



# Plant Initiated Projects Program

## Purpose

This brochure describes the method for preparing and submitting research and development (R&D) applications for funding of Plant Initiated Projects.

## Who can apply?

Only financial members of the Australian Meat Processor Corporation (AMPC) are eligible to apply for R&D funding under the Plant Initiated Projects Program. The self assessment checklist in this brochure will assist companies in determining their eligibility.

## Encourage R&D

The Program has been jointly developed by Meat and Livestock Australia (MLA) and AMPC to encourage R&D by processors. AMPC members are able to access a percentage of their contributions (15%) to cover up to 25% of the project cost. It is a requirement of the Program that the company must agree to at least match this figure dollar for dollar. However, this does not limit the amount that the company can contribute to the project. AMPC can provide specific details to members of the level of their contributions that are available. MLA will provide funding for up to 50% of approved project costs.

The objectives of the Plant Initiated Projects Program include:

- Assisting AMPC members to achieve greater competitiveness through innovation.
- Increasing the number of processing innovations available to AMPC members.
- Demonstrating the commercial benefits achieved from investment in innovation to AMPC members and the wider industry.

Importantly, projects are facilitated right through the innovation process up to, and including, full commercialisation and dissemination. Processors retain a high degree of control and ownership of their project and strict commercial principles apply, including confidentiality of commercially sensitive information and exclusivity periods where appropriate.

## Projects that qualify

Projects must meet the definition of R&D. This includes activities that advance scientific or technical knowledge and understanding. R&D projects must aim to: develop or evaluate new concepts or technologies; or seek to use existing concepts in new applications. In addition, projects must involve some aspect of innovation, i.e. there must be an aspect of the project that has not been tried before. The range of R&D projects can include acquiring knowledge that may be of use in improving the supply chain including: production; processing; transport; or marketing of meat, livestock, or co-products.

## Self assessment

Use this form to help decide if your project is likely to be eligible for funding under this Program.

	Yes	No
Are you a financial member of the AMPC?		
Does the project meet the definition of R&D, i.e. is there some aspect of the project that has not been tried before?		
Will your project solve a problem or advance the knowledge of the Australian red meat industry?		
Does the project have relevance and benefits to the Australian red meat industry?		
Do you have the experience and access to resources to make sure the project is completed on time?		
Are you prepared to match the AMPC funding contribution? (up to 15% of your membership contribution to AMPC)		
Are you prepared to sign a formal contract with MLA?		
Are you prepared to have your project reported to the AMPC and industry by MLA, in general terms?		

If you answered YES to all the above questions, your project may be eligible for funding through the Plant Initiated Projects Program.

## What is required in each project proposal?

- Each project must have clearly defined objectives, milestones and reporting processes.
- A project can include the processing company undertaking some of the research activities themselves, provided they have the relevant expertise.
- Projects must be fully costed.
- A strategy for commercialisation and/or industry dissemination is to be included in the project outcomes.

## Project budget items

The following project items can be included for approval for funding, and must be outlined in the Approach and Methodology section of the application form:

- Fees to researchers, external consultants/resources.
- Plant Salaries, where internal resources are substantially dedicated to the project. Generally this would not include CEO/Owner salaries.
- Operating Costs – consumables, travel, components for prototype assembly etc.
- Capital Items – generally these should not form a substantial proportion of the overall budget. It must be clearly demonstrated that the capital item is essential for the project and will be used primarily for the purposes of the project. When no longer required for the project, capital items are to be disposed of, either to the company at an agreed written down value, or otherwise sold on an arm's length basis.
- MLA Project Management Fee – MLA charges a project management fee that is usually 8-10% of the project budget. Where additional technical services are to be provided by MLA (as agreed) these are charged at cost.

All of the above items are agreed by the company and MLA prior to commencement of the project, and can only be varied by mutual agreement.

## Subcontracting

In many instances, some or even all of the project may be undertaken by third parties (research or consulting organisations). These arrangements will be formalised via a subcontractor agreement. In these instances, the principle contractor may be either MLA or the processing company and this will be agreed prior to commencement of the project.

## Project management

Projects are managed collaboratively by MLA and the processing company. The processor retains a high degree of control and ownership of their initiative throughout the life of the project. A Project Management Group may be established with representation from the processor and MLA, the role of which includes: monitoring project progress and outcomes; agreeing variations in project milestones, expenditure etc.; agreeing continuation beyond go/no go points; and agreeing on selection and appointment of subcontractors.

