability'. This is a secondary criterion to the first, i.e. the companies must first have a limited R&D capability and then must also lack the specific in-house capability. Again, this will be reviewed on a case-by-case basis.

Overall, this voucher is about introducing companies who have had limited historical engagement with a CRI or university to the value you can add to their business through R&D. These can be large or small companies but the projects that a voucher is being sought for need to be

commercially responsible, i.e. the project needs to be technically feasible; the company needs to have the resources to complete the project and the subsequent commercialisation.