HOW WILL YOU BE REMEMBERED?
DON’T IMAGINE. INNOVATE.

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Luke’s creative journey

TEN years after graduating with a degree in Bachelor of Design (Visual Communication) at Western Sydney University, Luke Martin is now working in what many people would consider the dream job.

Luke is Creative Director at Facebook’s in-house creative agency (The Factory). He mingles with the cream of Silicon Valley to produce advertising content for the social media company.

It all started at Western Sydney University, where he learned the foundations of design and while running his own BMX clothing brand in his spare time.

“Western Sydney University was the perfect environment to study and learn about all things design. Throughout my degree I utilised the skills and theories I learnt in class by applying them to my clothing brand - Tyme. And now I utilise them here at Facebook,” says Luke from Facebook’s Headquarters in Menlo Park, California.

“I never really thought about going to University before my accident, though the scar of nearly losing my life made me re-evaluate my goals,” he said.

After the accident I focused my attention on design. I recall meeting a graphic designer who was working on the BMX clubs jerseys.

“This project introduced me to what graphic design could entail, and I quickly developed a love of the conceptual stages of design. I started my own brand and found out about the course at Western Sydney University, and the rest is history. The entire process was very linear.”

Luke graduated with a Bachelor of Design (Visual Communication), and started his professional career working at News Limited as a graphic designer.

After moving through a series of advertising agencies in Sydney, he was asked to handle the Apple account while working at TBWA/Sydney to oversee the content for the Australian and New Zealand markets.

His work impressed his bosses in America, and he was relocated to TBWA, Los Angeles to work on the American advertising for the brand.

After spending two years in Los Angeles, Luke then left the agency world and took a gig working directly for Apple, out of their head-quarters in Cupertino. His work then caught the eye of the new in-house agency under development at Facebook.

“The past year at Facebook has been the best of my career,” he says. “The company is open and collaborative. The office layout is entirely open so we can see what each other is working on.

“Out of the two thousand staff members, no one has an office, not even Mark Zuckerberg. Everyone is young and enthusiastic and it’s reflected in the culture. So it’s very different to other places I’ve worked, though easily the most enjoyable, and I think you see it in the work we create.”

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When working on global brands with mass audiences, I learnt a lot about these theories while studying at Western Sydney University, and apply them in my every day.”

“I used to see simple advertising and always thought it was under-designed and not very creative, though now I understand that reduced, clean and simple advertising and design is sometimes the hardest to create and the most effective.”

For most students, working at a global company like Facebook is the dream job. Luke says passion and dedication are key traits for young professionals looking to make their mark.

“Working for a range of agencies and companies in Australia and America has taught me how to embrace every brief you’re given, no matter how small or ordinary it may first appear,” he says.

“Try to complete every job I receive with complete passion, to make the most of every situation and opportunity, as you never know where it will lead. A lot of people don’t give their all if they disagree with the direction or the size of the project, but that kind of attitude only means you miss out on opportunities to impress.”

“Being positive and working hard is the best way to thrive in the industry, and in life,” says Luke.

From Western University and riding BMX to a dream job at Facebook

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Driving innovation in Western Sydney

Western Sydney University’s Launch Pad is a new business and innovation support program that provides facilities, assistance and resources for start-up and high-growth technology-based businesses in Western Sydney.

Launch Pad offers business people the opportunity to work with a collaborative and creative community of technology-focused entrepreneurs within one of Australia’s fastest growing universities.

Launch Pad services

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PENRITH is the NEW WEST

Penrith is perfectly positioned to service both northwest and southwest growth centres and the Western Sydney Priority Growth Area. Given the future Western Sydney airport is located on our doorstep, Penrith is more than ever a place of limitless opportunities.

Our Council and community are uncompromising about our aspirations, and excited about maximising the City’s potential. We need partners to grow the City’s economy, attract investment and create jobs.

PENRITH GROWTH SNAPSHOT

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WHY PENRITH?

LOCATION
20 mins to future airport, connects NW and SW Growth Centres.

LAND
47.8ha of City Centre land owned by Council.

LABOUR
56% of Penrith’s workforce are local residents.

LIFESTYLE
We have Sydney’s third lowest departure rate.

PENRITH NEW WEST
WE WANT TO TALK TO YOU ABOUT INVESTING IN THE NEW WEST

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penrithcity.nsw.gov.au
Indian delegation meets entrepreneurs at WSU LaunchPad

In Penrith to promote, Make in India week, Dr Vinod and his trade and investment advisor, Sudip Bhattacharya met with smart-textile designer, Olga Moore, 3D-print technologist, Stephen Brinks and app developer, Santosh Thiyagarajan.

