

What is the market context in which ReaDI-Watch was founded?

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Research centres, Universities and other academic institutes apply a “research excellence framework” to their organisations to perform well, organise team targets and obtain public funding for R&D. This means that large teams, collectively, can drive towards R&D targets in a lean & efficient manner, fuelled by public funding. However, R&D and Innovation in small to medium companies (SMEs) is not well organized, there exists no “excellence” framework that is yet actively followed by teams in SMEs, in Ireland and globally.

The Problem to be Solved

ReaDI Watch

Retrospective and Unclear approach to R&D and Innovation (RD&I)

There is an untapped potential in companies today when it comes to R&D and Innovation. Companies struggle with inefficient, vague and retrospective approaches to navigating RD&I.

As an example when it comes to claiming R&D Tax Credits (SR&ED), most companies look backwards at the end of the year, to figure out what to claim.



\$ Significant Opportunity Cost



Missed Shared Learnings & Insights



Confusion across Wider Team

According to McKinsey study...

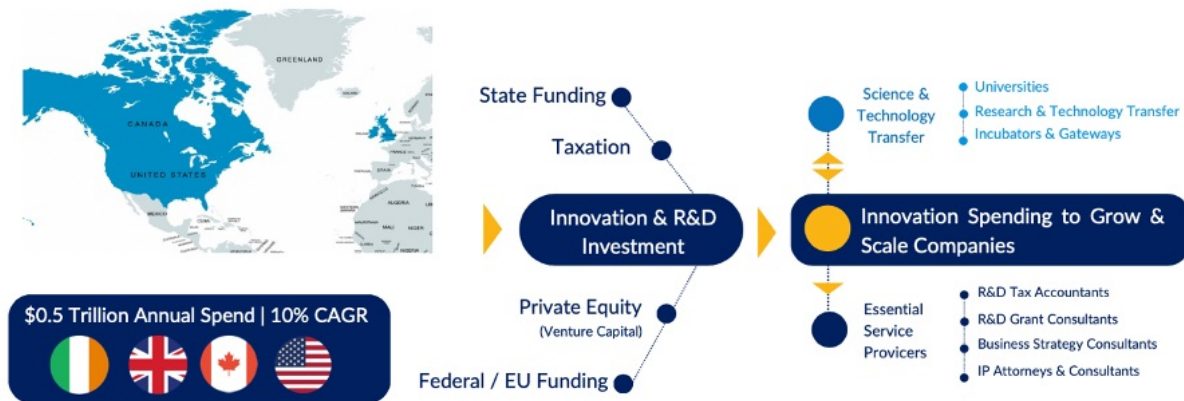


The market context for ReaDI-Watch lies in Innovation and R&D investment by companies. By our calculations, 200,000+ companies (SMEs) are investing \$0.5trillion+ into Innovation and R&D each year in Ireland, UK and North America, growing at a CAGR of 10%.

This innovation and R&D investment is fueled by State Funding, R&D Tax incentives, Private Equity (Venture Capital) and Federal (or EU) funding, in a bid to increase the prosperity and competitiveness of countries where these companies are incorporated. This \$0.5trillion+ flows into Innovation and R&D spending to grow and scale companies, and to the Science & Technology (Knowledge Transfer) Research & Innovation ecosystem (such as universities, tech transfer offices, incubators, and gateways) to develop science & technology into market ready products and services.

Market Context

Large Innovation & R&D Market Accelerating in Growth

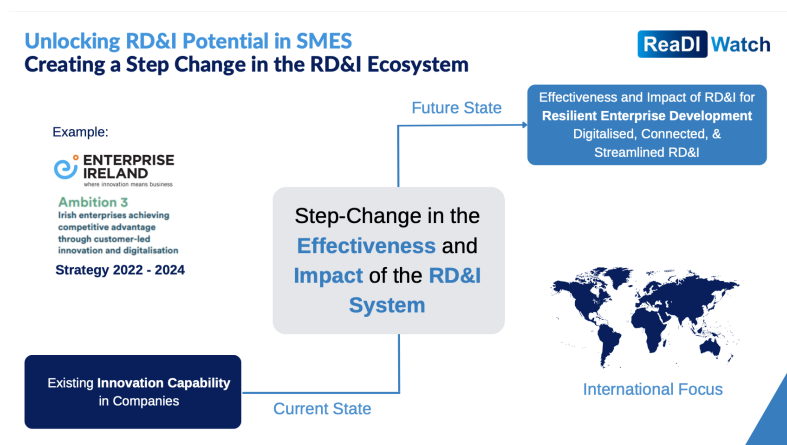


Client Profile - Comblift (Martin McVicar)

- 7% annual turnover invested in R&D
- Development of Automated Guided Vehicles
- Sectoral Diversification into Offshore Wind

The core goal of these investments is to grow and scale companies, and thus there have emerged (over the last number of decades) a myriad of R&D tax, grant, and IP service providers that companies use to deal with R&D and Innovation funding. These service providers include R&D tax consultants, RD&I Grant consultants, IP Attorneys & Business strategy consultants. By our calculations, these service providers operate in a competitive \$25bn market.

The need for effective & impactful Innovation and R&D (RD&I) is critical for SME growth and SME resilience. Skillsets around Innovation and R&D are becoming a critical & central factor for success, and yet SMEs are not yet equipped with the management skills for RD&I. When you compare it to other business processes like Sales, HR, Service and Financial Management, RD&I is not proactively managed well in SMEs. In tandem with the above, there is an increasing adoption of Digital Platforms to manage business processes, to digitally ensure that the management of businesses is accurate, effective, and fast. Most SMEs today use digital platforms across their companies.



SMEs need to innovate and develop technology to succeed but find it extremely challenging to manage. There are very few SMEs who successfully access innovation and R&D government supports, collaborate with universities, find skilled talent, and realise a strong ROI. The current (\$25bn) market of R&D tax consultants, grant consultants and IP attorneys has not resolved this problem. Existing technology solutions used by these stakeholders are not

designed specifically for Innovation and R&D (RD&I).

Due to this, automation and integrations are limited and there are often significant data and information gaps, and a shift away from “real- time” R&D and Innovation by SMEs to “retrospective” preparation of claims & draw-downs. This ultimately can lead to sub-optimal RD&I projects, including issues in relation to claiming R&D credits, enabling valid and compliant grants and subsidy drawdowns, and also disputes over IP ownership between project partners.
