

Funding innovation proves a smart move

Canberra's Researchers in Business program is paying dividends for a number of smaller companies, writes **Joanna Mather**.

A cheese manufacturer and renewable energy company are among the first to benefit from the \$10 million Researchers in Business program, aimed at accelerating the pace of innovation in Australia.

The program is providing up to \$50,000 to small and medium-sized businesses to help cover the costs of employing a researcher to take commercially promising ideas and technologies to market.

The scheme, part of the federal government's 10-year national innovation strategy, appears to be off to a sluggish start, with just four businesses so far approved at a cost to the government of just over \$190,000.

Nevertheless, West Australian renewable energy company Regen Power and family run cheese making business La Casa Del Formaggio in South Australia are already taking advantage of the wage subsidy.

Regen Power has \$50,000 from the program and has hired mechanical engineer Anil Kumar to design mobile phone towers that can run on wind or solar energy.

The aim is to find a cheaper way to power the towers in remote areas, where a lack of grid electricity means relying on diesel engines.

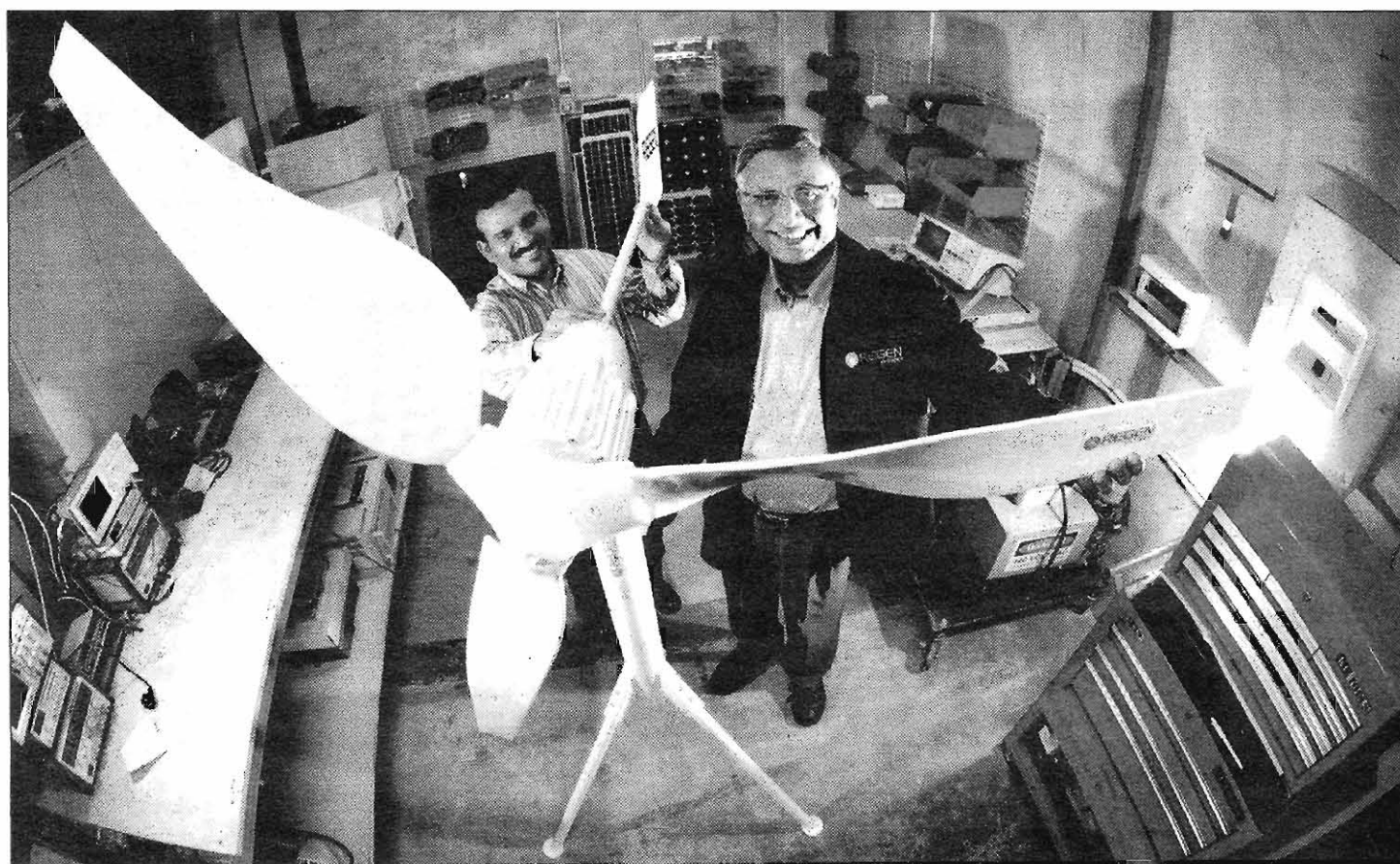
La Casa Del Formaggio has engaged chemical engineer and food technologist Andrew Barber to help develop new product lines.