The high-level Indian delegation, who were accompanied by NSW Business Chamber representative, Camil Gereis, spoke at length with the LaunchPad entrepreneurs, clearly impressed by the innovative technologies, business models and market potential of the ventures the University is supporting at the Werrington incubator.

Dr Andy Marks, the University’s Assistant Vice-Chancellor (Strategy and Policy) and Don Wright, LaunchPad Program Manager exchanged ideas with the Consul representatives about the possible broad scale application of Western Sydney technologies in India.

Agribusiness, medtech and infrastructure were identified as ideal areas for collaboration moving forward. Both groups look forward to building the relationship via the LaunchPad while at the same time supporting Western Sydney’s young innovators and the transformative effect they are having on the region’s economy.

Innovation + inspiration = ideas boom

NMW: 12 Product Zones focusing on the drivers of business transformation including Automation and Robotics, Digital Manufacturing, and Advanced Materials.

ID you know that businesses that innovate are 60% more likely to increase their profits?

According to Australian Government figures supporting the Ideas Boom agenda, innovative businesses are also twice as likely to increase their productivity and employment.

This year’s National Manufacturing Week (May 11 - 13, Sydney Showground - Sydney Olympic Park) is a vital resource for businesses seeking new paths to commercial growth.

In his NMW presentation, Anthony will case studies from businesses who have defied the limits of their vertical markets by expanding into new market sectors.

Among speakers on this theme will be Giles Bourne, MD of Bluglass sharing the strategy that has led his business to success in the cleantech sector.

Later in the program, Alex Lester, GM of mining equipment company Nautech will speak on ‘How we survived when the cultures were circling’, describing how a major culture change and a deep focus on innovation has helped their company defy the mining downturn to achieve 35% year-on-year increases for the past three consecutive years.

In addition to the free and frank exchange of ideas, NMW will also present a showcase of hundreds of innovations from around the world.

This year’s event will be laid out in 12 Product Zones focusing on the drivers of business transformation: including Automation & Robotics, Digital Manufacturing, and Advanced Materials.

Many of the technologies and services on display will be being demonstrated for the first time in Australia, giving you a rare opportunity to preview solutions that may become mainstream in the next few years.

Additionally - and to create further opportunities for visitors - NMW 2016 will be co-located with two industry leading events: the Safety First Conference & Expo, Australia’s only one-stop event for workplace safety, as well as the Sydney edition of Inside 3D Printing, the largest 3D printing event worldwide.

Put together, the broader NMW 2016 will draw industry professionals from across Australia, and even overseas who are investigating opportunities for visitors - NMW 2016 is now open at nationalmanufacuringweek.com.au. By registering now, you’ll pave the way for their business’ growth.

NMW, held only once every two years in Sydney will take place from May 11 - 13 at Sydney Showground, Sydney Olympic Park. Entry is free for trade visitors. Registration for NMW 2016 is now open at nationalmanufacturingweek.com.au. By registering now, you’ll access a range of services, including updates via the NMW website for this year’s game-changing event.
CROWD-SOURCED FUNDING

Australia needs to learn from Italy’s mistakes

By Paul van Bergen
Partner R&D Tax KPMG

DECEMBER edition of the WSBA news covered the Federal Government’s National Innovation and Science Agenda. The key take home message from that review was the intent to create a culture of innovation and technology. Future philosophy is to encourage nimble innovative entrepreneurs.

R&D tax incentive changes

It would not surprise me if there is an element of Robin Hood taking from the rich (large R&D claimants) to help feed small companies and (stavro) start-ups. The Federal Government says that it wants to ensure that the investment of tax dollars on innovation is effective.

The R&D tax incentive will be the subject of recommendations to government by a committee led by a triumvirate including the Head of Treasury (John Fraser), the Chief Scientist (Alan Finkel) and the Chairman of Innovation Australia (Bill Ferris).

The Government released an unexpected comprehensive Issues Paper on the R&D tax incentive on 10th February. It is clear that the review was prepared with several issues and concerns in mind, notably: A federal government body not being in the best position to understand the complex issues involved in R&D.

A proliferation of boutique R&D consultants (including R&D service providers) will be introduced. However, the restrictions it is placing on business present a key obstacle to the promotion of entrepreneurship.

