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# GRANT GUIDELINES MEDTECH MARKET GROWTH PROGRAM

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Supporting Scaling Medtech startups to accelerate their pathways to market.

## BACKGROUND

Medtech technologies diagnose, treat, or improve a person's health and wellbeing; and encompass both low and high-risk medical devices and diagnostics.

Medtech companies form part of the broader health tech sector whose value add in Victoria in 2022 was \$5.5 billion. The sector exports products and services to global markets valued at over \$2.5 billion.

Melbourne is ranked by CBRE<sup>1</sup> as a top five Life Sciences Hub in the Asia Pacific. Melbourne is one of the few cities in the world to have two universities (the University of Melbourne and Monash University) in the global top 40 biomedical rankings. Victoria attracts more than 40% of medical research funding in Australia and is a national leader for early-stage clinical trials.

This ecosystem has put Victoria in the top 10% rankings of global life sciences startups. One fifth of startups in the state are operating in the health tech sector.

However, despite our success, Victorian Medtech startups and scaleups often lack the skills, knowledge, and resources to fast-track market growth locally and globally. This is a well identified critical growth obstacle and go to market planning needs to be included early in the business scaling process to enable growth<sup>2</sup>.

## OVERVIEW & OBJECTIVE

LaunchVic is partnering with the Australian Medtech Manufacturing Centre (AMMC) in the Department of Jobs, Skills, Industry and Regions (DJSIR) to increase support for Scaling Medtech Startups from across Victoria by providing grants of \$50,000 in 1:1 matched funding to help accelerate their pathway to market. The \$1m program is expected to increase the pipeline of Scaling Medtech Startups originating in Victoria. The Medtech Market Growth Program is customer-centric designed to help companies :

- ☐ Accelerate or increase customer acquisition
- ☐ Accelerate pathways to market
- ☐ Create avenues for increasing revenue
- ☐ Drive economic growth in the Medtech market

The grant program will provide matched funding to assist Scaling Medtech Startups to accelerate market growth by funding commercial activities and business and advisory services so that the Startups can continue to build their businesses, grow jobs, and support Victoria's economic growth. Such activities and advisory support may include:

- ☐ Developing and refining go-to-market value proposition

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<sup>1</sup> [CBRE Research, June 2021](#)

<sup>2</sup> [Medical Technology Association Australia, The Value of MedTech Report, 2023.](#)

- ☐ Analysis of the complex therapeutic pathways to global markets
- ☐ Pricing, reimbursements, and health economics analysis
- ☐ Regulatory approval process costs (domestic and international)
- ☐ Government procurement (domestic and international)
- ☐ Commercial product manufacturability

The full list of eligible activities is covered in further detail below.

LaunchVic will grant \$50,000 (ex GST) in 1:1 matched cash contribution to eligible Scaling Medtech Startups of which \$48,500 (ex GST) will be a cash grant (equity free and non-dilutive) and \$1,500 (ex GST) will support the cost of a LaunchVic Startup Business Mentor that will be a professional Medtech mentor assigned by LaunchVic to the Startup. Eligible applicants will be required to contribute 1:1 matched funding of \$50,000 (ex GST).

Each grant will support eligible activities for up to six months, and applications will be accepted on a rolling basis until 30 June 2024 or until all funding is expended.

The Medtech Market Growth Program is not intended to support ineligible activity identified in these Guidelines, such as, without limitation, routine operational expenditure, current employee costs, retrospective activities, or the purchase, lease, or acquisition of land.

## DEFINITIONS

The below definitions apply to this Grant Round:

**Medtech** stands for “medical technology” – it is a combination of technology and medical interventions. Medtech includes technologies, devices, services, products, and solutions that use medical technology for patient care and treatment, diagnosis, monitoring, and improvement of people’s health.

**Startups** are new technology-based businesses with high impact potential, that use innovation to address global scalable markets. Examples of technology used in Medtech startups include software, artificial intelligence (AI), blockchain, advanced manufacturing and robotics, Internet of Things (IoT), big data analytics, augmented /virtual reality, 3D printing and advanced materials.

**A Scaling Startup** must have:

- ☐ Raised seed or Series A funding from private or professional investors of between \$500,000 to \$10million (cumulative excluding grants)
- ☐ Commenced planning, are conducting, or have completed Stage 1 clinical trials.

**LaunchVic Startup Business Mentor** is a LaunchVic-appointed business mentor assigned to provide mandatory medtech business advisory sessions.

