



# ENTERPRISE IRELAND'S FINANCIAL SUPPORT

A Guide to Achieving Growth in World Markets



## ENTERPRISE IRELAND'S SUPPORTS A Holistic Business Creation and Development Package

At no other time has the future of the economy depended so heavily on the performance of indigenous companies. Structural and transformational change is taking place. Ireland's future success increasingly lies in the research, commercialisation, production and sale of higher value added products and services to worldwide markets. Enterprise Ireland's supports are designed to incentivise companies to realise their full potential in these areas.

Starting up global businesses, developing innovative products and processes, achieving competitiveness and productivity improvement, implementing expansion projects and growing overseas through effective internationalisation are highly resource-intensive.

Enterprise Ireland's new supports offer indigenous companies a complete business creation and development package. Advice and strategic development services combined with financial support will enable clients to transform indigenous industry. Clients will effectively implement and realise key growth projects and develop their critical capabilities, all of which are central to their development, guaranteeing the achievement of sustained national economic growth.

Enterprise Ireland's support will provide clients with a holistic and flexible approach addressing all elements of their business development requirements. To ensure that the benefit from our investments and supports are maximised, we will agree targets and deliverables with clients linked to the various supports. This will allow for effective monitoring and evaluation of the assistance provided.

Driving regional enterprise is fundamental to Ireland's economic growth and is a strategic objective of Enterprise Ireland. To support economic development among the regions, therefore, a number of funds have specific regional mandates, with priority being given to companies located in the Border, Midlands and West (BMW), followed by those in the South East, South West and Mid West, and lastly to those in Dublin and the Mid East.

We in Enterprise Ireland look forward to working with our clients on the next phase of Ireland's economic development.



**Frank Ryan**

Chief Executive Officer

## ENTERPRISE IRELAND'S FUNDING SUPPORTS

Your eligibility to apply for funding will depend on your stage of development, with different support packages available for Start Up and Established companies. Support for Start Ups concentrates on getting you up and running while supports for expansion and enhanced business projects are the focus for established companies.

### **Overall, financial support from Enterprise Ireland is designed to:**

- Help you address the issues you are currently facing.
- Respond to regional differences and variances.
- Deliver a better return to the tax payer.

## WHAT IS MY COMPANY'S STAGE OF DEVELOPMENT?

Enterprise Ireland works with companies involved in both the 'start-up' phase and the 'established' phase. Funding differs for these two phases or stages of development—so it is important to decide into which phase your business best fits.

### **Start Ups**

Enterprise Ireland deals with start-up businesses that it defines as having 'high potential'. A High Potential Start Up company (HPSU) is defined as a one which:

- Has a product or service that is based on technological innovation.
- Is likely to achieve significant growth in three years (sales of €1m per annum and employment of greater than 10.)
- Projected sales should have a heavy 'export orientation'.
- Ideally led by an experienced team, with a mixture of technical and commercial competencies.

This definition includes early stage HPSUs which are product-led R&D companies which, following the successful completion of a defined pre-commercialisation phase, have the potential to achieve the above export and employment criteria.

### **Established companies**

Established companies are defined as Irish-based manufacturing or internationally traded services SMEs and large companies (companies employing more than 249 people) which have been incorporated and trading for at least five years.

## FUNDING OPPORTUNITIES AT A GLANCE

### Funding available for start up companies

	Exploring New Opportunities	Funding for High Potential Start Up (HPSUs)	Research, Technology and Innovation (RTI)
Type of Funding	Grant	Equity or Equity/Grant	Grant/Repayable Grants
Early Stage Start Ups	✓	✓ (R&D only)	-
High Potential Start Ups (HPSU)	✓	✓	✓*

\* HPSU companies will only be eligible for RTI funding if they can demonstrate adequate cash resources based on 2 year cash flow projections.