Crowd-sourced funding uses online platforms to allow businesses to raise small amounts of money from a large number of individual investors. It is essentially a marketing method.

One big gap in the bill is that it completely ignores social enterprises and not for profit organisations which may really benefit from crowd-sourced funding. The measure announced in December required that the investment of tax dollars on innovation is effective.

The key take home message from that review was the intent to create a culture of innovation and technology. Future philosophy is to encourage nimble innovative entrepreneurs.

INVESTMENT

START-UPS

By Marina Nehme
Senior Lecturer, Faculty of Law University of New South Wales

AUSTRALIA can learn from Italy’s mistake in limiting companies that can access crowd-sourced funding, as the government examines changes to the Corporations Act.

The Corporations Amendment (Crowd-sourced Funding) Bill 2015 proposes changes that are designed to encourage small businesses to use crowd-sourced funding, while providing protection to investors.

Another big gap in the bill is that it completely ignores social enterprises and not for profit organisations which may really benefit from crowd-sourced funding.

The bill does make a positive step in enhancing investor and consumer protection. A $50,000 cap per investor in a period of 12 months (with the possibility of altering this cap by regulation) will be introduced. However, this cap is the maximum amount that can be raised by an individual on one platform and in the same company. This encourages investors to diversify their investments and will allow them to invest in other companies if they wish to do so.

To provide further protection to investors, the legislation has to support financially literacy. This could be achieved in the form of a questionnaire that test investors’ understanding of the risks involved with crowd-sourced funding and the factors that investors should consider when investing through crowd-sourced funding.

The bill would need more work to achieve its aim of promoting entrepreneurship while at the same time providing the necessary protections to investors.

Further, costly continuous obligations under the Corporations Act 2001 will apply as the company will be deemed as undisclosed entities. If yearly reports will then be required to be provided by such companies.

Broaden the definitions to ensure that the company does not have any meaningful disclosure obligation imposed on it for a certain period of time.

The lattest instances above go beyond the scope of the current R&D definition and is encouraging in the sense that it encourages commercialisation success.

In addition, Treasury contemplates having methods to satisfy the innovation criteria (including R&D intensity as a proportion of expenditure, participation in acceleration program such as Launch Pad, existence of angel type investors, success in patenting in multiple jurisdictions).

Some of these criteria may be difficult to prove for a company in under three years. In addition a host of industry categories look as though they will not be eligible.

The challenges of a regime that is heavily targeted includes tax and governance complexity (with resultant compliance and monitoring costs) and may inadvertently preclude innovative business models from participation as they are not within the appetite of the government and its advisers.

In Canada, the Corporations Act has relaxed these governance restrictions, allowing the riskier ventures to access crowd-sourced funding.

In Australia, the Corporations Act has strict restrictions on companies that can access crowd-sourced funding.

Irrespective of whether you are a large or small company, reviewing your company’s innovation activities and planning to capture available R&D incentives improves the tax benefits you can access and ensures that your innovation strategy and financial management are in sync.

Tax breaks for entrepreneurs

Angel investors will be eligible for a tax rebate worth $40,000 on investments up to $200,000 in innovative companies. In addition, capital gain tax will not apply to such investments held for three years and up to ten years.

The aim is to provide desperately needed capital for start-ups. As with all things tax – decisions can be doubled for tax.

In its consultation paper Treasury has sought comments on potential eligibility principles and criteria.

The measures announced in December require that the investee company not be listed with a market capitalisation of more than five million via this type of funding, while providing that are designed to encourage small businesses to diversify their investments and will allow these requirements will be small and medium enterprises. However, the total assets and revenue tests combined with the governance costs of running a public company will deter these requirements will be small and medium enterprises.

The bill needs further work to achieve its aims of promoting entrepreneurship while at the same time providing the necessary protections to investors. However, the restrictions it is placing on business present a key obstacle to the promotion of entrepreneurship.

Crowd-sourced funding is essentially a marketing method.

The challenge of a regime that is heavily targeted includes tax and governance complexity (with resultant compliance and monitoring costs) and may inadvertently preclude innovative business models from participation as they are not within the appetite of the government and its advisers.
How smaller firms do well

Does innovation lead to success or success lead to innovation?

**RESEARCH**

Mid-market firms – those with revenues of between $10 million and $250 million a year – punch above their weight. According to GE Capital’s annual surveys, the mid-market sector comprises just 1.4% of Australian businesses by number but generates more than $425 billion annually to the economy and provides one in four full-time jobs. Some 3.7% of all business revenue is contributed by the mid-market.

