

# IRAP Programs & Other Govt Programs for Startups

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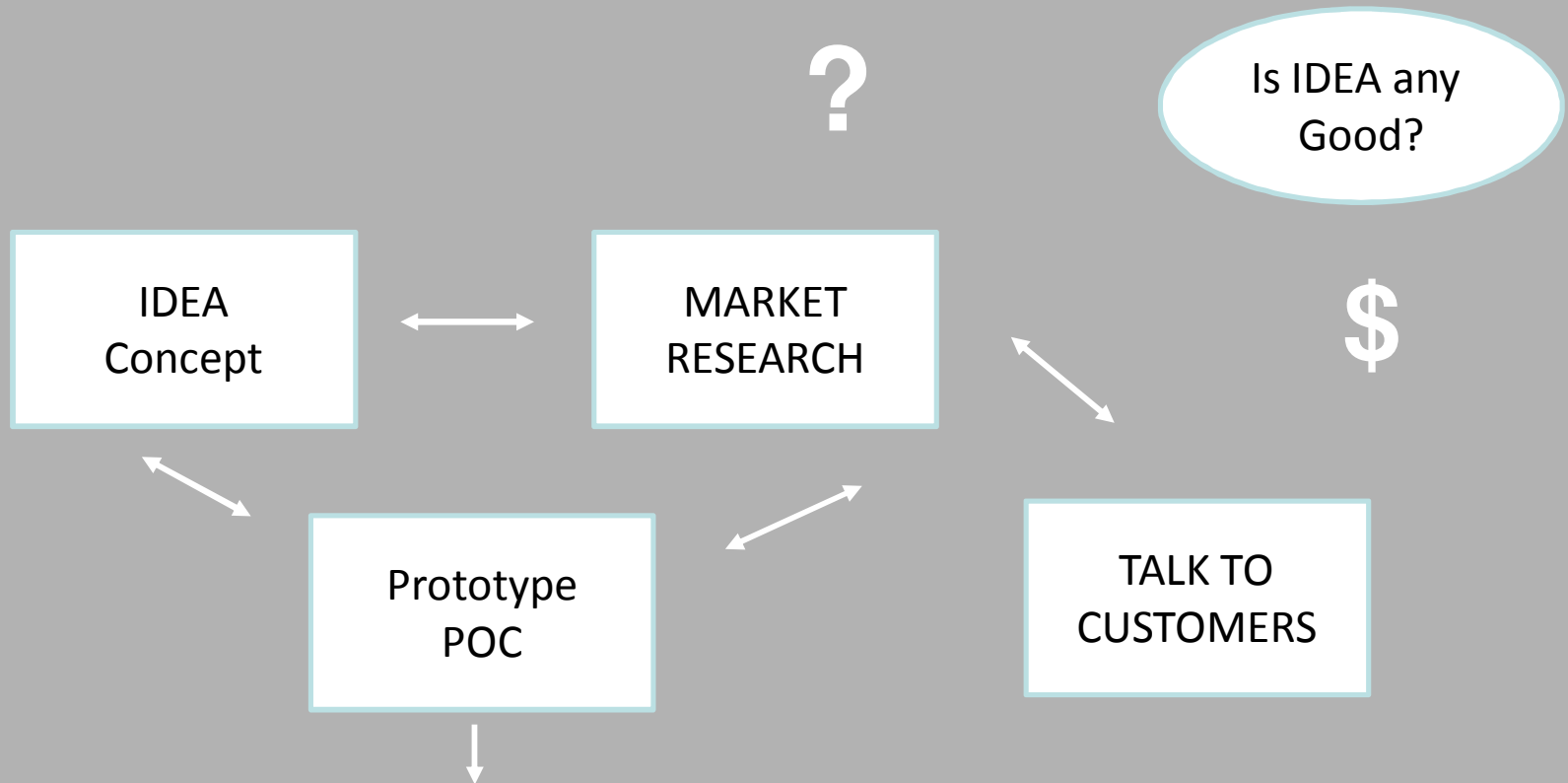
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