

SUPPORTING BUSINESS R&D

OVERVIEW

- Government support for business research and development (R&D) is being increased by \$234 million, with several new initiatives being introduced.
- These initiatives address gaps in the support system.
- The new initiatives build on \$181 million (over four years) in existing support for business R&D in the research, science and technology area.
- A table representing the major parts of the Government's new, redesigned business R&D support package is overleaf.

TECHNOLOGY DEVELOPMENT GRANTS

- Supports R&D programmes of New Zealand firms with a strong record of substantial R&D investment in high-value products and services.
- Firms must have an R&D intensity (the ratio of R&D expenditure to revenue) of five percent or more, and revenues of at least \$3 million a year. Strong R&D management capability is also vital.
- Equal to 20 percent of eligible expenditure of a firm's R&D programme, up to \$2.4 million a year.
- Provides funding for three years, giving firms more funding certainty.
- Firms will be able to manage the ways in which the grants are used, giving them more flexibility and control.
- The Government is investing up to \$189.5 million over four years, with \$22.5 million in 2010/11.
- The launch is planned for October 2010.

TECHNOLOGY TRANSFER VOUCHERS

- To help firms lacking internal R&D capability in a specific area commission research from accredited research organisations.
- Encourages the transfer of technology from the laboratory to the marketplace.
- Provide 50 percent funding towards business R&D projects.
- Vouchers will be worth between \$100,000 and \$1 million.
- The Government is investing \$20 million over four years to trial these vouchers, with \$5 million in 2010/11.
- The launch is planned for November 2010.

COMMERCIALISATION CENTRES

- A national network will bring together university and CRI commercialisation and technology transfer offices, improving co-ordination and efficiency.
- The Government investing \$11 million over four years, starting with \$2 million in 2010/11.

OTHER INITIATIVES

- \$13.7 million over four years in contingency funding to improve the transfer of technology from research organisations to firms.

MAJOR SUPPORT FOR BUSINESS R&D

FIRMS WITH EMERGING R&D CAPABILITIES

Technology Transfer Vouchers (new)

Supports businesses to access the expertise and knowledge of research organisations

Support for capability (TechNZ capability)

Supports firms to improve their ability to do R&D

FIRMS WITH GROWING R&D CAPABILITIES

Support for R&D projects (TechNZ project)

Support for commercialisation
E.g. commercialisation centres

FIRMS WITH STRONG R&D CAPABILITIES

Technology Development Grants (new)
Supports R&D programmes