

INTRODUCTION


The Government and its agencies operate several funding schemes to assist Hong Kong companies to develop innovative ideas and technology businesses. This booklet provides a brief introduction of these schemes.

Important Notes:

- (a) In this booklet, “Hong Kong companies” and “local companies” mean companies that are incorporated in Hong Kong and have substantial connection to Hong Kong. This means that a substantial part of their production, research, development, management or general business activities must be located in Hong Kong.
- (b) Except for the agencies mentioned in the booklet, the Government has not appointed any other intermediaries or agencies to prepare or handle applications.
- (c) Apart from directly participating in the funding schemes listed in this booklet, local companies can also become sponsors to R&D projects carried out by local universities, research institutes, industry support organisations, professional bodies or trade associations. Similarly, they can become sponsors to events or activities such as conferences, seminars, promotional programmes etc. supported by the funding schemes. The financial commitment of a sponsor will be much smaller; but the intellectual property rights arising from the project will rest with the applicant organisation.

How can your company benefit from the Government’s Technology Funding Schemes?

April 2007

 Innovation and
Technology Commission

The Government of the Hong Kong Special Administrative Region

**SERAP – A TECHNOPRENEUR FUND
SMALL ENTREPRENEUR RESEARCH ASSISTANCE
PROGRAMME**

What is SERAP?

- SERAP aims to help small, technology-based and entrepreneur-driven companies carry out business-oriented researches at the pre-venture capital stage.
- For a selected project, the company will be given a funding of not more than HK\$2 million on a dollar for dollar matching basis. The funding will be recovered if the project is able to attract follow-on investment or generate revenue.
- Projects should be carried out in two phases. Phase I is a trial period of no longer than six months. Subject to satisfactory progress being demonstrated during the course of Phase I, Phase II, which should not last for longer than 18 months, may be funded to take the project up to the pre-market launch stage.
- The company will hold all intellectual property rights arising from the project.
- SERAP will not take any equity from your company.

Will my company be eligible to apply?

Your company will be eligible if it is a local company and has less than 20 employees.

What kind of projects will be supported?

SERAP will support projects that have

- innovative, technological content; and
- reasonable chance of successful commercialisation of a new product, process or service.

Investment in new equipment or staff training for an existing business will not be supported. Business proposals that have no technology content will also not be supported.

Who should I contact?

Your should contact:

Innovation and Technology Commission

20/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong

Tel: (852) 2737 2409 Fax:(852) 2199 7004

Website: <http://www.itf.gov.hk>

PATENT APPLICATION GRANT (PAG)

What is PAG?

PAG assists local companies and individuals to apply for patents of their own inventions. Patents obtained through funding from this Grant will be held by the companies/individuals. The Grant is administered by the Innovation and Technology Commission with Hong Kong Productivity Council (HKPC) as the implementation agent.

Who are eligible to apply?

All locally incorporated companies, Hong Kong permanent residents or Hong Kong residents permitted to remain in Hong Kong for not less than 7 years who have never owned any patents in any countries or territories before will be eligible.

For individual applicant, the applicant must be the sole inventor or one of the joint inventors of the invention.

For applicant company, the inventor(s) of the invention shall be a directly related party/parties to the applicant company, e.g. owner, shareholder, director or staff.

What kind of applications will be supported?

All applications for functional patents and inventions with technology elements are eligible. Cosmetic designs will not be supported. The implementation agent of the scheme will first conduct a patent search-cum-technical assessment to ensure that there is a reasonable chance of success of obtaining patents for the subject invention.

What is the form of funding support?

For an approved application, a grant of not more than HK\$100,000 or 90% of the sum of the total direct cost of patent application (including the cost for patent search-cum-technical assessment) and the administration fee charged by HKPC (which is approximately equal to 20% of the total direct cost involved in patent application), whichever is the lower, will be provided. Since the grant will also be used to cover the administration fee charged by HKPC, the maximum amount of grant which could be used for the patent search-cum-technical assessment and other direct cost of patent application should be around \$83,000, out of a maximum grant of HK\$100,000.

Funds are only released to the implementation agent through which the patent application is processed. The grant is for covering the cost for patent search-cum-technical assessment and the administration fee mentioned above, as well as other direct costs involved in the patent application process, such as attorney fees, consultant fees and filing of patent applications. Other expenses, including any costs incurred before the date of approval of the application and the renewal fee of granted patents, are not fundable. The grant is non-transferrable and will be valid for 3 years from the date of approval of the application. The grant may not be sufficient to cover the patent application expenses, and individual applicant/applicant company has to bear the remaining balance.

Who should I contact?

You should contact:

Innovation and Technology Commission

20/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong

Tel:(852) 2737 2278 Fax:(852) 2957 8726

Website: <http://www.itc.gov.hk/en/funding/pag.htm>

Hong Kong Productivity Council

78 Tat Chee Avenue, Kowloon Tong, Kowloon

Tel:(852) 2788 5958 Fax:(852) 2788 6045

Website: <http://www.ipsc.org.hk>

TEACHING COMPANY SCHEME

What is the Teaching Company Scheme?