**Scaling Medtech Startup** has the meaning in Eligibility criterium 1 below.

## APPLICANT ELIGIBILITY

Applicants must satisfy the following eligibility criterion:

- 1. Scaling Medtech Startup** The applicant entity Startup must meet the definition for “Scaling Startup” and have its principal business activity fall within the definition of “Medtech” industry, each as defined above.
- 2. Be a registered Business** A registered business is defined as:
  - ☐ holding an existing Australian Business Number (ABN) at the time of application and continuing during the program
  - ☐ if required, being registered for the Goods and Services Tax (GST)
  - ☐ being one of the following entities:
    - ☐ a Company registered under the Corporations Act 2001 (Cth)
    - ☐ an incorporated trustee on behalf of a trust
    - ☐ an Aboriginal and Torres Strait Islander Corporation registered under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cth)
    - ☐ a partnership
    - ☐ a sole trader.
- 3. Be based in Victoria**
  - ☐ Applicant’s ABN registration must record its place of business as being an address in Victoria at the time of application.
  - ☐ At least 50% of its assets and employees must be located in Victoria.
  - ☐ The founder/CEO must be a person that has a primary residence in Victoria.
  - ☐ The activities proposed for grant funding must be to develop a manufactured Medtech product, where the intention is for the Medtech product to be wholly or partially manufactured in Victoria.
- 4. Adhere to Victorian Government Policy on ESG Prohibited Activities** The Applicant Startup must not be funded by, or otherwise associated or connected with any activities in:
  - ☐ Tobacco or tobacco-related products;
  - ☐ Cluster munitions and other controversial weapons;
  - ☐ Thermal coal;
  - ☐ Gambling;
  - ☐ Logging of old growth forests;
  - ☐ Uranium;
  - ☐ Unregulated animal testing;
  - ☐ Live cattle and/or sheep exports; or
  - ☐ Fracking.
- 5. Grant Amount** Applications for \$50,000 (ex GST) only are eligible.

- 6. Matched Funding** Application must include at least \$50,000 (ex GST) in cash contributions by the startup.
- 7. Use of Funds** The grant must only be used on proposed activities within the scope of the Use of Grant Funding outlined below.

DJSIR, AMMC and LaunchVic staff are not eligible to apply for this grant.

If you are unsure about your eligibility, please contact the [LaunchVic Grants Team](#).

## PROJECT ELIGIBILITY - USE OF GRANT FUNDING

Eligible use of funds include commercial activities and access to business and advisory services to enable Scaling Medtech Startups to accelerate their pathway to market, acquire customers, build revenue, and drive the manufacture of medtech in Victoria. This can include:

**Eligible advisory and business development services**, can include the provision of advice in the following areas:

- ☐ Developing and refining go-to-market value proposition
- ☐ Analysis of the complex therapeutic pathways to global markets
- ☐ Pricing, reimbursements, and health economics analysis
- ☐ Regulatory approvals (domestic and international)
- ☐ Government procurement (domestic and international)
- ☐ Commercial product manufacturability

**Eligible commercial activities can include:**

- ☐ Accessing facilities, capability, or services related to product development, manufacturing, research and/or market opportunities.
- ☐ Travel that is directly related to increasing global customers, procurement, regulatory approvals, or commercial product manufacturability.
- ☐ Hiring or contracting of new staff directly relevant to the project.

To be eligible for funding, such commercial, advisory, and business development services must be approved by the LaunchVic Startup Business Mentor assigned to the Startup at the beginning of the program.

**Ineligible Activities include:**

- ☐ costs that are already funded or partially funded by government funding.
- ☐ usual operational expenditure, including existing staff costs, communications, entertainment, and office computing equipment.

- ☐ routine replacement or minor upgrade of plant and equipment.
- ☐ printing, stationery, postage, and bank charges.
- ☐ any amount paid on account of goods and services tax.
- ☐ costs related to preparing the grant application, preparing any project reports, and preparing any project variation requests.
- ☐ creating or adapting routine websites, sales and promotional activities, marketing, or communications campaigns.
- ☐ retrospective funding for activities that have already begun.
- ☐ LaunchVic reserves the right to determine eligible activities and expenditure in alignment with program objectives.

