



## i.d.e.a. Fund (Inclusion, Diversity, Environment, Acceleration)

The i.d.e.a. Fund will contribute to an inclusive, green recovery by accepting high potential businesses that have growth potential and a commitment to developing new green products, services, processes, and technologies and/or redesigning existing products, services, processes and technologies to reduce their impact on the environment.

This program will provide specialized industry expertise to develop growth plans and related strategies in the areas such as talent attraction, raising follow-on investment, product development and quantification of product benefits/market value propositions, commercialization of intellectual property, and market diversification. Each RIC will distribute up to a maximum of \$30,000 in matching seed funding to select innovative businesses in various sectors.

The i.d.e.a. Fund will be delivered in partnership with the following Ontario Regional Innovation Centres (RICs): Boundless Accelerator, Haltech, Innovate Niagara, WEtech Alliance, Innovation Factory and TechAlliance of Southwestern Ontario, to support a more sustainable economy while fostering an inclusive and equitable recovery in Southern Ontario

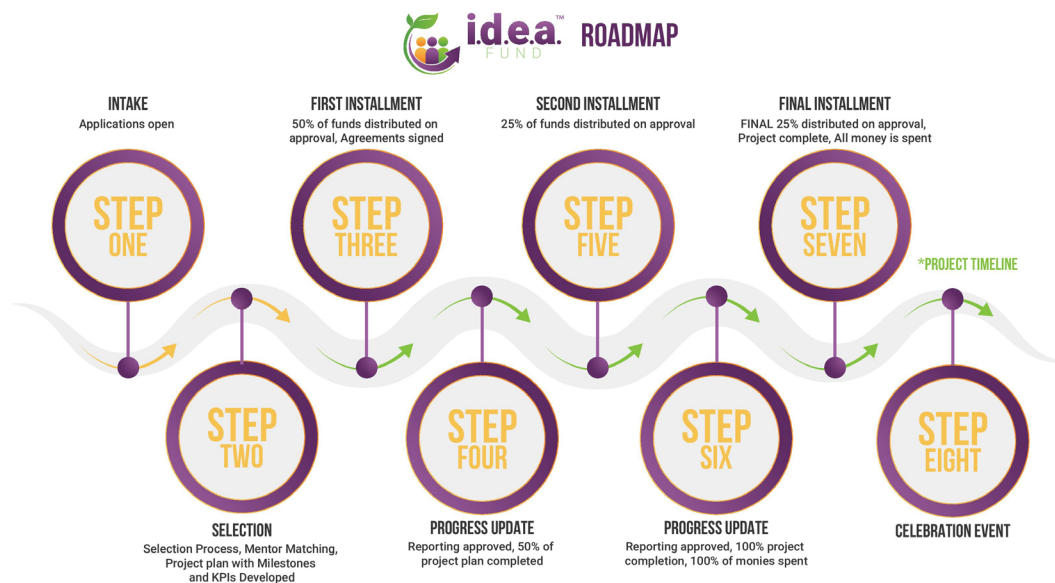
### Program Overview

In the first cohort<sup>1</sup> i.d.e.a. Fund will support the scaling activities of 120 businesses through:

- Seed funding of up to \$30,000 per company with matching funds<sup>2</sup>
- Up to 40 hours of targeted support and expertise from business leaders (up to \$6,000 value)

1. Additional Cohorts to be announced. Please check the website for updates.

2. Funds matched at 25% for underrepresented groups. All others match 1:1.



## **Application Process:**

### **Step 1: Call for Application**

An open call of applications will be posted on RIC partner websites with a link through to the i.d.e.a. Fund Website.

Program information sessions will be available to review the program and the application process.

### **Step 2: Completing your application**

Applicants are responsible for completing and submitting the online application through our Intake Portal. The application form will request information about:

- How your business meets the program's eligibility criteria
- General information about your business
- Business growth and scaling goals
- How your business will meet the goals of a green and sustainable recovery
- How you would use the funds provided through this program
- How you will match the funds provided

Applicants will be responsible for submitting the following information:

- Business Model Canvas
- Budget (high level)
- Short video and/or pitch deck (optional)

### **Step 3: Evaluation by selection committee**

Applications will be directed to partnering RICs by region and/or existing affiliations. Applications will be evaluated based on the following eligibility and selection criteria. Selected applicants will then be informed of their acceptance and will be onboarded into the program.

