Grants & Funding Strategies

Planning a Grant Strategy to make your money go further.

- As a business moves down the R&D, commercialization and growth pathway, there are different funding opportunities that become available.

- Grant programs and non-dilutive funding should be looked at as a complementary piece to capital raising to help stretch project investment further.

- The key is to:

    - **Know what is out there** and how funding aligns with different points of your project;
    - **Be Grant Ready** to take advantage of opportunities as they arise;
    - **Understand your advantages** to ensure you can make a compelling case for funding.

- This strategy allows you to strike when programs open.

Grant funding – Pros & Cons

Pros

- Non-dilutive source of cash
- Fast-tracks projects, business growth & strategic outcomes
- Encourages collaboration and knowledge-sharing
- Publicity for the business
- Snowball effect

Cons

- Competitive and unpredictable
- Time-consuming
- Strings attached and can create additional administrative burdens
- Restrictive once committed

Getting Grant Ready

01

Preparation

- Understand and document your needs and goals. For example:
  - Prepare a project plan
  - Prepare budgets, forecasts and ROI calculations for your project or business
  - Do some market and competitor analysis early
  - Model or list some of the wider project benefits.

Structure

- Think about business structure. For example, some grant programs require a company, a trading history or historic financials.

- Treat non-dilutive funding as a component of capital strategy and structuring discussions. When will you apply for grants throughout your journey?

02

Getting Grant Ready

03

Monitoring

- Find ways to monitor the grant landscape:
  - Register for email updates
  - Find resources online
  - Engage with industry bodies (e.g. XR Hub)
- **Be discerning with your time and effort. Grants are a lot of work so make sure you choose the right opportunities.**

Collaboration

- Map the ecosystem and identify industry participants, research organisations and other parties you could work with to push things forward.
- Make connections with the right people, including in government, and pursue collaboration when the right opportunity arises.

04

Who is a good candidate for grants?

Now

- ✓ Has a ‘launch ready' project
- ✓ Has a good understanding of project budget, timeline and ROI
- ✓ Has raised capital and/or has the ability to fund non-grant component
- ✓ Has developed a strong pool of collaborators to draw from
- ✓ Has identified grants that are a **natural fit** for their project and their strategic direction.

Not yet

- × Has a good idea but hasn't built any resources (people, IP, money, etc.)
- × Has no written project plan, budget or documented idea of the path to market
- × Has not explored private investment and is relying only on grant funds
- × **Trying to design a project to fit the grant instead of finding grant to fit the project.**

Government Funding Roadmap

A typical grant funding journey for most businesses through their lifecycle.

1 Innovation

Research & Development
Tech Development
Innovation & Collaboration

2 Commercialisation

High Tech Readiness Level
Ready to Sell
Building a Market

3 Growth

Broader Business Expansion
- New Locations
- Additional Employees
- New objectives (scaling, new tech applications etc.)

4 Beyond

Repeat the roadmap as novel projects occur