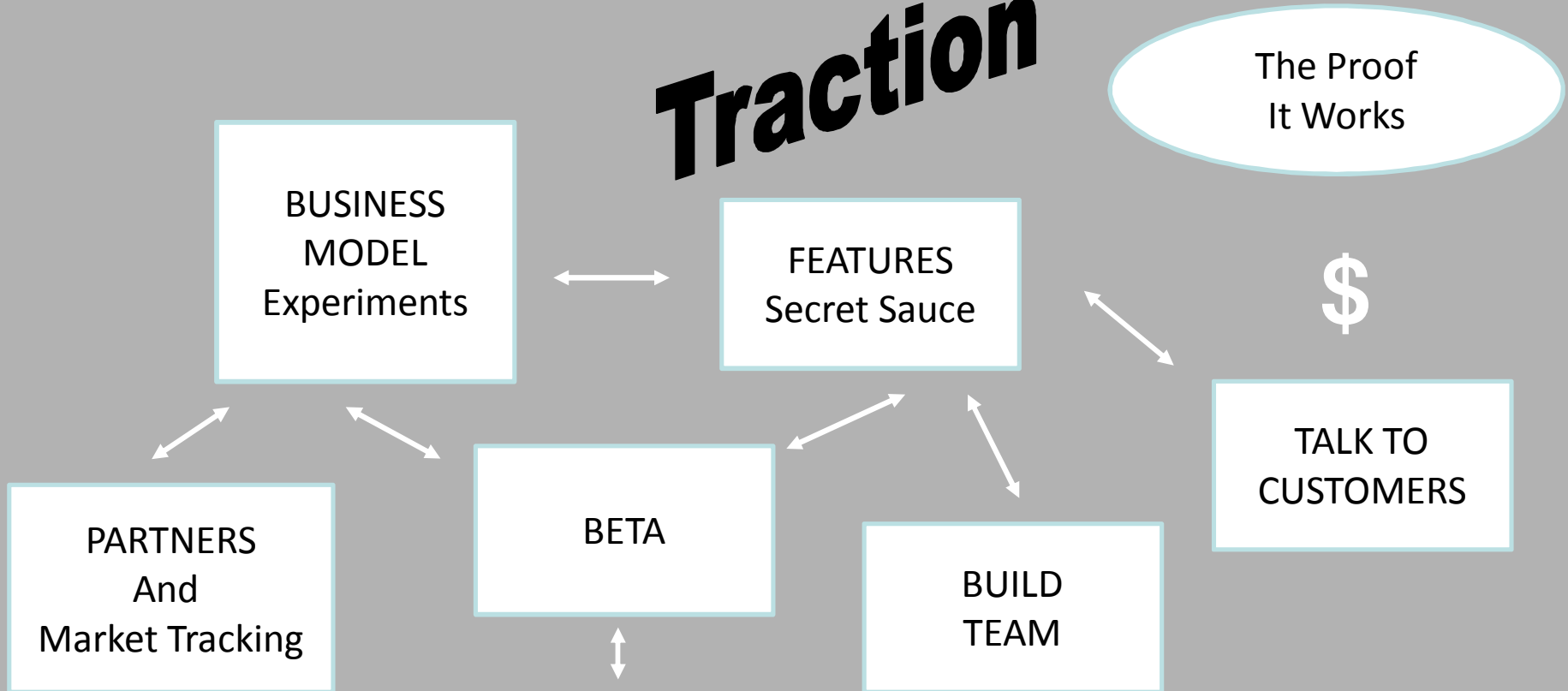
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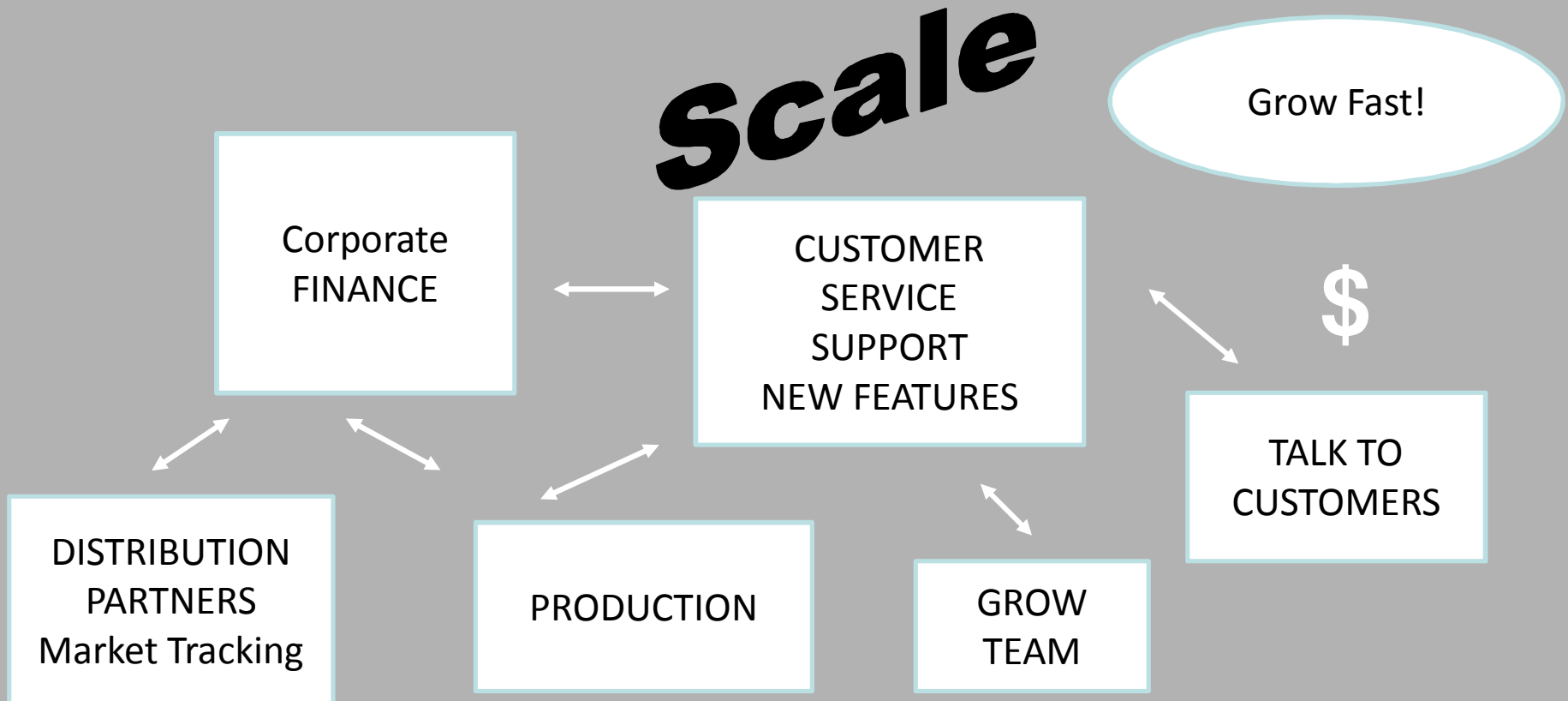
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## Traction



