

PROSPERITY NOW PROGRAM **SMART** PROGRAMME PROSPÉRITÉ MAINTENANT



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Agency for Southern Ontario

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Welcome to another SMART Information Session

- Who is CME
- How CME Helps
- SMART Program Prosperity Now
- Participants Roundtable

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Who is CME

- Canada's largest trade and industry association
- Network that reaches across Canada, into the United States, and to other international markets
- We focus on making you money, helping you save money and giving you the intelligence to do both

How CME helps...

- Industry-best support for navigating government policies, regulations and programs
- Information about foreign markets and connections to support your exports
- Programs and services that save you money and support your business:
 - ▶ **\$50,000 in savings on business essentials**
 - ▶ **\$75,000 to expand your exports**

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Industry Benefits Program



How CME helps...

- Industry Benefits Program (IBP)
 - ▶ **Up to \$50,000 in savings**
 - ▶ 60% off travel, insurance and other business essentials
 - ▶ Access to specialized services, such as health benefits plans for SMEs, group banking packages
 - ▶ Limited time offer: \$1,200 in free advertising before February 29

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How CME helps...

■ SMART Prosperity Now

- ▶ A partnership between CME and FedDev Ontario that provides \$18.9 million in funding to support up to 500 SMEs in Southern Ontario adopt new technologies, enhance productivity improvements, and expand export sales
- ▶ The 2012 – 2014 SMART Prosperity Now fund is aimed at helping you and your business

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Overview

- SMART has been operating as a joint partnership between CME and FedDev since 2009
- Results to date:
 - ▶ 437 companies received funding
 - ▶ **\$43,000 average funds received**
 - ▶ 8,500 of jobs created and retained

SMART Prosperity Now:

- **Objective:** Support implementation of projects that enhance productivity, integrate new and innovative technologies to products and/or processes that include alternative energy and clean technology considerations for future prosperity and global trade and export opportunities.
- **Eligibility:** Ontario manufacturers with between 15 and 1,000 full time employees (per corporation) in Ontario.
- Minimum two years in business.

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- Companies can receive a **contribution of 33% of eligible costs up to a maximum of \$75,000**
- Estimated 500 recipients
 - ▶ Standard contribution agreement
 - ▶ 30% advance on expenses
 - ▶ 50% upon receipt of documented expense claim
 - ▶ 20% upon receipt of final report on project results

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SMART Program



- Funding is available for only one project per corporation
- SMEs previously supported through CME SMART programming are eligible however cumulative funding between previous SMART program and the new Prosperity Now cannot exceed \$100,000.

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Target Activities

- Keys areas of consideration for funding:
 - ▶ Export market development
 - ▶ Job creation in Ontario
- Support will be provided in the following areas:
 - ▶ New market development
 - ▶ Commercialization
 - ▶ Projects that expand to global markets

Target Activities

- Keys areas of consideration for funding include investments in sustainable and green technology:
 - ▶ Recycling
 - ▶ Air and water purification
 - ▶ Sewage
 - ▶ Environmental remediation (removal of pollutants and contaminants)
 - ▶ Waste management
 - ▶ Green energy and technology, Smart Grid
 - ▶ Purchases of new or upgraded equipment and technology
 - ▶ LEAN productivity improvement investments

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Program Components



- SMART Prosperity Now is built around two components:
 - ▶ Assessment Funding
 - ▶ Project Funding

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Assessment Funding



- Assessment component will help up to 200 companies assess the current state of operations and understand the barriers they face in the globally competitive market
- Companies conducting assessments will work with a qualified expert to develop a vision and strategy for increased competitiveness
- SMART Prosperity Now will cover 50% of assessment costs to a maximum \$5,000

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- **Objective:** Help companies identify opportunities for potential projects for SMART Program assistance to either increase market penetration in a current market or investigate a new export market.
- Qualified experts in the export market, product and process improvements, market development, and commercialization recruited by CME.

SMART Assessments



- Companies must complete an online application and submit a proposal from the qualified expert that outlines the assessment process.
- SMART Program funds up to \$5,000 or 50% of assessment, whichever is less.