### Funding available for established companies

	Exploring New Opportunities	Productivity Improvement Fund	Funding for Expansions	Research Technology & Innovation (RTI)	Strategic R&D Projects
Type of Funding	Grant	Grant/repayable grant	Preference share/grant	Grant/repayable grant	Preference share/grant
SMEs	✓	✓	✓	✓	✓
Large Companies	✓ (except for market research, trade fairs and consultancy)	-	✓	✓	✓

## EXPLORING NEW OPPORTUNITIES

Investigating new ideas and markets is an essential aspect of business development. Funding for Exploring New Opportunities can provide financial assistance towards supporting your business needs as you pursue new growth strategies.

Enterprise Ireland can offer grant support for various types of consultancy and feasibility studies, market research, participation at trade fairs, mentors, training and recruitment of a key manager for one year.

Maximum funding support of €65,000 within a rolling two year period for any of the combined activities under this category is available. You will be required to clearly demonstrate your need for funding assistance.

### Do I qualify?

You are eligible to apply for this funding if you are one of the following:

- A new high potential start up or
- A manufacturing or internationally traded services company employing 10 or more

Feasibility study funding may be available for individuals or groups with a business idea they wish to develop.

Large companies (i.e. companies employing more than 249 people) are not eligible to apply for market research, consultancy and trade fairs.

### Where can I get more information?

Project ideas should be discussed with your local Enterprise Ireland Development Adviser prior to submitting a completed application form. If you are not already a client, please contact your nearest Enterprise Ireland regional office, or Shannon Development.

**More detailed information and application forms are available on our website:**

**Established Companies:** [www.enterprise-ireland.com/growfinance](http://www.enterprise-ireland.com/growfinance)  
**HPSU Companies:** [www.enterprise-ireland.com/startfinance](http://www.enterprise-ireland.com/startfinance)  
**Application forms:** [www.enterprise-ireland.com/grantforms](http://www.enterprise-ireland.com/grantforms)

## FUNDING FOR HIGH POTENTIAL START UPS (HPSUs)

Starting a new company with the potential to export and grow quickly requires a good business idea, ambitious and effective management, and finance. Enterprise Ireland provides both advice and financial assistance to entrepreneurs with a business plan underpinned by realistic projections of rapid growth in export sales. Funding is biased towards companies based in the Border, Midland and Western (BMW) region, and the South East, South West and Mid West regions.

Our High Potential Start Up support package matches the financial needs of your new company, by providing finance as you get started and by sharing the risk dynamic with you. Funding is available for investment in R&D, training, job creation and capital assets.

Depending on the level of risk, funding is either 100% equity or a mixture of equity and grant. Enterprise Ireland will take up to a maximum of 10% of your company's ordinary share capital.

If Enterprise Ireland's equity investment reaches 10% of the ordinary share capital, the remaining equity will be in the form of redeemable preference shares. Our funding needs to be matched by private investment from, for example, company promoters, a Business Expansion Scheme or Venture Capital.

In exceptional circumstances, at the early stage of a start up, if you are not able to access adequate private sector funding, Enterprise Ireland may consider making an investment in your company. Support in this instance will be for R&D and will be in the form of equity. In such cases the initial funding package will be approved against agreed milestones e. g.

- Establishment of a formal R&D department.
- Development of a product prototype.
- Achievement of a customer reference site.
- Sourcing new equity.

Once the high risk early phase is over and the agreed milestones achieved, your company may qualify for the standard HPSU package. Enterprise Ireland is likely to invest initially by convertible preference shares which, when converted, will not exceed 10% of the ordinary share capital of the company.

### Do I qualify?

You are eligible to apply for this funding if you are a new start up manufacturing or internationally traded services company. The total amount of funding available will be determined by a number of factors, including your company's need for financial support, anticipated export growth, potential employment and regional location.

### Where Can I get more information?

If you have a new business idea or plan that may qualify under the Enterprise Ireland's High Potential Start up programme, contact us at [startup@enterprise-ireland.com](mailto:startup@enterprise-ireland.com) or speak in confidence to Maria Walshe at +353 1 609 2127. Your Development Adviser will work with you to put together a development plan, which will then be brought forward to a decision making committee for funding approval.




