

PRODUCT DEMONSTRATION PROGRAM

Open-call Applicant Information

February, 2022

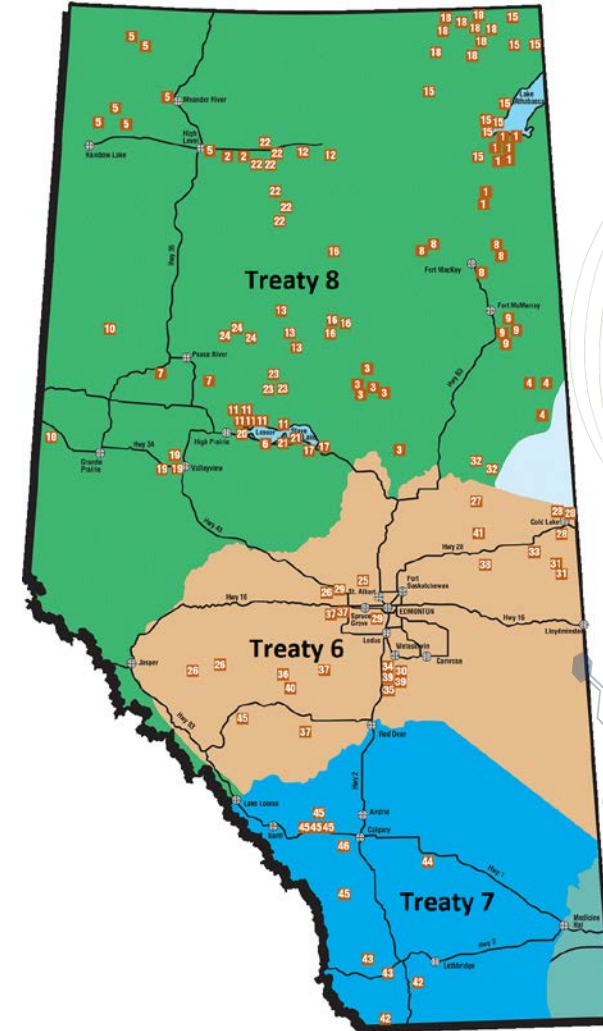


ALBERTA INNOVATES

ACKNOWLEDGEMENT

Alberta Innovates respectfully acknowledges that we are situated on Treaty 6, 7, and 8 territory, traditional lands of First Nations and Métis people.”

We are located on Treaty 6, 7 and 8 territory, and respect the histories, languages, and cultures of First Nations, Métis, Inuit, and all First Peoples of Canada, whose presence continues to enrich our vibrant community.



Information Agenda

- Alberta Innovates Overview
- Program Overview
- Eligibility
 - Applicant
 - Strategic Partner
 - Project
- Application Process Evaluation Criteria
- Tips and FAQ



Welcome – Product Demonstration Program Open-call

ALBERTA INNOVATES

At-A-Glance

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Subsidiaries
C-FER Technologies
Innotech Alberta



Investment
of \$189 million
for 2020-21



558

Employees

Alberta Innovates 219
C-FER 99
InnoTech Alberta 240



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Locations

“Alberta’s research and innovation engine, solving problems, creating possibilities”

Equity, Diversity and Inclusivity

- We believe the Alberta Research and Innovation ecosystem is stronger and more sustainable when it is broadly representative of the overall **diversity** of our community
- We strive to ensure that all interested and qualified parties have an **equitable** opportunity to participate and contribute to the ecosystem and that our processes are inclusive

“ Sometimes when you innovate, you make mistakes. It’s best to admit them quickly, and get on with improving your other innovations.

~Steve Jobs

Product Demonstration Program Objective

Is to support high potential, high growth technology Alberta Small to Medium Sized Enterprises (SME) to commercialize their products and achieve an optimal market position to increase revenue and potentially expand into global markets.

Product Demonstration Program Goal

The Program is designed to de-risk the commercialization process by providing funds and coaching to the SME. The SME enters a partnership with a "Strategic Partner" to conduct a product pilot or demonstration that proves out the technical and business merits of their product and serves as a reference client, buyer or distributor.

Who is the targeted SME?

The Program is a good fit for SMEs that:

- have product(s) that no longer require refinement to the core technology (product is ready to pilot in an operational setting to verify product value and reduce its uncertainty).
- have product(s) that are looking to expand sales or broaden market segments (product is ready for demonstration in an operational environment and may need to extend product core technology and/or capability);
- have a signed Letter of Interest from the Strategic Partner(s);
- can complete the pilot or demonstration within one year;
- can reasonably expect a first sale, or distribution agreement within 18 months if the pilot is successful; and
- can reasonably expect expanded sales or distribution agreements if the demonstration is successful within 18 months.

