

STFC Research in Industry Funding Frequently Asked Questions

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Q. What is Research in Industry?

A. STFC Research in Industry funding aims to engage industry in STFC's Programme Technology Development (PTD) activities. Companies can apply for funding to support their involvement in a programme of research. The supply of goods and services to facilities in their construction phase is not included within the scope of Research in Industry.

Q. What are the aims of Research in Industry?

A. STFC wants industry to be involved in developing technology that will be of value to its future programmes. STFC believes that the key to this is the development of a healthy academic and industrial base that is capable of supplying such technology. Research in Industry is STFC's method for directly supporting industry to engage in these activities.

Q. Is STFC really funding industry directly?

A. Yes. Much of STFC's funding has reached industry through our grants to Universities and our bilateral and international collaborations, such as CERN, ESA and ESO. Companies will still be able to gain contracts through these routes. Research in Industry is STFC's method for funding industry directly.

Q. Is Research in Industry for fundamental research, applied research or project construction?

A. Research in Industry applies to 'fundamental' or 'basic' research as defined here:

- The term 'fundamental research' means research activities independently conducted by higher education or research establishments for the enlargement of general scientific and technical knowledge, not linked to industrial or commercial objectives;

- ‘Basic’ industrial research is understood to mean original theoretical and experimental work whose objective is to achieve new and better understanding of the laws of science and engineering in general and as they might apply to an industrial sector or to the activities of a particular undertaking;
- ‘Applied’ research is understood to mean investigation or experimental work on the basis of the results of the basic research with a view to facilitating the attainment of specific practical objectives such as the creation of new products, production processes and services. It normally ends with the creation of a first prototype and does not include efforts whose principal aim is the design, development or testing of specific items of services to be considered for sale;
- ‘Development’ is understood to mean work based on the systematic use of scientific and technical knowledge in a design, development, testing or evaluation of a potential new product, production processes or service or of an improvement of an existing product or service to meet specific performance requirements and objectives. This stage will normally include pre-production models such as pilot and demonstration projects but does not include industrial application and commercial exploitation.

The research undertaken will need to further the particular field of science for the good of the UK as a whole and not benefit the applicant or STFC in isolation. There will therefore be no defined service provided to STFC. One of the conditions attached to the funding will be to provide STFC with a final report to show what has been achieved with the funds provided and how the results have been disseminated.

Q. What is Programme Technology Development (PTD)?

A. The aim of Programme Technology Development is to develop the technology capabilities needed to underpin UK technology leadership in future STFC science projects. It applies to the pre-construction phase of projects and seeks to pave the way for more:

- UK intellectual leadership in key work packages in international projects;
- UK industrial return on construction phase contracts;
- knowledge transfer through collaborative developments, spin-out formation, skills transfer and intellectual property licensing.

Although funds will primarily be provided for programme technology development, proposals should also show evidence of commitment to knowledge transfer. Plans for knowledge transfer will form part of the assessment criteria.

Q. What is Full Economic Cost (FEC)?

A. FEC is the term used to describe the full cost of a research proposal, including overheads and (in the case of industry) profit. Universities used to receive a fixed overhead allocation of 46% on the cost of direct labour and this system will change in September 2005 to FEC. See <http://www.pparc.ac.uk/jes/DualSupport3.asp> for further details.

Q. Can I apply for 100% of Full Economic Cost to be awarded by STFC?

A. Research in Industry funding will be awarded through an *Agreement* between STFC and the supplier company. Through these agreements, STFC will provide up to 100% of the full economic costs of the proposed research. The Research in Industry proposal form should display the full economic costs of the proposed project together with the amount requested from STFC – which could be less than 100% if, for example, the applicants plan to offer a discount or to contribute to the costs themselves or if a project partner is contributing part of the cost.

Q. Is all STFC funding open to industry now? Can I apply to STFC in responsive mode?

A. No. Applications for funding should be made in response to specific schemes and announcements of opportunity.

Q. What calls for funding are eligible for Research in Industry?

A. See: [STFC funding schemes and announcements of opportunity open to Research in Industry funding](#)

Q. Where can I get help?

A. Support is available from two sources:

1. The STFC Industry Coordinator and his team:

Nathan Hill,
STFC Industry Coordinator and UK Technology Transfer Coordinator for CERN,
Tel: 01223 422405,
Email: nathan.hill@qi3.co.uk

2. The STFC contact who is responsible for managing the specific Call for Proposals. See the call for contact details.

Q. Can a company be the Lead Organisation in a consortium?

A. Yes. The Lead Organisation may be an academic or industrial partner in a consortium proposal and should be selected on the basis of competence in managing the project overall.

Q. What if I just want to sell to a project without participating in the research?

A. If the nature of your involvement falls outside of Research in Industry, you may be included as a supplier within another organisation's grant application. This would apply for example in cases where no contribution is expected from you, or where your supply is for a product, rather than for a research outcome.

Q. Why do academics and industry have to fill in different forms?

A. The forms are quite similar but designed to be appropriate to the need for slightly different information from industry and academic applicants. If you feel that we could design the forms better, please advise us.

Q. How many forms need to be filled in for a consortium application?

A. Where the project is a collaboration between partners each of whom seeks funding from STFC, each partner must submit a separate proposal form requesting the resources they need, together with a **common** Case for Support. Industrial partners should submit the Research in Industry proposal form, academic partners should submit a Je-S proposal form for their research grant in the normal way. For

administrative purposes, one of the participating organisations must be identified as the Lead Organisation. The proposals will be assessed as a package.

Q. Does it matter if my company is an SME or not?

A. Yes. STFC recognises that both small and large companies have technology and skills capabilities to offer. Assessment of industrial contribution to a project usually takes company size (employees and turnover) into account.

Q. How will proposals be evaluated?

A. See the remarks on assessment in the [Guidance Notes](#). Each call for proposals has an appropriate assessment method. As the main objective of PTD is driven by the science programme, the benefit to the science programme will be the main driver for assessment of Research in Industry proposals.

Q. Who owns the Intellectual Property Rights (IPR) in a Research in Industry agreement?

A. STFC does not normally make a claim to the intellectual property arising from the research it supports and, unless there is insufficient assurance at the outset that it would be exploited for the greater good, the intellectual property arising from Research in Industry projects will be vested initially in the supplier company. A company may choose to retain these rights or assign them to a third party under an exploitation agreement.

The research undertaken will need to further the particular field of science for the good of the UK as a whole and not benefit the applicant or STFC in isolation. There will therefore be no defined service provided to STFC. One of the conditions attached to the funding will be to provide STFC with a final report to show what has been achieved with the funds provided and how the results have been disseminated.

Please see section 6 of the [Terms and Conditions](#) for details.

Proposals for collaborative projects must include, in the case of support, collaboration agreements, including details of the management of confidentiality/disclosure and intellectual property agreements.

Q. Do I have to charge VAT to STFC in a Research in Industry agreement?

A. HM Revenue And Customs has ruled that funds made available under the Research in Industry scheme are not consideration for any supply and are outside the scope of VAT. As such, it is STFC's understanding that there is no liability to account for output tax on the awards and that VAT incurred would not generally be deductible as input tax. HMRC has, however, indicated that there may be circumstances in which VAT incurred could be treated as input tax. Research in Industry fundholders should, therefore, take such advice as they consider necessary to determine the status of a project.