

# Emerging Technology Program

Supporting Technology Innovations to Grow the Northern Economy

## Emerging Technology Program

Just as Northern Ontario was built on the rich bounty of its natural resources throughout the 20th century, the future sustainability and prosperity of the region will be founded on how we apply new technologies in both traditional and new emerging sectors of the 21st century. The Ontario government is committed to being a partner in northern research and innovation. This program is designed to encourage both the private and public sectors to develop exciting and viable new technologies that will contribute to future northern prosperity.

## Public Sector Emerging Technology Program

## Who is Eligible

Eligible applicants may include partnerships and alliances comprising municipalities, private sector businesses and organizations, federal government and other government-related agencies. Municipalities, First Nations, not-for-profit corporations and educational institutions may apply individually.

Projects must be located in Northern Ontario.

Individual businesses and projects led by the federal or provincial government are not eligible under this section of the program.

## What is Eligible

Examples of emerging technology initiatives that may qualify for capital funding include, but are not limited to:

- Information and communications technology infrastructure
- Centres of excellence
- Film development and production
- Value-added products
- Biotechnology and life sciences projects.

The NOHFC may provide funding to projects that have been supported under other federal and/or provincial programs.

Intellectual property development costs will be considered under this program.

The NOHFC may also consider other innovative applied technology projects that, in the opinion of the Board, meet the mandate of the NOHFC.

The amount of NOHFC investment will be based on the extent of the partner investment, the overall business case and the project benefits. Funding is limited. Not all projects will be funded.

Projects that serve multiple purposes and have broad partnerships and/or significant private sector investment will be favoured.

### What is Not Eligible

Certain costs will generally be considered not eligible for funding. These include:

- Projects that do not have direct job creation or economic development objectives
- Websites and portals
- Ongoing operating costs of organizations
- Business plans
- Strategic plans
- Feasibility studies
- Training costs
- Marketing costs
- Purchase of rolling stock (e.g.: trucks and cars).

#### **Funding**

Generally, up to 50 per cent of the costs for capital projects may be provided in the form of conditional contributions, repayable loans and forgivable performance loans (a forgivable performance loan is a loan that will be forgiven provided that certain targets are met). The maximum NOHFC contribution for any project will normally not exceed \$1 million. The NOHFC may consider higher levels of assistance on a case-by-case basis.

#### Guidelines

- Projects must meet industry standards where applicable.
- To the greatest extent possible, the project will not duplicate investments already made in basic, underlying infrastructure.
- Community support for the project must be demonstrated in the form of financial contributions to the project.

- All other potential sources of funding must be explored and documented.
- NOHFC assistance must be required to make the project viable.
- Preference will be given to projects that demonstrate a high level of contribution from the client or request a repayable contribution.
- No ongoing cost to the NOHFC can be incurred.

Projects of a purely social, recreational or cultural purpose will normally not be considered eligible for assistance.

## Private Sector Emerging Technology Program

## Who is Eligible

Eligible applicants may include individual private sector companies or consortiums of companies. The applicant must be prepared to become incorporated and be incorporated prior to receiving assistance.

## What is Eligible

The NOHFC will work with individual companies:

- To increase research and development projects that demonstrate a high commercial potential
- To foster greater commercialization of successful projects
- To foster collaborative research and development activities in industry and among industry and research institutions
- To encourage successful innovation in small companies by supporting commercialization of internationally competitive products, processes and services.

Examples of emerging technology initiatives that may be successful in qualifying for capital funding include, but are not limited to:

- Information and communications technology sector projects
- Film development and production
- Value-added products
- Biotechnology and life sciences projects.

The NOHFC may provide funding to projects that have been approved under other federal and/or provincial programs. Projects must be located in Northern Ontario.

On a case-by-case basis, the NOHFC Board may consider other projects which, in the sole opinion of the Board, have significant job creation and/or other substantial Northern Ontario benefits.

## What is Not Eligible

Certain costs will generally not be considered eligible for funding. These include:

- Feasibility studies
- Business plans
- Training costs
- Direct marketing costs
- Purchase of rolling stock (e.g.: trucks and cars).

## **Funding**

NOHFC investments may generally be up to one third of the total project cost. The NOHFC may provide up to \$50,000 in non-repayable contributions to eligible applicants on a cost-shared basis for research and pre-competitive development technical projects (the stage of product development immediately preceeding commercial release), upon assessment of a project and firm.

The Emerging Technology Program may also provide repayable loans of up to \$1 million or one third of eligible project costs, whichever is less, for capital projects.

The amount of NOHFC investment will be based on the extent of the partner investment, the overall business case and the project benefits. Funding is limited. Not all projects will be funded.

#### Guidelines

- Projects must create direct jobs.
- All other potential sources of funding must be explored and documented.
- The costs of full-time staff, or operating costs of businesses will normally not be considered eligible, although human capital may be considered on a case-by-case basis.
- The proposed product, service or process must be innovative and have commercial potential.
- The applicant must have operations located in Northern Ontario and/or the project must be undertaken in Northern Ontario.
- The proposed project should not unfairly compete with other Northern Ontario business and must result in net economic benefits for Northern Ontario.
- The applicant must own or control the intellectual property needed to conduct the project.
- The applicant must be unable to obtain sufficient funding for the project from financial institutions.

## **Application Process**

Applications must be completed and submitted to:

Northern Ontario Heritage Fund Corporation

70 Foster Drive, Suite 200 Sault Ste. Marie, Ontario P6A 6V8 Telephone: 1-800-461-8329 or 705-945-6700 Fax: 705-945-6701 The application form is available on the NOHFC website at: www.nohfc.com or may be obtained from Government Information Centres and Ministry of Northern Development and Mines offices.

Applications must be received by the NOHFC by December 31, 2007. Applications will be reviewed as they are received.

As funding is limited, there is no guarantee that all applications meeting program criteria and received prior to the deadline will be approved by the NOHFC.