



Pattens Group

**If there's a Government grant  
for you .... We'll find it !!!**

15 October 2020

Committee Secretary  
Senate Standing Committees on Rural and Regional Affairs and Transport  
PO Box 6100  
Parliament House  
Canberra ACT 2600

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Dear Sir

An interview with Mohit Sharma from Vbreathe on Startup Daily last night prompted me to assess the proposed changes to the EMDG in a different light. The proposed reforms will not provide the optimum benefit to all Australian exporters.

[https://assets.ausbiz.live/assets/bf889449-17dd-40cc-a929-03cd87e274b1/MP4/vimondio\\_video\\_1920x1080\\_10000.mp4](https://assets.ausbiz.live/assets/bf889449-17dd-40cc-a929-03cd87e274b1/MP4/vimondio_video_1920x1080_10000.mp4)

Over the past 5 years, Vbreathe Pty Ltd has been developing an Air detoxifier, called Tasman, which was released to the market yesterday. The first production run of 1,000 has already been sold and the second production run of 30,000, which has not commenced is also fully sold with a retail price of \$680. Why the incredible interest in the device?

**The Vbreathe Tasman has been tested and proven to kill airborne COVID.**

The Tasman was developed, designed and is manufactured in Australia. It is a portable air detoxifier that reports to your mobile phone on the quality of the air and status of the device. Refer [www.vbreathe.com.au](http://www.vbreathe.com.au)

The device is effective in removing air-borne COVID and could be used in high risk areas like hospitals, aged care facilities, schools, offices, medical practices, public transport, shops as well as homes. Being completely portable, it can be carried with the user as additional personal protection against the virus.

The company plans to raise \$10m through a pre IPO commencing next month to finance production with an IPO planned for next year. Their focus now is speed to market as competitors are now likely to appear with reverse engineered products. They already have interest from USA, Europe, India and Middle East.

The proposed EMDG funding of \$40,000 to assist this start-up will be virtually useless.

Each business is different. The time taken to capture export markets is never the same. Some businesses have instant export success, others take many years or decades.

How do you provide support to ensure each business has the support needed to succeed internationally?

**Recommendation:**

1. Rather than capping the EMDG program as a whole, provide a capped \$1 million EMDG balance for each claimant. Claimants like Vbreathe that need intensive export market assistance in the early years would be able to claim up to \$1m for export marketing activities, not capped annually or limited by a number of claims. Once they have claimed their EMDG balance, or exceed the group turnover threshold, they are no longer eligible to claim additional EMDG support.

While businesses that have a product that has slow market penetration may claim their EMDG balance over a much longer period.

2. To continue to claim EMDG in future years the business must demonstrate that export sales have increased (by say 30%) over the previous EMDG claim.
3. A group turnover limit of \$30m should apply to claimants.

The EMDG program needs to be innovative and structured to support each business's individual export journey, rather than provide a single export marketing performance requirement to receive funding support. The program needs to be structured to be effective in supporting the diverse range of Australian businesses achieve export success.

Yours Sincerely

Bruce Patten  
Managing Director