



Food Innovation Vouchers

Round 3 Application Guide (April 2019)

Food Innovation Vouchers help businesses become investor ready, innovate, diversify, improve productivity and take new products to market.

In Round 3 smaller businesses with at least 10 FTEs or turnover >\$500,000 are encouraged to apply for an Early Stage Feasibility and Testing voucher and/or a Research & Development voucher. This recognises the smaller businesses in the food value chain that require support, particularly for R&D and early stage works that would otherwise be omitted under the general eligibility criteria.

NEW

Applicants are encouraged to consider the Victorian Government's Healthy Choices guidelines (<http://heas.health.vic.gov.au/healthy-choices/guidelines>). Projects that increase the nutrient rating of foods, reformulate a product's size, design a product for healthy fresh vending or otherwise increase the supply of healthier foods, would be considered favourably.

VOUCHER OPTIONS

Vouchers can be used to access facilities, services, advice or expertise from Registered Service Providers. There are three voucher types.

1. Early stage feasibility and testing

For a problem that needs an innovative solution.

Voucher: Up to \$10,000

Types of activities supported:

- initial feasibility plans
- stress-testing of early concepts
- identifying and mapping pathways between businesses and innovation service providers (e.g. a research institute).

Applicant is required to contribute at least one hour of time in-kind for every \$1000 of voucher funds.

2. Process innovation, product development, research, market positioning and labelling

For applied research projects with an innovation service provider.

Voucher: Up to \$50,000

Types of activities supported:

- product testing, validating, prototyping and verification
- automating existing processes or operations and streamline internal processes
- consumer science, research and testing of new product design
- small volume production to test commercial viability of new hardware, technology or products.

Suitable for emerging projects from the early stage feasibility voucher. Applicant is required to co-contribute at least 1:1 in cash.

3. Prepare for and attract investment

To increase investment into the food and agriculture sector by supporting businesses to become "investor ready" and attractive to investors.

Voucher: Up to \$50,000

Types of activities supported:

1. Assessing options, developing a business plan to allow potential investors to understand the opportunity
2. Preparing for investment by documenting financial arrangements, ownership/tax structures, legal aspects and governance arrangements for potential investors
3. Development of prospectus materials to assist in delivering the pitch or proposition to the investor.

Applicant is required to co-contribute at least 1:1 in cash.

CASE STUDIES

Dairy farm robotics

The applicant is a northern Victorian dairy farmer milking 500 cows who is interested in converting the existing herringbone dairy to a state-of-the-art robotic dairy. Expected benefits of the conversion include improved labour efficiency, better energy use, better information about the health and milk production of individual cows leading to improved productivity. The registered service provider works with the business to design a system that is fit-for-purpose and within the farmer's budget.



Value adding to jujubes

The applicant is a grower who markets both fresh and dried jujubes (also known as Chinese red date) and is looking to diversify into other value-add products, such as a juice rich in Vitamin C for the health conscious consumer. The applicant partners with a registered service provider whose expertise, global vision, and ability to develop, launch and market products was what the business needed. The service provider developed a range of potential jujube products, including contract manufacturing supply options for potential commercialisation. One potential product – a high-end, packaged jujube in chocolate – could prove popular with the Chinese.



Making the perfect biscuit

The applicant is one of Victoria's most successful family run food companies and biscuit manufacturer. The company intermittently experiences quality issues with its key biscuit bar with defects such as breakage and crumbling of the biscuit structure. The manufacturer partners with a registered service provider who works to develop innovative methods to monitor and improve biscuit quality. The service provider assesses the suitability of moisture, water activity and texture analysis methods for determining the best quality of biscuit bars, and recommends improvements to the applicant's manufacturing process.



New muesli bar range

The applicant is a food manufacturer who has recently created a new range of muesli bars and wants to determine consumer sensory acceptance and marketing appeal, including preference for different packaging options. The applicant partners with a registered service provider skilled in consumer research and who, from a pool of consumers, selects a cohort who have purchased muesli bars in the past week. These consumers sample and evaluate the range of the applicant's muesli bars for acceptance, purchase intent, packaging and health claims. The project findings inform which products the applicant takes to market.



Cheese manufacturer targets waste

The applicant is a cheese manufacturer who produces a range of fresh and matured Italian style cheese, including Mozzarella, Ricotta, Parmesan and Pecorino. The applicant partners with a registered service provider who undertakes a process review and identifies numerous inefficiencies. This includes significant waste from one type of cheese manufacture that incurs a large disposal cost and yet potentially is an additional income stream. The service provider recommends equipment upgrades and an alternate product manufacture that could potentially generate significant savings to the business.



WHO CAN APPLY?

Vouchers are available to small and medium-sized enterprises (SME) businesses across the food value chain.¹

Not Eligible: Industry groups; commonwealth, state and local government agencies.

Business Criteria:

- Registered business in Victoria with an Australian Business Number (ABN)
- A legal entity engaged in the food value chain – or a genuine commercial connection to the food value chain – and a member of the Victorian Food Innovation Network (refer to agriculture.vic.gov.au/foodinnovation)
- Meets industrial relations obligations in accordance with the National Employment Standards
- Operates in Victoria

Additional Voucher Criteria:

- Co-contribute cash expenditure (or in-kind for early stage feasibility)
- Conduct majority of proposed activities in Victoria in partnership with Registered Service Provider
- Participate in future program evaluation.

¹ For the purposes of this program, 'food value chain' includes agriculture (excluding forestry and fishing) and food and beverage manufacturing.

MORE INFORMATION

For program guidelines, application forms, a list of Registered Service Providers, and opening and closing dates visit: business.vic.gov.au/foodinnovation

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