## **Confidentiality**

MLA recognises that in many instances, strict observance of confidentiality will be essential to protect the commercial interests of the company. Appropriate systems are in place within MLA and these arrangements are normally embodied in signed Confidentiality Agreements or clauses.

## **Intellectual Property (IP)**

As a general principle, IP (such as patents, copyright material, trademarks etc) developed within the project will be owned by MLA. However, where there has been substantial background IP, these proportions will be varied and agreed prior to commencement of the project. Income arising from the commercialisation of project IP may be shared with the processor in proportion to their contribution to the project.

## **Exclusivity**

Where appropriate, MLA negotiates exclusivity arrangements to ensure companies realise commercial benefit from their investment in the project. Exclusivity varies from project to project but may include:

- 1-2 years confidentiality prior to release and dissemination of project details and outcomes to the wider industry.
- Exclusive licences to the company for the life of a patent.
- Exclusive use of the project outcomes (eg new technology) for 1-2 years.

## **Commercialisation strategy**

Where the project outcomes include commercially valuable intellectual property, MLA and the company will agree on a Commercialisation Plan. This plan will normally include:

- Intellectual property protection.
- Commercialisation vehicle (eg. Licensing Agreement, new start-up etc).
- Commercial returns to company and MLA (royalties etc).
- Financial support during commercialisation phase.
- Industry dissemination.

## Approval process

- A project application must be sent to either MLA or AMPC.
- Each project will be evaluated against the R&D definition and assessment criteria. AMPC will endorse membership status and contribution approval.
- In straightforward cases, the project approval processes normally take 4-6 weeks. However, the process timeline may be extended where: the project concept is not well developed; where external feasibility review is required; or where contractual negotiations are complex.

### **Your proposal will be assessed against formal selection criteria that include:**

- clearly stated objectives;
- how attainable are the objectives from the methodology;
- the experience and achievements of your project team;
- the team's access to the resources necessary to complete the project;
- how important the project is to advancing the knowledge and understanding of the meat industry;
- the importance of the problem addressed by the project;
- the benefits to the Australian red meat industry;
- the probability of success;
- the novelty, uniqueness and originality of the project.

### **What happens when the project is approved?**

Following approval, the processor will receive a draft contract that will form the basis of the agreement. Once signed, the project can proceed. MLA staff would have already made contact with you to prepare the first stages of the project implementation and assign a contact person.

It would be expected that the project would commence within weeks of receiving your "in principle" approval, unless complicated intellectual property or other issues are involved.

Note: no project may commence before a formal contract is in place with MLA (retrospective payments will not be made).

## How to apply

To initiate an application for a project, companies may either request an application form from MLA or AMPC by phoning, faxing or e-mailing a request, or by accessing the form electronically via MLA's or AMPC's website.

When the project application form has been completed, the proposal may be sent to either MLA or AMPC.

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### Plant Initiated Project Application Form

1. Title of Project: \_\_\_\_\_

2. Company details:

Name:	ABN:
Street Address:	Postal Address:

3. Primary Contact Person:

Name:	Position:
Telephone:	Mobile:
Fax:	Email:

4. Background  
 Provide a brief outline of the project and include if relevant:  
 1. What problem the project will solve.  
 2. The current state of industry knowledge or practice, and how the project advances that knowledge or practice.

5. Objectives  
 List the objectives of the project. Use 30 characters or less for each objective.

\* This is a joint or group proposal, please attach details of other partners.

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### 6. Approach & Methodology

Complete the steps to achieve the project outcomes being: the activities to be undertaken, the resources required, approach/plan for each activity and the associated costs.

Activity	Resource/Staff (include the activity)	Work hrs	No of Resources	Rate	Operative Cost	Capital Equipment
Sub Total						
						Sub Total
						PM Management Fee
						<b>TOTAL:</b>

7. Outcomes  
 List the outcomes of the project (e.g. will there be a report of the findings, will there be new equipment or technology for sale, how should the project outcomes be communicated for adoption by other processors?)

8. Intellectual Property (IP)  
 List Intellectual IP or pre-existing IP that will be required for the project, and explain IP anticipated including ownership.

9. Source of Funds

Company	\$
MLA	\$
AMPC	\$

10. Project Management (MLA office use only)

Project Manager:	
Estimated Project Management Fees:	

Name: \_\_\_\_\_  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_

RT11, RT12, RT13: General Manager  
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## Contact details



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