

I'm from the Government and I'm here to help.....!!.....??

Could this statement be true? I'm sure we've all had the experience where we have chased someone from the Government for various types of assistance and the response has been either lukewarm or not helpful at all. Heavens above, we pay our taxes and what do we get? Well it's great to stumble on a terrific little gem that is actually very useful and it's called the Export Market Development Grant or affectionately known as the EMDG. Where would we be without acronyms, right?



Now what is the EMDG? It's a programme run by Austrade, the Federal Government's agency that helps out exporters. And exporting is not just about sending boxes of goods or mangoes overseas. Australia is more and more a nation of exporters of services and the earning of foreign exchange can include the export of such services as education, consulting in such areas as engineering, accounting, architectural and law services, project management and of course, the big one for the Cairns and the Nth Qld area, tourism.

What will EMDG give you? In general, how does 50% of your promotional expenditure over \$15,000 given back to you in folding cash sound? For example, let's say you are involved in tourism. To market your tour in one year, you might attend a trade show in Tokyo and one in Berlin. You pay for the booth hire, airfares for yourself and marketing manager, hotel accommodation, printing of brochures etc etc. It mounts up quickly doesn't it? In this example, the total costs add up to \$32,000. Austrade being the generous people that they are (!), does their calculation by deducting the first \$15,000 which gives a figure of \$17,000. They then give a grant of 50% of that figure so in this case, you get \$8,500. You don't even have to pay it back. Better than a sharp stick in the proverbial eye, right?

Of course there's some things to consider to maximise your EMDG grant. After all, we are dealing with the government here. To get your first grant off the line, Austrade will generously allow you to combine your first two years of overseas promotional expenditure to get over that \$15,000 initial hurdle. And generally, when you exceed that \$15K amount, the minimum grant is \$5,000. Austrade really is a department that tries to help exporters! Now, you can include expenses such as website costs for marketing overseas. But what happens if you get a fair number of Aussie customers from interstate as well? How much can you claim? One of the best ways to increase your overseas sales is to host "famils." Yes you can claim the cost of bringing the buyers over but is there a limit? You can claim the cost of hosting their meals but what about the cost of your marketing manager taking the buyer to a nightclub for a show?

Yes.....you knew this was coming! Give us a call at Kleinhardt Business Consultants on 4040-7100 so that we can give you the answers to your questions and for good advice on maximising your EMDG claim. Need an export plan to back it up? Yes we can help you out with that too. Any questions on exporting at all?.....Of course! We work WITH the government and we ARE here to help you.

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