PDP Targeted Outcomes

- Connect ecosystem players
- Develop new and trusted partnerships
- Product technology and verified, uncertainty reduced
- First sale or distribution agreement
- Expand existing markets or create new/vertical markets
- Develop Alberta SMEs to potentially scale into global markets



- SME Milestone attainment
- Leveraged dollars and resources
- SME and Strategic Partner(s) Satisfaction rate
- New SME Jobs Created
- SME Revenue Growth
- SME Sales Growth
- SME Export Growth
- SME Investment Growth

“

Our success has
really been based
on partnerships
from the very
beginning.

~*Bill Gates*

”

What is a Strategic Partner?

- Understands the technology and sees value in testing
- Provides an operational test environment for final stages of commercialization
- Provides technical and operational feedback
- First buyer, influential industry reference client, client representative of a beachhead, or critical distribution channel
- Contributes in-kind resources/support/user insight
- Assist with quality
- Could be global

Funding

- Alberta Innovates will match the Applicant's contributions to the total eligible Project Costs, to a maximum Investment of **\$150,000**.
- The Applicant's contributes matching funds in the form of 50% Cash and 50% In-kind contributions.
- The funds are provided to cover Eligible Expenses only.
- At AI's discretion, a maximum **up-front payment of 50%** may be considered to accelerate the project with a compelling rationale.

PDP Eligible Costs

- **Labour costs** gross wages or salaries incurred at reasonable market rates contributing to the project
- **Costs of Materials** used specifically for the project
- **Costs relating to travel** and accommodation and meals at reasonable rates;
- **Cost of sub-contractors** at fair market rates where the work of the sub-contractor(s) is directly related to the Project;
- **Additional direct operating costs** (incurred at reasonable market rates) not falling within the categories of labour and materials; and
- Any other cost which Alberta Innovates pre-approves in writing as an Eligible Expense.

Applicant Eligibility Criteria

- have an assigned TDA;
- be a **for-profit SME**;
- demonstrate the relationship between the Applicant and Strategic Partner(s) does not create a conflict of interest;
- be an **Alberta-based company** with an Albertan footprint, which is determined by the following: significant physical and corporate operational presence in Alberta, appropriate Alberta ownership, and discernable intent that operational benefits will flow primarily within the province of Alberta
- have the financial capability to fund the required Applicant Contribution;
- meet the following definition of an SME: a company with fewer than 500 Full Time employees, and less than \$50,000,000 annual gross revenue;
- be a legal entity with up-to-date corporate filings;
- be in good financial standing with Alberta Innovates and its subsidiaries InnoTech Alberta and C-Fer Technologies; and
- upon Project approval, the Applicant will provide a Project plan with critical "go/no go" milestones over the life of the Project and pro-actively work with an Alberta Innovates Project Advisor

Strategic Partner Eligibility Criteria

- be Arm's Length from the Applicant (cannot have any legal relationship with the Applicant);
- needs to submit a signed Alberta Innovates Strategic Partner Letter of Interest ("LOI") from a senior manager level with their application;
 - How the product is adopted and evaluated;
 - Intention to work with the Applicant to resolve issues;
 - Intention to purchase the SME product based on success criteria being met;
 - Intention to enter into a distribution agreement of the demonstrated product upon Project completion.
- have financial capability to purchase or enter into a distribution agreement of the product upon Project completion;
- show tangible resources committed to the Project;
- be a legal entity with up-to-date corporate filings; and
- be in good financial standing with Alberta Innovates and its subsidiaries InnoTech Alberta and C-Fer Technologies.

Project Criteria

- demonstrate a strong product pilot or demonstration plan with clear acceptance criteria;
- have the participation of at least one product pilot or demonstration Strategic Partner(s),
- complete the product pilot or demonstration within the one (1) year term;
- on project approval, the Applicant will provide a Project Plan with critical "go/no go" milestones;
- show that the product has a high likelihood of the Strategic Partner being a first customer/distributor or accelerated commercialization success within 18 months of the project start;
- show that the product is a viable technology at Technology Readiness Level (TRL) 7, 8, or 9; and
- submit to other criteria that Alberta Innovates may develop from time to time.

