

Catalysing Growth

Innovation and R&D for Transport Equipment Manufacturing

Overview



This project is a partnership between the College of Engineering and Technology, University of Derby, and The iNet, Loughborough University (formerly Transport iNet). The project will use ERDF funding to support SMEs who wish to improve existing products or develop new products, processes and services.

Businesses must be based in **Derby, Derbyshire, Nottingham, Nottinghamshire Local Enterprise Partnership area (D2N2 LEP)** and engaged in the general area of **transport equipment manufacturing and/or associated supply chains**. Sectors include automotive, aerospace, motorsport, marine and rail (both vehicle and infrastructure manufacturers and related technologies e.g. materials, energy systems, manufacturing processes).

The support includes a mixture of:

- Fully-funded access to expertise and co-operation with university research centres and institutes
- Part-funding (grant) towards external costs of innovation projects

It will make it easier for SMEs to work with research institutes and accelerate their development and implementation of new products, processes and services.

The programme will operate from July 2016 through to June 2019.

SME support - Main Points to Note

Support may include one or more of the following:

- **Review of company research, innovation and development needs** – *a company review to help you develop your innovation and growth plans*
- **Identifying appropriate research institutes for research and innovation collaborations** – *to enable you to progress your plans*
- **2 days of research work carried out by our internal researcher**
- **Fully funded access to support and facilities from University of Derby and Loughborough University** - *different levels of assistance are available depending on your company's needs*
- **Part-funding towards external costs relating to company based innovation projects** – *via simplified application process*
- **Part-funded collaboration with research institutes across the UK and further afield** – *this call is now closed*

Other considerations:

- Direct project activities and SME beneficiaries in D2N2 LEP area only.
- Projects will involve innovation and **must** be aiming to introduce a new or significantly improved product, process or service
- **Funding available is 50% of external capital costs and/or 37% revenue costs. There is no minimum. We anticipate that most projects will involve spend circa £30k on capital items and £15k on revenue items although projects for higher amounts can be discussed with your Advisor. See examples on page 2.**
- Ideally projects should be aiming towards the creation of a new job, although this is not a requirement of this scheme
- SME contribution will be in cash – i.e. for **external costs** and expenditure made **by the SME** - not in kind
- The funding provided constitutes state aid, this includes General Block Exemption Regulations [GBER] Articles 25 and 28 and de minimis. Appropriate application of these regulations will be discussed with an innovation advisor.

Grant Funding

The programme will provide grant funding towards the capital expenditure and revenue costs incurred by a D2N2 LEP-based SME within the transport equipment manufacturing sector when bringing an innovation to market.

Some indicative project examples – not exhaustive - of the type of activity that may be funded are likely to involve some elements of:

- Developing new products, processes and services and bringing these to market – e.g. design, feasibility, proof-of-concept, certification
- Integrating new or existing products, systems and processes for use in different applications – e.g. adapting marine vessel corrosion protection systems for use on off-shore structures
- Introducing/developing new processes or materials that lead to new or significantly enhanced products and services

The notes below are for illustration only of the type of **Capital Expenditure** (over £5,000) we anticipate will be part funded:

- New production and prototyping equipment
- Laboratory and production/product testing and measurement equipment

We anticipate the following type of **Revenue activities** will be supported:

- Research, design and specialist test services
- IPR (Intellectual Property Rights) advice and support
- IT hardware and software for product development, design and testing and to support systems integration and process improvement (but not routine items such as accounting or sales systems)
- Small items of equipment (under £5,000)

Process Outline

Suitable SME beneficiaries will be visited by an innovation advisor who will undertake an Innovation Review to determine the nature and type of support required. The advisor will support SMEs throughout the application and claims process helping them follow scheme and ERDF regulations.

Applications will be reviewed against:

- Economic viability of the SME
- Strength of the business case
- The potential for introducing new or significantly improved product, process or service

SME beneficiaries must adhere to the ERDF compliant procurement regulations for purchasing goods, services, and capital equipment and provide evidence to demonstrate this compliance with the application. We are not able to support any expenditure for orders which have already been placed prior to the offer of a grant.

Grant payments will be made upon completion of the project and provision of ERDF compliant defrayal of expenditure by the SME. Where the grant supports capital expenditure the SME will be required to maintain an asset register for the capital items. SME beneficiaries will also be asked to provide a report on the progress of the introduction of new products, processes or services and any new jobs created as a result of their project.

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