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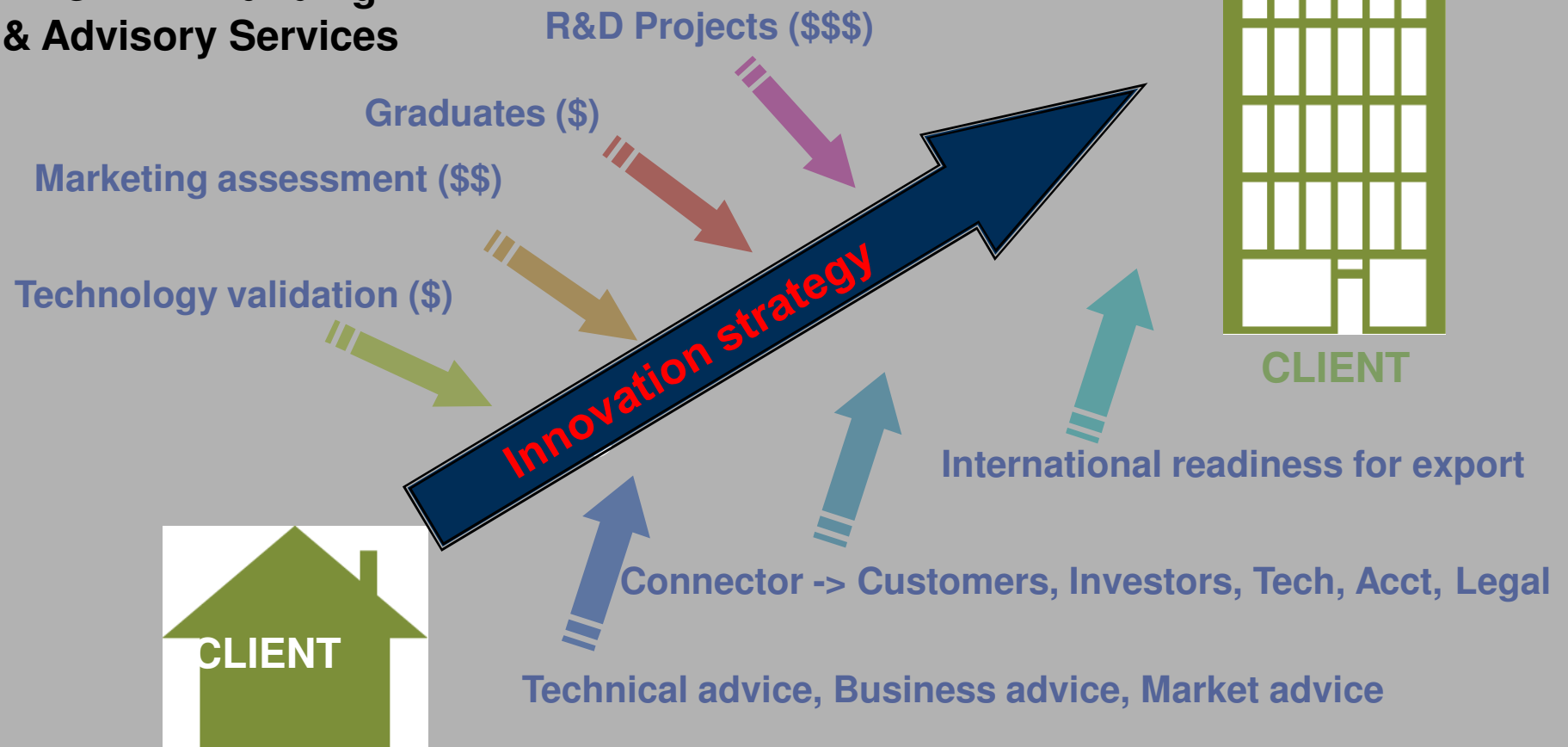
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- NRC-IRAP - How Does It Work?
  - To directly support Canadian SMEs develop their technology, increase competitiveness and grow business
  - It's a "contact sport"
  - Initial contact between company and an IRAP advisor (ITA)
  - Discuss company's business and strategy
  - Look at how IRAP can help with funding & advisory services
  - Develop long term, "trusting" relationships