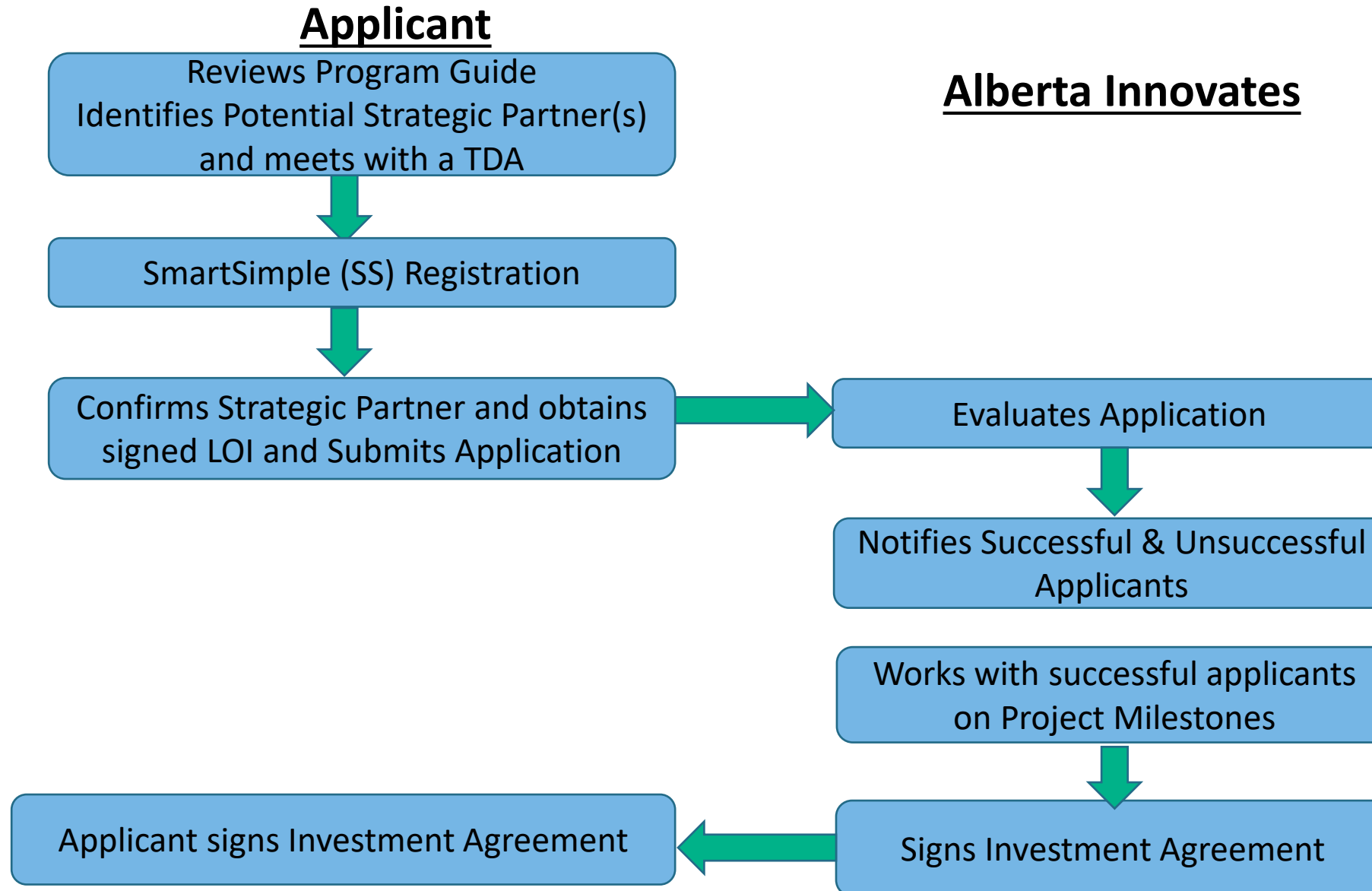
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Don't make the
mistake of
providing an 80%
solution that
creates interest, but
nobody buys.

”

~Mike McCausland,

Process Overview



Evaluation Criteria

Relevance	Excellence/ Innovation	Feasibility	Outcomes
<ul style="list-style-type: none"> • Strategic fit and alignment with PDP objectives 	<ul style="list-style-type: none"> • Knowledge, Technology or System Opportunity • Product Comparative Analysis • Commercialization Potential 	<ul style="list-style-type: none"> • Objectives, Product Pilot or Demonstration Plan, Acceptance Criteria, Risk Analysis and Mitigation • Budget, ROI and Project Funding • Project Team and Resources • Strategic Partner • Product Ownership 	<ul style="list-style-type: none"> • Economic Benefits • Social Benefits



Preparing a Successful Proposal

- Read the Program Guide
- Use clear and concise language
- Address each question in the application and read the question and help text carefully
- Clearly identify the Alberta impact context

Contacts

To reach the Technology Development Advisor, please visit our website at <https://connectwithus.albertainnovates.ca>

SmartSimple Technical Issues

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Thank you.