#### **Eligibility Criteria**

- One or two team members of the business' leadership team is available to participate in the program
- The applicant must be early-stage business or Small to Medium Enterprises (1-499 employees) and the business must be headquartered in Southern Ontario (regions are outlined in Appendix A)
- Business must be incorporated (Ontario or federal)
- Business owner/founder must be working in the business full-time
- Business must have a scalable product or service

#### **Selection Criteria**

- The applicant must complete the application in full
- The application provides enough information to address the applicable evaluation criteria
- The intended use of funds is clear and consistent with a realistic strategy to achieve the business' scaling goals
  - Stacking of public funding (federal, provincial or municipal) is not permitted and will not be considered matching funds. For example, you may not use federal or provincial grant funds as matching funds.
- The applicant must be able to provide matching funds up to a maximum of \$30,000 to receive seed funding.
  - SMEs from under-represented groups would be required to provide a 25% match whereas all other recipients would have to provide at 1:1 match
- The application falls under the eligible project types (Appendix B)
- The applicant has acknowledged that the funds will not be used for ineligible costs as outlined below.
- There is a benefit (directly or indirectly) to a green recovery
- There is an economic impact (job creation, revenue generation, add-on investment) to Ontario
- The business opportunity has potential to address Canadian or international markets
- The applicant has read and agreed to a Client Services Agreement

## Ineligible Costs

- Costs of land, building or vehicle purchase;
- Costs of intangible assets such as goodwill, whether capitalized or expensed;
- Depreciation or amortization expenses;
- Interest on invested capital, bonds, or debentures;
- Bond discount;
- Monthly mortgage and loan payments;
- Refinancing of an existing debt;
- Losses on investments, bad debts and any other debts;
- Fines or penalties;
- Costs related to litigation;
- Opportunity costs;
- Hospitality and entertainment costs;
- Franchise fees and franchise license costs;
- Lobbyist fees; and

## Step 4: Award Recipient Agreement Process

Applicants will be notified as funding decisions are reached. Successful applicants (“recipients”) must:

- Enter into a Contribution Agreement with their designated RIC and governs the distribution of funds
- Register as a client of the designated RIC
- Engage with the RIC team who will be assigned an expert based on the specific needs and support in the management of the project(s). Other experts may be engaged through the project as well. **Note: There is a minimum requirement of 20 hours to work with this targeted expertise.**

The funding will be distributed as outlined below:

- **50% of activity seed financing released** once an initial diagnostic and work plan has been completed by the recipient and their assigned lead expert, including goals and milestones
- **25% of activity seed financing released** upon recommendation of the lead project expert and completion of their interim report.
- **25% of the activity seed financing released** upon completion of the project and the approval of the final reporting requirements. This means that the participant must spend both the grant money AND their matching funds before receiving the final 25% of the grant money. The project may be close to 100% complete.

As a condition of receiving funds and support, recipients agree to:

- Participate in any reports/surveys as required by their designated RIC
- Submit expenditure, interim reports and a final project report as required – templates will be provided
- Complete reports/surveys at the end of the program period and up to 6 years after the completion of the program to report on the impact of the funds and support received throughout the program
- Participate in program-related communications including allowing the use of their name, photograph, facilities, and video content (as applicable)
- Acknowledge the i.d.e.a. Fund, and the partner RICs in any public announcements or other communications about the fund

Details of these requirements will be outlined in the Contribution Agreement and Statement of Work.

## Appendix A

Applicant Entrepreneur/Business must be located within the regions outlined below:

### Territory – Southern Ontario

Southern Ontario includes the following 2011 Statistic Canada Census Regions:

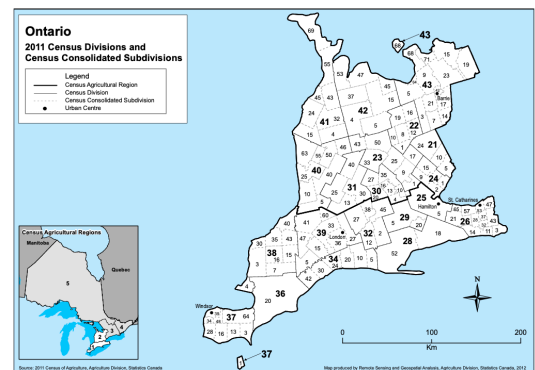
- |  |                              |
|--|------------------------------|
| <b>1 Stormont, Dundas and Glengarry;</b> | <b>25 Hamilton;</b>          |
| <b>2 Prescott and Russell;</b>           | <b>26 Niagara;</b>           |
| <b>6 Ottawa;</b>                         | <b>28 Haldimand-Norfolk;</b> |
| <b>7 Leeds and Grenville;</b>            | <b>29 Brant;</b>             |
| <b>9 Lanark;</b>                         | <b>30 Waterloo;</b>          |
| <b>10 Frontenac;</b>                     | <b>31 Perth;</b>             |
| <b>11 Lennox and Addington;</b>          | <b>32 Oxford;</b>            |
| <b>12 Hastings;</b>                      | <b>34 Elgin;</b>             |
| <b>13 Prince Edward;</b>                 | <b>36 Chatham-Kent;</b>      |
| <b>14 Northumberland;</b>                | <b>37 Essex;</b>             |
| <b>15 Peterborough;</b>                  | <b>38 Lambton;</b>           |
| <b>16 Kawartha Lakes;</b>                | <b>39 Middlesex;</b>         |
| <b>18 Durham;</b>                        | <b>40 Huron;</b>             |
| <b>19 York;</b>                          | <b>41 Bruce;</b>             |
| <b>20 Toronto;</b>                       | <b>42 Grey;</b>              |
| <b>21 Peel;</b>                          | <b>43 Simcoe;</b>            |
| <b>22 Dufferin;</b>                      | <b>46 Haliburton; and</b>    |
| <b>23 Wellington;</b>                    | <b>47 Renfrew.</b>           |
| <b>24 Halton;</b>                        |                              |

