

# Accelerator and Incubator Support in Australia's F&A Sector



Active Food & Agribusiness (F&A) start-ups in 2018



SMEs in the F&A sector in 2018

Accelerators and incubators (A&I) are generally set-up to support high growth start-up businesses at the cost of SMEs.

SMEs have smaller short-term returns, yet may have greater longer-term growth aspirations. Is support targeted appropriately?

## Investment not keeping pace

### Access

to capital remains a challenge and finding effective ways to leverage the know-how in the research community

### Investment

in Australia's F&A start-ups is small and **not keeping pace** with global peers

### \$29M

investment in F&A start-ups vs \$16.9B globally in 2018

### 80%

of all Australian F&A investments were <\$1m in 2017



## An industry not coordinated

### Poor Accessibility & Coordination

Activities are poorly coordinated and not visible, which prevents both start-ups and SMEs interacting more collaboratively with A&I

### Lack Global Integration

A&I need to be better integrated with global F&A support to increase their effectiveness and impact



## Entrepreneurial capacity and capability

- > There are a **high prevalence of risk averse F&A SME entrepreneurs** who are not growth orientated
- > There **needs to be a better understanding** of the Entrepreneurial Mindset
- > An increasing number of entrepreneurs are entering the industry, **without the tacit understanding of the complexities of the F&A sector**



## SME vitality concerns



Non-employing SMEs have the **lowest survival rate** of all businesses in Australia



Agriculture, Forestry and Fishing has continued to have the **largest decrease** in the number of businesses

(1,634 businesses, or - 0.9%)

Only **22%** of SMEs engage in product innovation



Over **60%** of all F&A SMEs employ **0** staff

