



Welcome to Accountants Minute. I'm Peter Towers, Managing Director of ESS BIZTOOLS.

## **"Promoting ESIC to Clients and Prospects"**

Promoting the Early Stage Innovation Company legislation to clients and prospects is going to be a task that, I hope, many of you will participate in over the next few months.

The legislation is targeted at small/medium enterprises, inventors and young companies, particularly those that have been involved in research and development, have been admitted to the Accelerating Commercialisation Program, have registered a patent, a plant patent, an innovation patent or a registered design, or have already raised \$50,000 from "arms-length" investors. It relates to businesses that have developed new products, processes, services, marketing or organisational methodology; so it's a very wide canvas of businesses that are potentially eligible.

One of the key things is that the companies need to be young companies; less than three years old, although there is an opportunity for companies that are aged up to six years of age to gain the classification of an Early Stage Innovation Company.

Don't wait for people to walk in and talk to you about this legislation because these types of companies and people who have developed new products, processes or services will not necessarily know who is available to help them, so you need to promote your interest in offering advice in this area. If you wait, you'll probably miss the opportunity.

This is an opportunity for you to present to the public in your area, to your prospects and to your clients that your firm is interested in being involved in the ESIC journey. It's not just the ESIC classification that is important, these companies will then have to go through the "investment readiness" phase, market research (which many of you won't want to do, but you can influence who is going to be appointed the consultant to handle that work) but importantly, the budgets and cashflow forecasts, business plans and information memorandum is definitely work that accountants who are committed to offering a wider range of professional services, can perform.

You might say - *How are we going to do all of this?* Well, don't worry, we have a system for you. We've developed an ESIC promotion to assist accountants and advisors who sign on for the ESS ESIC Product Package to assist you. This includes an article that you can send to your clients and prospects discussing Early Stage Innovation Companies. We also have developed a special article that you can place on your website, if you wish. There is a news release which talks about your firm's interest in the ESIC process and also advises that you are going to run a special webinar or seminar if that is what you wish to do.

There is then a full program to assist you in the presentation of a seminar/webinar to your clients and prospects. This includes PowerPoint slides, articles, and organisational material; in fact everything you'll need to run a successful seminar/webinar to promote to your market that you are interested in assisting what the government believes will be thousands of companies that are trying to achieve the "ESIC" classification so they are then able to talk to potential investors.

The system also includes blog articles that you can use and has suggestions on what you'd do after the seminar/webinar, the follow up with attendees, the conversation with them and, if you determine that they're interested in becoming a ESIC classified company, the procedure form for achieving that and the quotation and proposal that you can then send to your client.

ESIC is truly a "new revenue stream" for accountants and advisors. Three years ago Deloitte wrote a report on digital disruption and one of their suggestions as to how accountants/advisors could minimise the effect of digital disruption was to create "new revenue streams".

ESIC gives you a wonderful opportunity to create a series of new revenue streams for your accountancy/advisory business.

It's a great opportunity to convert a client that currently might only be paying you \$2,000 or \$3,000 per annum because all they need is a set of annual accounts and a tax return and some of them will be even less than that because currently they're not operating as a company. They are undertaking this research in their back yard sheds, warehouses or farms.

If you take them through the ESIC process, the investment readiness phase and the investment presentation training, the fee would probably be in the vicinity of \$20,000 to \$40,000 from that one client.

You then have the opportunity of signing on with them for ongoing activities in the future, offering a virtual Chief Financial Officer service, performing the role of a Finance Director on their Board of Directors or, if you want to go down a completely different stream altogether, offering your firm as auditors to those firms.

The subscription to the stand alone Early Stage Innovation Company Product Package developed by ESS BIZTOOLS is only \$299 (incl GST) or you can subscribe to the ESS BIZTOOLS Gold Package which includes the ESIC package together with the other 18 product packages and numerous other products that are included within ESS BIZTOOLS Gold Package. That subscription is \$2,970 (incl GST) for 24/7 access for 12 months.

If you'd like to obtain a paper that you can distribute to your clients who, you believe, might be interested in investing in an Early Stage Innovation Company, we have produced a paper - **Self Assessment for Early Stage Innovation Company** (Paper 003-046). A complimentary copy of this article is attached to this transcript.

We are conducting a special webinar on the **Promoting ESIC to Clients and Prospects** on **Wednesday 21st September 2016 at 12-noon (AEST)**. If you wish to attend this free webinar, we would urge you to do so. All you need to do is [click here](#) to register.

I look forward to working with you as you develop strategies to affect a new revenue stream within your firm to your clients and prospects, utilising the ESIC concept.

Have a wonderful day,

Peter Towers

**MANAGING DIRECTOR – ESS BIZTOOLS PTY LTD**

**+61 7 4724 1118 | 1800 232 088**

[peter@essbiztools.com.au](mailto:peter@essbiztools.com.au)

[www.essbiztools.com.au](http://www.essbiztools.com.au) | [www.essbasip.com.au](http://www.essbasip.com.au) | [www.essbizgrants.com.au](http://www.essbizgrants.com.au)