Teaching Company Scheme aims to foster university-industry partnership. It supports local companies to take on graduate students from local universities to assist in proprietary R&D work. Key features include:

- The Scheme will cover a maximum of HK\$7,500 of the monthly studentship of the student.
- The university will provide teaching guidance to the student in handling the project.
- The student's performance in the project will be counted towards his/her degree programme.
- The company will own all the intellectual property rights arising from the project.
- The project should not last more than two years.

Through this arrangement, the company will benefit from the research results. Students will benefit from their practical research experience in a genuine business environment. The university will have closer links with industry and a better understanding of its needs.

Will my company be eligible to apply?

Yes, if your company is a local company. Your company will be the applicant, but you must first find a university as the partner.

What is the form of funding support?

The Scheme will cover half of the studentship of the graduate students. The maximum contribution from the ITF to the monthly studentship for each graduate student amounts to HK\$7,500. As the project should last no more than two years, the maximum ITF funding for the studentship for each student would be HK\$180,000.

How can my company apply for funding?

Your company should first agree with a local university on the project details, the selection of student, the expected deliverables, and if necessary, the royalty arrangements. Your company and your partner university will then need to submit a joint application to the Innovation and Technology Commission. For enquiries, please contact:

Innovation and Technology Commission

20/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong

Tel:(852) 2737 2229 Fax:(852) 2957 8726

Website: <http://www.itf.gov.hk>

MATCHING GRANT FOR JOINT RESEARCH

What is the Matching Grant for Joint Research?

Matching Grant for Joint Research aims to foster university-industry collaboration in R&D projects. Key features include:

- The Grant will cover half of the project cost. The other half will be covered by the company.
- The company's contribution must be in cash.
- The company will own all the intellectual property rights arising from the project.

Will my company be eligible to apply?

Yes, if your company is a local company. Your company will be the applicant, but you must first find a university as the partner.

What kind of projects will be supported?

An R&D project carried out jointly by a local company and a university will be eligible. Projects that focus on routine applications of existing technologies or on the provision of bureau services will not be funded.

How can my company apply for funding?

Your company should first agree with a local university on the project details, the expected deliverables, and if necessary, the royalty arrangements. Your company and your partner university will then need to submit a joint application to the Innovation and Technology Commission. For enquiries, please contact:

Innovation and Technology Commission

20/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong

Tel:(852) 2737 2229 Fax:(852) 2957 8726

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INDUSTRIAL RESEARCH CHAIR SCHEME

What is the Industrial Research Chair Scheme?

Industrial Research Chair Scheme supports research efforts of universities and industry in technology fields that are not yet developed in Hong Kong but for which there would be good development potential. Key features of the Scheme are:

- A distinguished researcher in the university will be invited to be the chairholder to lead the project for a finite duration. The chairholder should mainly conduct research and accept a light teaching load.
- The project should be in the natural science or engineering field that responds to industrial needs.
- The Scheme and the company will each sponsor half of the project cost.
- The company will own all the intellectual property rights arising from the project.
- The grant could cover the salary of the chairholder, as well as other manpower, equipment and other direct expenditure related to the project.

Will my company be eligible to apply?

Yes, if your company is a local company. Your company will be the applicant, but you must first find a university as the partner.

How can my company apply for funding?

Your company should first agree with a local university on the project details, the expected deliverables and, if necessary, the royalty arrangements. Your company and your partner university will then need to submit a joint application to the Innovation and Technology Commission. For enquiries, please contact:

Innovation and Technology Commission

20/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong

Tel:(852) 2737 2229 Fax:(852) 2957 8726

Website: <http://www.itf.gov.hk>

THE NEW TECHNOLOGY TRAINING SCHEME

What is the New Technology Training Scheme (NTTS)?

NTTS aims to provide financial assistance to companies in Hong Kong wishing to have their staff trained, locally or overseas, in a new technology that would be useful to their business. New technologies include those which are not widely applied in Hong Kong, and the absorption and application of which will significantly benefit Hong Kong. The financial assistance, in the form of a training grant, is given to the company to cover 50% of the total training cost. NTTS is administered by the Vocational Training Council (VTC).

Will my company be eligible to apply?

Yes, if your company is a non-government / non-subsided organisation in Hong Kong wishing to acquire a new technology for commercial application.

Will my staff be eligible to apply?

To be eligible for the training grant, the staff:

- Must be a Hong Kong permanent resident.
- Must have the necessary educational background / experience to benefit from the new technology concerned.
- Must be sponsored by the company.
- Must be from a non-government / non-subsided organisation.

What types of training will be supported?

The following types of training will be supported:

- Overseas training courses or working attachments.
- Pre-approved local training courses.
- Tailor-made training courses for individual companies.

Who should I contact?

You should contact:

Technologist Training Unit, Vocational Training Council
16th Floor, VTC Tower, 27 Wood Road, Wanchai, Hong Kong
Tel:(852) 2836 1298 Fax:(852) 2893 5879
Website: <http://www.vtc.edu.hk/it/2-20.htm>