## APPLICATION PROCESS:

1. **Application submission** must be via the [LaunchVic online application system](#) to be eligible. Applications open on 21 February 2024 and will be accepted on a rolling basis until the date when all available funds are awarded, or until 30 June 2024, **whichever is earlier**.
2. To preview and start an application form please go to the [LaunchVic online application system](#). Applicants will be required to address Eligibility Criteria and Applicant Information. Applicants will also need to address Key Assessment Criteria and complete the Declaration before submission.
3. Shortlisted applicants will be required to attend a fifteen-minute interview with the Assessment Panel. Applicants may also be required to provide additional information as part of the application process, including by way of additional email material, or video.
4. Applicants will be advised of the outcome of their grant application via email. LaunchVic will endeavour to notify applicants of the outcome of their application as per the timeline below.



## KEY ASSESSMENT CRITERIA

Applicants are required to address the following Key Assessment Criteria via the LaunchVic online application system. Included below are the required responses and the maximum word count for responses.

	Criteria	Response
<b>1. Business overview</b>	a) Provide an overview of the Medtech Startup including a description of the problem being solved by the Startup, the unmet need or demand for the product and how the startup is uniquely solving the problem.	200 words
	b) Explain why the Startup meets the definition of “Medtech” entity and a “Scaling Startup,” Including funding raised to date, and progression of clinical trials where applicable.	100 words
	c) Outline the funding received by the Startup including all investments and grants (if applicable).	Table
	d) Upload your standard investor pitch deck. Please include a single slide with your goals for the next 12 months and any barriers that may prevent that from happening.	Upload
<b>2. Capability of execution</b>	a) Outline key personnel currently working in the business including founding team and employees (if applicable).	Table
	b) Provide the CV’s of the founding team, CEO, and other relevant executive officers. (No more than 3 CV’s per application)	Upload
	c) Provide details (where applicable) of participation in relevant and high-quality Startup programs.	150 words
<b>3. Visible signs of traction and potential for business success</b>	a) Provide details on business traction to date including product development status, status of any trials, revenue generated, number of customers (if applicable) etc.	150 words
	b) Outline the 12-month growth pathway of the Startup, which may include the pathway to achieve new clients, open new markets, increase in revenue, or secure further investment etc.	150 words
	c) Upload any letters of support from existing or potential customers or end users, or other relevant stakeholders (not mandatory).	Upload

4. Need	a) Outline the need for the grant – what hurdle will it help you overcome and what do you expect to achieve as a result of the grant?	100 words
	b) How will the funding activity be used to scale-up, grow the business and increase Medtech manufacturing in Victoria?	100 words
5. Financials	a) Provide details on the following:  i) What the grant and 1:1 matched funding will be used for and the expected outputs.	100 words
	b) Budget: Provide a budget for the project (complete the budget table), including income and expenditure of Grant and matched funding. Expenditure of the LaunchVic Grant and matched funding can only be used for eligible activities as described above.	Table

## ASSESSMENT AND SELECTION

Eligible applications will be evaluated against the Key Assessment Criteria by an Assessment Panel comprising LaunchVic and AMMC staff (within the Department of Jobs, Skills, Industry, and Regions). LaunchVic may also choose to appoint external members to assess applications.

As part of the assessment process, information provided by applicants may be shared and subject to verification with DJSIR and other government agencies, including without limitation the Australian Business Register.

**Startup Interview:** Shortlisted applicants will be required to attend a fifteen-minute interview with the Assessment Panel. Applicants may also be required to provide additional information as part of the application process, including by way of additional email material and video.

Funding outcomes are approved by the LaunchVic CEO, and his or her decision is final.

All applications are made at the applicants' own cost and will not be reimbursed, whether the application is successful or unsuccessful.

## CONTRACT

Successful applicants will be required to enter a legal contract (Grant Agreement) with LaunchVic and provide project reporting and evidence of project progress to receive payments under agreed milestones.



Successful applicants will be required to participate in a program evaluation, auditing, and/or used in a case study.

The Grant Program will be conducted according to LaunchVic policies available on the website [here](#).

## TIMINGS

Grant Program launched:	Wednesday 21 February 2024
Information Session:	Thursday 7 March 2024 2.00pm via Zoom Webinar
Assessment Panel review dates:	Approximately monthly with the first review occurring in mid-April 2024. Please see website for application round dates.
Assessment begins:	Mid-April 2024
Assessment timeline:	Approximately 3 weeks
Closes:	When all funds are fully allocated, or by 30 June 2024, <b>whichever is earlier</b>
Announcement:	Via the LaunchVic website

## QUESTIONS?

If you have a question regarding this program, please email [grants@launchvic.org](mailto:grants@launchvic.org). Relevant questions will be posted on the Grant Round **FAQs**.

CHANGE REGISTER

NUMBER	SECTION	CHANGE DESCRIPTION SUMMARY	DATE CHANGE ISSUED