But the sector doesn’t enjoy the advantages of big businesses, such as deep pockets and well-established market positions. To survive and thrive, mid-market firms need to be innovative – not only in their product offerings, but also in their customer service, internal processes, marketing and organisational structure, according to a recent study, Innovation in Mid-Market Firms: The Executive Report on an Interview Study of 35 Australian Firms.

The report, which looks at how mid-market firms approach innovation and how they could do it better, is the first phase of a three-year research project by academics at UNSW Business School.

Co-author Chris Jackson, a professor of business psychology at UNSW Business School, says innovation is by necessity crucial of business psychology at UNSW Business School.

The advantage of being a smaller firm compared with a big firm is that you are a lot more nimble. You have greater opportunity to take advantage of situations as they arise and there’s greater opportunity to make faster changes than the larger firm,” Jackson says.

Leaders multitasking

The study examined the role mid-market leaders play in driving innovation. These bosses have the potential to be a bottleneck because they have so much to do. Unlike their counterparts in larger businesses, mid-market leaders do the “heavy lifting” on innovation themselves. They generate ideas, develop vision, drive the implementation of the innovation, and communicate their strategy. They also listen to staff, search for ideas, and create a culture of innovation, the report says.

Jackson reiterates that mid-market leaders have to undertake multiple roles when driving innovation. These leaders multitasking.

Part of what they need to do to encourage innovation in the workforce is to encourage workers to participate and to help them to become more innovative, which a lot of people are fairly unwilling to do because innovation also tends to [bring] change in work practices and potentially even downsizing to make them more efficient,” he says.

“Part of what they need to do to encourage innovation in the workforce is to encourage workers to participate and to help them to become more innovative, which a lot of people are fairly unwilling to do because innovation also tends to [bring] change in work practices and potentially even downsizing to make them more efficient,” he says.

“Encouraging participation is very important but, on the other hand, you’ve also got to be filtering and [directing] the innovation which is actually implemented. You’ve got to control and you have to facilitate at the same time and I think that’s the paradox because, quite often, people have just one of those different mindsets.”

As an aside, Jackson noticed while doing the research that he could often gauge a firm’s level of innovation when he visited its premises and carefully observed what was happening.

Those firms with engaged staff and more attractive work environments tended to be more innovative than other firms, for instance. Jackson suspects that in part, this is due to the amount of money the firm has, which raises the question of whether innovation leads to success or success leads to innovation.

“You can get yourself into a cycle so that you’re making money, you invest in innovation, invest in nice work places, and/or that leads to greater success and greater ability to hire people that are smart and clever [and so on]. Or you can be going to a declining cycle – you don’t have any money, you can’t hire

Continued on page 11
Early days but let’s hope a policy of innovation works

By John Wayland
www.i2v.com.au

The push by the Turnbull Government into the policy of innovation is to be congratulated and supported.

It is early days for policy definition, which is how it is evolving and it is too early to be a critic.

So in the spirit of contribution there are some issues to be suggested by a team who have embraced this for over 10 years – the need for change and innovation.

So there is a new economic theory to overcome the Chicago School or Marx’s theories. It is part of ISO 9000 and estolled by Denning in the 1950s. Constant improvement and adaptation are known to the best manufacturers as is wheaten to an athlete you have it for breakfast.

In the Hunter, the business organisation Hunternet is the only business association that has the word on the web site and has done so for over 8 years.

John Coyle as CEO adopted the need to bring about change into manufacturing 10 years ago. There have been innovation awards and conferences where he has invited me to speak.

The need for an emphasis on STEM has been a call applied for some time as we seek to employ new graduates.

The Innovation Centre: Ideas to Value

We are a team from manufacturing backgrounds who understand the work in new product development.

- The process needs a TEAM with the skills of inventor as well as the managers, marketers & the mentors.
- Developing a new process or product starts with THINKING DIFFERENTLY.
- The process must have A PLAN that identifies what the process does to solve a ‘must-have’ in the market.

Our team have done that, been there, succeeded, failed and recovered to do it again, and learnt from the process!
Collaboration key to success

By Di Bartok

INNOVATION - the buzz word of governments, industry and research institutions - is best achieved with collaboration.

That was the clear message of Western Sydney University’s assistant vice chancellor Dr Andy Marks at the Access-sponsored Innovation seminar held on March 3 at Parramatta Leagues Club.