See the following maps below for visual representation:

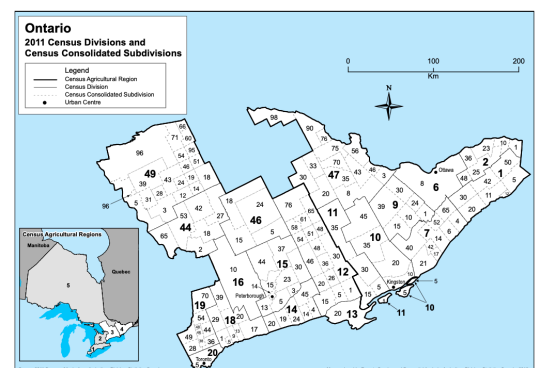


Map 1: All Regions of Southern Ontario

Map 2: Western Ontario



MAP 2B



Map 3: Central and Eastern Ontario

## APPENDIX B

### Eligible Project Types

The i.d.e.a. Fund projects will focus on one or more of the following project areas. To be sure that the proposed project is eligible please confirm with the i.d.e.a. Fund client services team.

- Business Management & Strategy
- Technical Expertise Development (IT or Engineering)
- Leadership Training
- Talent Recruitment
- Branding & Marketing
- Process Efficiency & Optimization
- New Product Development
- Prototyping & Product Piloting
- B2B Sales & Business Development
- Investment Readiness & Preparation

Category	Eligible Activities	Eligible Costs
Business and Technical Expertise Development	Professional services i.e. Intellectual Property review and registration	Legal fees (up to a maximum of \$10,000); Consulting fees; Mentorship.
	Regulatory strategy development	
	Establishment of business operations i.e. marketing/branding strategy	
	Training	
Applied research and development	Product testing	Sub-contractor fees; Consultant fees; Equipment assets (must be leased and/or retained <sup>3</sup> ).
	Product engineering	
	Regulatory focused activities	
	Pilot and demonstration manufacturing/processing	
	Technology development or optimization <sup>4</sup> i.e. next generation prototype or further improvement of Intellectual Property (not discovery)	
Manufacturing and Processing Operations	Development of new processing techniques	Sub-contractor fees; Consulting fees; Audits; Service mark fees.
	Packaging and/or label requirements i.e. certifications	
	Process and/or facility certifications	
Market Development	Marketing strategy development and implementation	Consultant fees; Sub-contractor fees; Travel <sup>5</sup> (North America)
	Branding	
	Development of marketing products i.e. promotional materials, advertising, web design, package/label design	
	E-commerce strategy development and implementation	

3. Must be written and signed off on by both parties in an addendum to the Statement of Work for successful project agreements.

4. Must be completed by a third party.

5. Airfare and mileage considerations must adhere to Treasury Board of Canada policies (i.e. economy class and ¢/km). Only Prime transportation is eligible.

	Participation in conferences and trade shows i.e. exhibit or present <sup>6</sup>	Conference registration & exhibition fees.
Investment readiness preparation	Sales and marketing strategy development and analysis	Mentorship; Consultant fees.
	Financial modeling	
	Business planning	
	Development of supporting documentation i.e. pitch deck, executive summary	
Capital Expenditure Costs (Not to exceed 25% of total project cost)	Leasehold improvements as category are not eligible	Consultant fees, licensing, equipment and assets
	Costs related to commissioning of new equipment or modification/relocation of existing equipment (infrastructure and commissioning) related to the project may be eligible	
Labour/Salaries/Benefits (On direct project activities only)	Internal employee labour costs incremental to the project not to exceed 15% of total project cost	Internal employee labour costs incremental to the project not to exceed 15% of total project cost.
	Owner Salary costs not eligible	
	Sales Tax/HST is not an eligible expense	
	Participation in conferences and trade shows i.e. exhibit or present**	

6.Strategic meetings with collaborators, customers or investors must be scheduled and approved prior to conference date.

## i.d.e.a. Fund Delivery Partners



This program is funded by the Government of Canada's Jobs and Growth Fund, which advances economic recovery efforts, supports businesses and organizations to help create jobs, supports the transition to a green economy, and positions local economies for long-term growth.

**Funded by:**  
Federal Economic Development  
Agency for Southern Ontario

**Financé par :**  
Agence fédérale de développement  
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