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## NRC-IRAP Funding & Advisory Services



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- Programs

1. Core R&D / Technology Development Projects

- feasibility, prototype / platform development, h/w & s/w
- IRAP considers R&D projects that are novel, have technical risk, some degree of market validation, and provide benefits to Canada

2. Youth Employment Program

- provides innovative SMEs with financial assistance to hire highly skilled post-secondary graduates - science, engineering, technology, business and liberal arts graduates – for first job with firm (15-30, Canadian or PR)

3. Market Assessment / Go to market analysis Program

- market assessment on a product, process or technology being developed or plan to develop to help companies understand the market into which they will be selling their product, and how to enter the market with what features

4. Technology Validation Program (IRAP Pacific)

- provides an opportunity for innovative SME's to work with an early adopter to measure the value proposition of their product or service and gather the proof needed to encourage customer adoption.

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## **5. The Digital Technology Adoption Pilot Program (DTAPP):**

- Is a component of the Government of Canada's overall Digital Economy Strategy
  - to accelerate digital technology adoption and investment in Canada, which lags the U.S. and many other developed countries in this regard
  - to consequently boost productivity of SMEs in all business sectors
- An \$80 million pilot program that will run until March 31, 2014
- Is delivered by the National Research Council of Canada Industrial Research Assistance Program and its teams of Industrial Technology Advisors



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DTAPP works with SMEs to overcome technology adoption barriers by helping firms to:

- create a longer-term vision, strategy and plan where there is a clear role for digital technology in improving productivity
- Validate and quantify the benefits of adopting digital technologies (and the operational improvements and productivity gains that can be realized)
- analyze their operations, in a whole-lifecycle-process approach, to understand what changes can be implemented to maximize the benefits of adopted digital technology
- access to other sources of expertise and financing
- resolve human resource challenges through funding, where appropriate

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IRAP Industrial Technology Advisors (ITAs) with specialized expertise:

- provide advisory and diagnostic services to SMEs
- work with the client to assess the firm's current situation and identify risks to the successful adoption of digital technology and appropriate mitigating strategies
- work with the client throughout the adoption project to help ensure successful implementation
- measure the impact of digital technology adoption on the SME's productivity
- Lessons learned and best practices shared with the broader SME community

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## Design, Engineering and Virtual Manufacturing

- CAD, virtual manufacturing, simulation technologies, etc.