**More detailed information on Funding for HPSUs is available on our website:**

[www.enterprise-ireland.com/startfinance](http://www.enterprise-ireland.com/startfinance)

## RESEARCH, TECHNOLOGY AND INNOVATION (RTI)

RTI is designed to help you meet today's business challenges by further stimulating your company's R&D performance. It supports commercially focused, industry led projects in product and process development. Funding is in the form of grant/repayable grant and is biased towards those companies in the Border, Midland and Western (BMW) region, and the South East, South West and Mid West regions. Repayability is linked to the successful completion of the R&D project and the achievement of agreed business targets, where projects involve a higher degree of risk.

**The following levels of support are available from this fund:**

Research, Technology & Innovation (RTI)			
Region	Border Midlands & West (BMW)	South East, South West & Mid West	Dublin & Mid East
Maximum Funding Incentive	€650,000	€650,000	€650,000
Maximum Grant Amount	€450,000	€425,000	€390,000
Maximum Repayable Amount	€200,000	€225,000	€260,000
Maximum Grant Level %	SME 45% Large Company 35%	SME 40% Large Company 30%	SME 40% Large Company 30%

Companies employing more than 249 people, are classified as large companies.

### Do I qualify?

You are eligible to apply for funding if your company is an Irish based manufacturing or internationally traded services company which can show adequate cash resources to implement the proposed R&D project. SMEs and Large Companies are eligible to apply.

If your company is at a very early stage of development and has restricted cash resources, contact Enterprise Ireland or Shannon Development directly for details of alternative funding programmes.

## How do I apply?

Proposals for funding will be accepted every month and funding is awarded on a competitive basis for projects with expenditure greater than €95,200. Projects with expenditure less than €95,200 are awarded on a non-competitive basis.

The relevant approvals committee will examine the proposal according to the criteria outlined in the section 'How will my proposal be assessed'? In addition, applications for the fund will be further assessed by Enterprise Ireland's commercial and technical assessors.

The approvals committee will be presented with an assessment of the project outlining the expected impact of the proposed project on your company's overall R&D capability and competitiveness.

## Where can I get more information?

It is advisable to discuss your project ideas with your local Enterprise Ireland Development Adviser prior to submitting a completed application form. If you are not already a client, please contact your nearest Enterprise Ireland regional office, or Shannon Development.

**More detailed information and application forms are available on our website:**

<b>Established Companies:</b>	<a href="http://www.enterprise-ireland.com/growfinance">www.enterprise-ireland.com/growfinance</a>
<b>HPSU Companies:</b>	<a href="http://www.enterprise-ireland.com/startfinance">www.enterprise-ireland.com/startfinance</a>
<b>Application forms:</b>	<a href="http://www.enterprise-ireland.com/grantforms">www.enterprise-ireland.com/grantforms</a>

## PRODUCTIVITY IMPROVEMENT FUND

### Increasing competitiveness of Irish companies through investment in new technology and training

Building competitiveness has become a priority in the face of growing international pressure. The Productivity Improvement Fund is designed to assist Enterprise Ireland and Shannon Development SME clients achieve greater competitiveness by improving their export potential. This will be achieved by increasing both their gross output and gross productivity, while also providing new employment or maintaining existing employment levels.

Funding is biased towards the Border, Midland and Western (BMW) region, and the South East, South West and Mid West regions. Activities covered by the fund include:

- Capital investment, for example in machinery/automation equipment.
- Technology acquisition.
- Management and staff training.

#### The following levels of support are available for this competitive fund:

	Maximum EI Support	Funding Instrument	Minimum Project Spend
<b>Capital &amp; Technology Acquisition Costs</b>	€200,000	50% Grant/ 50% Repayable Grant	€150,000
<b>Company Specific Training</b>	€150,000	Grant	€50,000
<b>General Training</b>			

Productivity Improvement Fund			
Maximum Grant by Region	Border Midlands & West (BMW)	South East, South West & Mid West	Dublin & Mid East
<b>Capital &amp; Technology Acquisition Costs</b>	50%	30%	27.5%
<b>Company Specific Training</b>	45%	40%	40%
<b>General Training</b>	50%	50%	50%

Proposals for funding will be accepted every month and funding is awarded on a competitive basis. The approval committee will examine the proposal according to the criteria outlined in the section 'How will my proposal be assessed'? In addition, applications for the fund will be further assessed by Enterprise Ireland/Shannon Development commercial and technical assessors.