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- Experts must provide a final report that:
 - ▶ Indicates export market under consideration.
 - ▶ Establishes productivity or possible revenue/financial target for penetrating or improving current export market.
 - ▶ Estimates how much improvement is possible.
 - ▶ Describes the project steps required to achieve this improvement.
 - ▶ Recommends projects eligible for SMART Program or other funding.

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SMART Assessments



- When a company accepts the experts final report, they may submit to CME for payment.
- Proof of payment to QSP is required.
- SMART may request a copy of report.
- **Note:** An approval for an assessment does not guarantee that a project will then qualify for funding

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Project Application



How to apply

- Visit www.cme-smart.ca

Online application forms include

- Project goals, implementation strategy, business plan, timeframe
 - ▶ Detailed budget
 - ▶ Financial measurement (Payback, internal rate of return, discounted cash flow, estimated improvements, job creation and ROI)
 - ▶ Templates available at www.cme-smart.ca

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How to apply cont'd

- Rolling application process
 - ▶ Staff review of applications upon receipt.
 - ▶ Financial statement and/or verification of export revenues or market share may be required.
 - ▶ SMART staff may call or visit applicant to obtain more clarity of project.
 - ▶ Ranking and final selection by panel of industry experts recruited by CME.

Project Application



- SMART will only consider applications whose projects have not started before October 31, 2011 and are less than 50% complete at date of online application submission.

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Project Application



- Upon approval, SMART will require a legal Contribution Agreement to be signed by successful applicant.
- Commitment by both applicant and SMART.

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Project Application Caution



- SMART applications must be submitted by manufacturer and not by any third parties.
- Failure to do so will result in immediate application rejection.
- Beware of any Qualified Service Providers guaranteeing any immediate approvals.

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Number of criteria considered and evaluated:

- Enhances the market penetration of the current market or help penetrate a new export market i.e. new export revenue, increase market share, etc.
- Meets the targeted activities.
- Has reasonable costs.
- Creates or retain jobs in Ontario.
- Increases or develops export sales.

Industry Expert Criteria

- Has a high probability of success.
- The project plan clearly describes what must be done and has reasonable metrics.
- The stated resources (budget, manpower, management) are sufficient to complete the project on time.
- Management has the right tools and skills to manage the project effectively.
- Company is financially sound.

Eligible Project Costs

- Capital investments that will support the export market
- External prototyping
- Patent searches/filing
- Certifications for facility
- External quality testing
- External consultants studies related to an export market (i.e. market feasibility studies, marketing plans, focus groups, test marketing, etc.)
- External website development for export market
- Trade show registration (new)
- Trade show specific advertising (new)

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Ineligible Project Costs

- Wages and benefits (Direct and Indirect)
- Administration
- Meals
- Training
- General advertising
- Materials/Samples
- Communication costs (i.e. cell, internet, etc.)
- Computers and software
- Office supplies
- Renovations
- For a detailed list of eligible and ineligible, visit:

▶ www.cme-smart.ca

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- SMART undertakes random audits on projects
- Any changes to project once it has been started must be approved by SMART; includes scope of project, costs and date of completion
- SMART allows a +/- 5% deviation by project cost category provided that total amount is not exceeded
- SMART Project Funding Coordinators will answer questions specific to your project

Qualified Service Provider



- CME requires all Service Providers to complete an application to CME in advance for approval
- CME will perform a background check on each service provider prior to approval
- All Qualified Service Providers are listed on the SMART website and an applicant must select one of these qualified experts from the list

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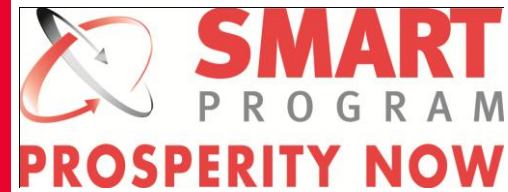
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Qualified Service Provider



- If an applicant has their own consultant they are working with, that consultant must complete an application for approval before work is conducted
- Consultant must demonstrate expertise and experience in work area
- Contact QSP@cme-smart.ca for details on becoming a Qualified Service Provider

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How CME Helps...

- Dedicated members' only hotline and email address
- Access to \$50,000 in savings through IBP
- Export services, expertise and access to intelligence
- Let us help you:
 - ▶ Speak to a CME representative today
 - ▶ Go to www.cme-smart.ca

Questions

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