## Business Systems

- Electronic work order management, warehouse management systems, computerized maintenance management systems, etc.



## Plant Systems

- Robotics and automation, automated inspection, test & repair, human/machine interfaces, etc.



## Information and Communications Technologies

- Inter-company networks, wireless communications for production, document imaging and management, etc.



## Other Digital Technologies

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## Whom to contact at NRC-IRAP?

- ~200 Industrial Technology Advisors - 150 loc - 12,000 to 15,000 SMEs / yr
- BC – over 20 advisors – all technology sectors – Life Sci, materials, IT, etc

### IT sector focus

- Jerome Kashetsky – Gaming, Digital Media, Software
- Hafeez Shaikh – Wireless, Embedded Systems, Software, Digital Media
- Slobodan Kuzmanovic – Internet, Web 2.0, Digital Media
- Perry Quan – Business, Wireless, Software
- Ken Gamble (Kelowna) – IT / Software Development
- Rob Wylie (Victoria) – Software Engineering, Intelligent Systems, Computing
- Glen Sampson – Business, Software, ICT
- David Whitehead – Marketing, Digital Media, Software
- Rizwan Kheraj – Software, Wireless, Usability, Health IT, Digital Media

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## Best Practices when looking at Government Programs

- Do your homework – put together a spreadsheet of RELEVANT government programs for your venture – how will a program(s) will move you forward?
- Talk to your peer entrepreneurs who have participated in these programs – and get their take on them – strong & weak points – what worked?
- Put together a clear 1-2 page write-up about your venture, what you need to do, and why you are approaching a particular program before you meet with a government program representative – preparation is key.
- Identify the steps of assessment / eligibility required by the particular program and prepare a checklist of what you have to do to meet the criteria
- Some programs (like SR &ED) have reporting / documentation requirements – make sure your venture's paperwork is in place – timesheets, financials
- Be aware of deadline application dates, and always apply early – government funding money gets allocated efficiently
- Remember you can benefit not only from funding but also advice & connections

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- **Government Funding – 1 of 3 – BC (Before Customer)**

MITACS Accelerate - \$15K – 4 month internship – M,PhD

NSERC Engage - \$25K – 6 month – Short-term R&D

NSERC- USRA Coop Students - \$4.5K – 16 weeks

NRC-IRAP – Market Analysis – up to \$30K – 75% 2-3 months

NRC-IRAP – Youth (YEP) - \$30K – 6-12 months – Tech/Non tech

CMF – Experimental Stream – Development – up to \$1m – 75%

SR & ED – Tax refund on R&D done - ~ 42% of R&D costs back

NRC-IRAP – ARP – up to \$50K – < 1 year

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- **Government Funding – 2 of 3 – EC (Early Customers)**

Industry Canada SBIP – online technologies - up to \$10K – 25% - 12 weeks

CMF – Experimental Stream – Production & Marketing – up to \$1m – 75%

PWGSC - CICIP - \$40m - opportunity for FED GOVT to

purchase and test SME innovative products and services – 1 yr remaining

NRC-IRAP Technology Validation Program- < \$50K

testing of the value of new innovations to a customer prior to buying

NRC-IRAP Technology Development – few \$1,000s to \$1m

DFAIT Going Global Innovation – up to \$75K

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- Government Funding – 3 of 3 – cc (Customers Customers)

SDTC – Clean Tech - \$550m Fund – up to several \$m – 33%  
late-stage development and pre-commercial demo of clean technologies

## Working Capital

BDC Sub-debt – more flexible than debt financing  
EDC - loan or guarantee to financial institution or lines of credit  
Many banks – small business loans



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## NRC-IRAP Pacific



- 604-666-6062
- <http://www.nrc-cnrc.gc.ca/eng/ibp/irap.html>