The approvals committee will be presented with an assessment of the project outlining the expected impact of the proposed project on your company's overall productivity and future competitive position internationally.

### **Do I qualify?**

You are eligible to apply for this funding if your company:

- Is a SME involved in manufacturing or internationally traded services.
- Has been incorporated and trading for at least five years.
- Has not been approved for financial support (excluding RTI) in excess of €200,000 from Enterprise Ireland/Shannon Development in the previous two years prior to applying.

### **Where can I get more information?**

Project ideas should be discussed with your local Enterprise Ireland Development Adviser prior to submitting a completed application form. If you are not already a client, contact your nearest Enterprise Ireland regional office, or Shannon Development.

**More detailed information and application forms are available on our website:**

**Application forms:**

[www.enterprise-ireland.com/growfinance](http://www.enterprise-ireland.com/growfinance)

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## FUNDING FOR EXPANSIONS

Enterprise Ireland can help you implement your expansion plans to increase exports. The funding package is negotiated on a one-to-one basis and funding for R&D, training/management development, capital assets and job creation can be supported. Funding will be in the form of preference shares for capital assets and job creation, grants for management development/training and preference shares/grants for R&D.

The total amount of funding available will be determined by the need for financial support anticipated export growth, potential employment and regional location. Funding is biased towards companies located in the Border, Midland and Western (BMW) region, and the South East, South West and Mid West regions.

### Do I qualify?

You are eligible to apply for this funding if your company is an existing manufacturing or internationally traded services company, employing 10 or more people. Typically, companies are existing clients of Enterprise Ireland or Shannon Development.

Your Development Adviser will work with you to put together a development plan, which will then be brought forward to a decision making committee.

### Where can I get more information?

If you are an existing client, contact your Development Adviser who will discuss your expansion plans with you. If your company does not have a Development Adviser, contact your nearest Enterprise Ireland regional office or Shannon Development.

**More detailed information is available on our website:**

[www.enterprise-ireland.com/growfinance](http://www.enterprise-ireland.com/growfinance)

## STRATEGIC R&D PROJECTS

Enterprise Ireland encourages significant R&D projects and will discuss funding for these projects on an individual company basis. Projects could include the establishment of an R&D facility or a significant R&D initiative over a three year time frame. Such projects will be expected to include some form of collaboration with a third level institute.

Funding will be in the form of preference shares/grant and will be biased towards those companies located in the Border, Midland and Western (BMW) region, and the South East, South West and Mid West regions. The total amount of funding available will be determined by the need for financial support, anticipated export growth, potential employment and regional location.

### Do I qualify?

You are eligible to apply for this funding if your company is an existing manufacturing or internationally traded services company, employing 10 or more. Typically, companies are existing clients of Enterprise Ireland or Shannon Development.

Your Development Adviser will work with you to put together a development plan, which will then be brought forward to a decision making committee.

### Where can I get more information?

If you are an existing client, contact your Development Adviser who will discuss your strategic expansion plans with you. If your company does not have a Development Adviser, please contact your nearest Enterprise Ireland regional office or Shannon Development.

**More detailed information is available on our website:**

[www.enterprise-ireland.com/growfinance](http://www.enterprise-ireland.com/growfinance)

## HOW WILL MY PROPOSAL BE ASSESSED

Applications for funding will be presented to a relevant committee made up of Enterprise Ireland executives and public and private sector representatives.

### **Key considerations in assessing applications include:**

- The need for financial assistance.
- Value for money.
- Commercial considerations.
- Technical considerations.
- Financial track record.

In arriving at a decision, the approvals committee also takes into consideration any relevant regulations including EU state aid rules and policy direction from the Department of Enterprise, Trade and Employment.