Western Sydney Business Access joined with Telstra Business Centre West Sydney, IP law firm Davies Collison Cave and KPMG in presenting the seminar before more than 120 business leaders.

Dr Marks, in closing the presentation, said Australia ranked “the lowest in the developed nations” in collaboration between innovators and with government.

His message was that someone could have the best idea in the world but may not succeed without sharing of ideas and developing them further with other innovators, researchers and governments.

And that is where the university’s Launch Pad, where start-ups can benefit from university researchers to develop their product or idea, came in.

“One of the things the university was determined to do was not to talk so much and listen more,” Dr Marks said.

“We realise that innovation can happen anywhere - not only in the city but in the suburbs, in the garages and backyards of western Sydney. “As a university we had to get outside our walls, get our noses out of our textbooks and talk to businesses. No amount of incentives to businesses work if relationships are not there to help with innovation.”

Dr Marks said “collaboration” on ideas was “criminally low” in Australia and the university was determined to help people and companies with ideas that needed the help of university researchers and innovators.

He said students also benefited by getting hands-on experience rather than learning from textbooks.

The university’s Launch Pad initiative has already helped with some original projects, including a man who developed a 3D printer.

Dr Marks was joined by Damon Henshaw from Davies Collison Cave who spoke about the intricacies of protecting intellectual property, David Newton from Telstra Business Centre West Sydney who gave a rundown on the wonderful world of the Cloud and KPMG’s Paul Van Bergen who talked about funding for research and development.

Parramatta State MP Geoff Lee opened the seminar with encouraging words on government support for innovative industries while MC Dr Jim Taggart kept proceedings running smoothly.

Access publisher Michael Walls declared the day a great success and said he was proud of being able to help businesses develop strategies to grow.
Reforms to employee SHARE SCHEMES

A competitor is able to determine that ABC is not in the financial position to respond if it engages in a sustained period of discounting and raised marketing expenditure.

ABC loses the race to become the primary app in their market and fails to reach profitability.

Scenario after new measures introduced

ABC’s financials are not disclosed and competitors do not respond accordingly. ABC’s app gains greater market share and the firm becomes profitable.

Why this is important

If a company seeks financing from members of the public, it is generally required to prepare a disclosure document and lodge it with the Australian Securities and Investments Commission (ASIC)

These documents are made available to the public. Stakeholders have advised that these disclosure requirements are discouraging small companies and start-ups from implementing an ESS, because it may result in the release of commercially sensitive information and it is costly to produce the documents.

While ASIC has published class orders providing partial relief from disclosure requirements, these do not apply in all circumstances.

Implementation

Legislation is expected to be introduced in the first half of 2016.

How smaller firms do well

Continued from page 8

smart people, there’s less innovation [and so on],” he says.

Different types of innovation

The researchers also looked at how firms conducted innovation in a range of areas. The results are basically positive. 

Aside from product innovation, mid-market firms are adept at using multiple types of innovation. As they grow beyond the core of their business, which typically is an innovative product or service, they expand into other areas including process innovation, they write.

They authors see this as advantageous and cite other research by Larry Keeley in his book, ‘Types of Innovation,’ which argues that the greater the number of different types of innovation, the greater the firm’s advantage because this makes it difficult for competitors to copy their business practices, and therefore secures market position.

As for the economic constraints of not being a large company, Ben Walker, co-author of the report and a postdoctoral research fellow in the school of management, says mid-market firms have strategies to overcome this.

“They’re more innovative in terms of finding ways to get things done that don’t cost a lot of money. The larger firms, because they’ve got the big budgets, can afford to do big things, whereas the mid-market firms have to think through not only what innovations they want to do but what’s going to be most cost-effective,” he says.

For example, one mid-market leader spoke about the “one-percenters.” Instead of striving for big innovations such as a costly new software system, the leader aimed to deliver a series of small innovations which in total can deliver significant results.

Walker says mid-market leaders also have to be innovative in the way they attract and retain talented staff when they are unable to match the salaries and career opportunities on offer from larger rivals.

This article was first published in BusinessThink, the online business analysis journal of UNSW Business School.
Collaborate Innovate Grow

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WESTERNSYDNEY.EDU.AU/LAUNCHPAD

Launch Pad Services

- Private offices, co-working and hot desks
- Business advice and mentoring
- Access to student resources
- Technology business Incubator
- Networking, events and training programs
- Access to research, consulting, partnerships
- Business accelerator programs
- Access to government assistance
- Access to scientific testing equipment and facilities

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