Barber has already helped create one new supermarket offering — a bruschetta kit featuring the company's best-selling cheese, bocconcini.

"It's really exciting and it's fantastic seeing the product on the market," he says.

The program's flexibility means Barber will spend a third of his time at the factory while continuing in his existing role as principal food technologist for the South Australian Research and Development Institute at the South Australian Food Centre.

Under the Researchers in Business program, announced in March, the government will pay up to half of the salary costs associated with employing a researcher, up to a



Regen Power's Chem Nayar hired mechanical engineer Anil Kumar, left, with help from the scheme.

Photo: ROSS SWANBOROUGH

maximum of \$50,000 for a period of between two and 12 months.

There are several other new products on the drawing board at La Casa Del Formaggio, but Barber says he can't give away too many details.

"The business has a really good group of hands-on people but this program gives them the extra incentive to take another step in developing new products," he says.

Australia's track record on collaboration between public sector researchers and industry is poor.

In fact, we rank last among all OECD nations, says federal Innovation Minister Kim Carr.

"This costs us opportunities and leaves us falling further behind the rest of the world," Carr says.

The dearth of collaboration between business and public sector researchers was a key theme in the Cutler Review of Innovation and the government's resulting white paper, *Powering Ideas: An Innovation Agenda for the 21st Century*, released in tandem with the May federal budget.

The white paper commits the government to doubling the level of collaboration between Australian businesses, universities and publicly funded research agencies over the next decade.

Researchers in Business is a key plank of the strategy and Kim Carr has high hopes for its success.

"We expect [Researchers in

Business] to revolutionise the operations of the firms involved, but it will also be a great opportunity for researchers to add unique value in a business setting," he says.

The program is run out of the government's \$271 million Enterprise Connect centres. Twelve centres have been set up nationally and focus on different sectors, such as manufacturing, creative industries and clean energy.

Other businesses to have secured grants through Researchers in Business are pharmaceuticals company Protherics Australasia and supercapacitor manufacturer Cap-XX.

Cap-XX has partnered with the Commonwealth Scientific and

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INNOVATION MINISTER KIM CARR

Industrial Research Organisation and received \$55,000 from the government.

The company, based in Sydney, makes supercapacitors for use in devices such as mobile phones, digital cameras and Personal Digital Assistants. Unlike conventional batteries, supercapacitors are light but able to store large amounts of energy and release it very quickly.

Meanwhile, Protherics Australasia has brought postdoctoral student Cara Fraser on board from the University of South Australia to help search for new intensive-care medicines.

Protherics, which was acquired by London Stock Exchange-listed BTG late last year, is well known in the biomedical sphere for its snake venom antidote, which is used in hospital emergency departments around the world.

Without the government's support it would have been difficult to engage a researcher like Fraser, says Protherics' general manager, Kylie Sproston.

"It is generally not possible to have these types of specialist resources full time within small business," she says.

John Hayball heads up the University of South Australia's experimental therapeutics laboratory and will act as Fraser's academic supervisor while she is with Protherics. He says a good thing about Researchers in Business

is that the program allows scientists to step outside the laboratory to work on real-world problems.

Hayball says some "elitism" can exist among the scientific fraternity when it comes to industry-linked research. But the commercial realities should be acknowledged, he says, believing every opportunity to invest in developing new therapies should be embraced.

"It's in every researcher's mind, you hopefully want to cure a disease. We wouldn't be doing this if we didn't want to make a difference to society."

The government has appointed the Australian Institute for Commercialisation and CSIRO to help link eligible firms with appropriate researchers.

Candidate businesses have to be revenue-positive — that is, the program isn't designed for start-ups, says AIC director Rowan Gilmore.

To be eligible, enterprises must have an annual turnover of at least \$1 million but no more than \$100 million.

Gilmore says approximately 50 companies have expressed interest and AIC is working with 20 of them to find researchers.

"It takes a while for things to work through the pipeline. It's still very early days," he says.

Gilmore says a similar program in the United Kingdom, called Knowledge Transfer Partnerships, has had significant success.

"It's been a really effective means in the UK of transferring skills and know-how from the research sector into business," he says.

Back at Regen Power, Kumar's challenge is to design a structure that can accommodate a wind turbine or other hybrid power source.

He is also doing a research masters in mechanical engineering at Curtin University of Technology.

After working in mining industry, Kumar says he was eager to try his hand at telecommunications and renewable energy because they are such rapidly expanding industries.

"This is an opportunity to develop knowledge and enhance my qualification in renewable energy."

Regen Power chairman and managing director Chem Nayar says Kumar brings mechanical engineering expertise to a company which is used to dealing with the electrical engineering aspects of renewable energy.

It would have been difficult to employ Kumar had it not been for the federal government's subsidy, Nayar adds.