When a decision on whether to approve funding or not has been reached, and the appropriate amount of funding has been determined, you will be informed of the outcome. If your application is successful, Enterprise Ireland's Client Service Unit will contact you regarding the legal agreement and the claims and payment procedures.

### **Application process**

1. Application submitted/agreed development plan
2. Evaluation by relevant committee
3. Letter of offer / Legal documentation
4. Claims validation process
5. Payment

### **Please note**

This brochure outlines the maximum aid rates which may be available for each category of support. Subject to eligibility and need, Enterprise Ireland/Shannon Development, in consultation with individual companies, will negotiate the appropriate funding package for a company on the basis of value for money for the State. This may vary from the maximum aid rates described here.

The amounts and aid rates outlined in this document are correct at time of print and are subject to change.

## HOW MUCH FINANCIAL SUPPORT CAN YOU ANTICIPATE

We want to help companies accelerate their growth plans. Equally, we expect promoters to use their best endeavours to source their financial needs from the private sector, whether through their own resources, those of family and friends, or financial institutions. However, we recognise that Enterprise Ireland can have a role to play in helping to make up the shortfall.

**In determining the level of support available, three factors will be taken into account:**

- Regional location
- Company size
- Stage of development

### Regional Location

Ireland has been divided into three regions for the purpose of determining the level of financial support available. We are more generous in our support for businesses which locate in the Border, Midlands & Western Region.



*For Example*

*In case of expenditure associated with Research and Development or Training, we will consider financial assistance to SMEs (small and medium sized companies employing less than 249 people) in the BMW Region of up to 45% of their expenditure. Non SMEs located in this region may receive financial support of up to 35% of their expenditure.*

*If the SME is located in Dublin or any other county in the outside the BMW Region, the upper limit will be set at 40%. The upper limit for non SMEs in this region is 30%.*

## Contacting Enterprise Ireland & Shannon Development

**Enterprise Ireland  
Glasnevin  
Dublin 9**

**Shannon Development,  
Town Centre,  
Shannon,  
Co. Clare.**

Tel: +353 1 808 2000  
Fax: +353 1 808 2020

Tel: +353 61 361555  
Fax: +353 61 631903

You can contact any staff member of Enterprise Ireland worldwide by emailing:  
**firstname.surname@enterprise-ireland.com**

You can contact any staff member of Shannon Development by emailing:  
**surnamefirstinitial@shannondev.ie**

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### Enterprise Ireland Regional Offices

Location	Tel	Fax	Address
<b>Dublin/Mid East</b>			
Dublin	+(353 1) 609 2150	+(353 1) 609 2111	39 Shelbourne Road, Dublin 4.
<b>Midlands</b>			
Athlone	+(353 90) 648 7100	+(353 90) 648 7101	Auburn, Dublin Road, Athlone, Co. Westmeath.
<b>North East</b>			
Dundalk	+(353 42) 935 4400	+(353 42) 935 4401	Finnabair Industrial Park, Dundalk, Co. Louth.
<b>North West</b>			
Sligo	+(353 71) 915 9700	+(353 71) 915 9701	Finisklin Business Park, Sligo.
Letterkenny	+(353 74) 916 9800	+(353 74) 916 9801	Portland House, Port Road, Letterkenny, Co. Donegal.
<b>South East</b>			
Waterford	+(353 51) 333 500	+(353 51) 333 501	Waterford Ind. Park, Cork Road, Waterford.
<b>South West</b>			
Cork	+(353 21) 480 0200	+(353 21) 480 0271	Industry House, Rossa Avenue, Bishopstown, Cork.
Killarney	+(353 91) 71 600	+(353 91) 71 601	57 High Street, Killarney, Co Kerry.
<b>West</b>			
Galway	+(353 91) 735 900	+(353 91) 735 902	Mervue Business Park, Galway.

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**Please note:** Firms located in the mid-west or in any of the Gaeltacht areas should contact Shannon Development or Údarás na Gaeltachta. Firms employing less than 10 people should contact their local County Enterprise Board.



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