



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

The i.d.e.a. Fund will drive sustainable and circular economy growth by accepting high-potential businesses that commit to developing new green products, services, processes, and technologies and/or redesigning existing products, services, processes, and technologies to reduce their environmental impacts.

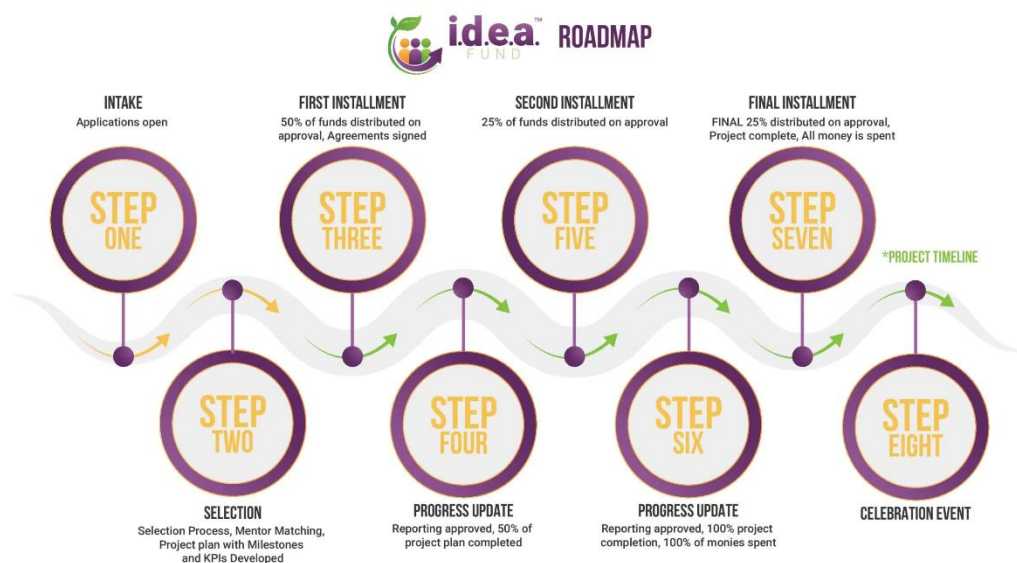
This program will provide specialized industry expertise to develop growth plans and related strategies in areas such as talent attraction, raising follow-on investment, product development and quantification of product benefits/market value propositions, commercialization of intellectual property, and market diversification. Each RIC will distribute up to a maximum of \$20,000 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, Innovate Niagara, WEtech Alliance, Innovation Factory, Launch Lab and TechAlliance of Southwestern Ontario, to support a more sustainable economy while fostering an inclusive and equitable growth in Southern Ontario.

### Program Overview

Cohorts 3 and 4 of i.d.e.a. Fund will support the scaling activities of 145<sup>1</sup> businesses through:

- Seed funding of up to \$20,000 per company with matching funds<sup>2</sup>
- Up to 30 hours of targeted support and expertise from business leaders (up to \$5,000 value)



<sup>1</sup> There will be approximately 72 participating businesses per cohort.

<sup>2</sup> Funds matched at 50% for underrepresented groups. All others match 1:1 (100%).

## **Application Process:**

### **Step 1: Call for Applications**

An open call for applications will be posted on RIC partner websites with a link 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 clean-tech growth
- 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. They will be evaluated based on the following eligibility and selection criteria. Selected applicants will then be informed of their acceptance and onboarded into the program.

#### **Eligibility Criteria**

- One or two team members of the business' leadership team are available to participate in the program
- The applicant must be an early-stage business or Small to Medium Enterprise (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
- One or two team members are available to participate in an online certificate program with the University of Guelph

#### **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 permitted EXCEPT use of other FedDev Ontario Funds. Stacking with other FedDev Ontario Funds is prohibited.
- The applicant must be able to provide matching funds up to a maximum of \$20,000 to receive seed funding.
  - SMEs from under-represented groups would be required to provide a 50% match, whereas all other recipients would have to provide a 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 cleantech or circularity growth
- There is an economic impact (job creation, revenue generation, add-on investment) to Ontario
- The business opportunity has the 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;
- Losses on investments, bad debts and any other debts;
- Fines or penalties;
- Costs related to litigation;
- Non-incremental wages;
- Hospitality and entertainment costs;
- Lobbyist fees;
- Fees for administrators, including payments to any member or officer of the Recipient's Board of Directors;
- Costs of individual membership in a professional body (e.g. professional designations; and
- Opportunity costs.

## 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 your assigned RIC
- 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 15 hours to work with this targeted expertise.**

The funding will be distributed as outlined below:

- **50% of activity seed financing will be released** once the recipient and their assigned lead expert have completed an initial diagnostic and work plan, including goals and milestones.
- **25% of activity seed financing will be released** upon the lead project expert's recommendation and the completion of their interim report.
- **25% of the activity seed financing will be 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:

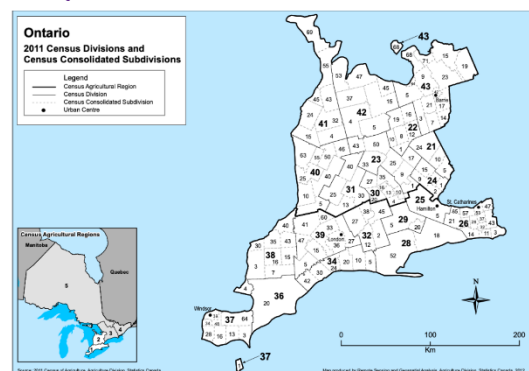
- |  |                              |
|--|------------------------------|
| <b>1 Stormont, Dundas and Glengarry;</b> | <b>25 Hamilton;</b>          |
| <b>2 Prescott and Russell;</b>           | <b>26 Niagara;</b>           |
| <b>6 Ottawa;</b>                         | <b>28 Haldimand-Norfolk;</b> |
| <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:

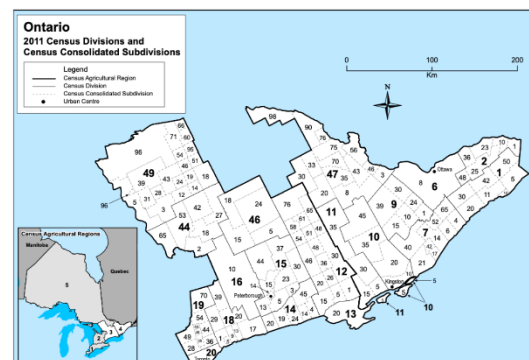


**Map 1: All Regions of Southern Ontario**

**Map 2: Western Ontario**



**MAP 2B**



**Map 3: Central & 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	

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

<sup>4</sup> Must be completed by a third party.

<sup>5</sup> 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 a category are not eligible	Consultant fees, licensing, equipment and assets
	Costs related to the 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**	

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



This program is funded by the Regional Innovation Ecosystem Fund, which aims to advance innovation in strategic sectors of the economy, strengthen SMEs' innovation capacity; foster increased collaboration, support the development of early-stage business growth; build the foundation for cluster development and foster inclusive growth.

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

**Financé par :**  
Agence fédérale de développement  
économique pour le Sud de l'Ontario



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