



Networks of Centres  
of Excellence

Réseaux de Centres  
d'excellence

## Centres of Excellence for Commercialization and Research (CECR)

### 2008 Competition

### Full Application Guide

The Grants Program for Centres of Excellence for Commercialization and Research (CECR Program) is a key element of the federal government's Science and Technology Strategy. The CECR Program supports the operation of commercialization and/or research Centres that bring together people, services, and infrastructure to maximize the benefits of the government's investments in skills and research and to encourage greater private sector investment in science and technology.

The CECR Program is overseen by a tri-agency steering committee (NCE Steering Committee) made up of the Deputy Minister of Industry, the Presidents of the three granting agencies and the President of the Canada Foundation for Innovation (as an observer). A Private Sector Advisory Board will assess the economic and commercial benefits and opportunities of each Centre proposal and provide advice and funding recommendations to the NCE Steering Committee. The Board will be informed by international peer review.

Day-to-day administration of the CECR Program is provided by the Networks of Centres of Excellence Secretariat (The NCE Secretariat).

The NCE Secretariat runs periodic national competitive processes through which the Steering Committee selects successful Centres.

The 2008 Competition Budget is \$165M.

**Canada**

### Summary

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# Centres of Excellence for Commercialization and Research

## Goal

The goal of the CECR program is to create internationally recognized Centres of commercialization and research expertise in four priority areas in order to deliver economic, social and environmental benefits to Canadians. As established in the federal government's 2007 Science & Technology Strategy, the priority areas are:

- Environmental science and technologies;
- Natural resources and energy;
- Health and related life sciences and technologies;
- Information and communications technologies;

## Expected Results

The Program is expected to maximize the benefits of government investment in R&D and encourage the private sector to increase its investment in Science & Technology.

Funded centres shall be world-class and expected to:

- Attract and retain top talent (including internationally recognized researchers, business leaders, post-graduate and post-doctoral students);
- Open up new opportunities for Canadian firms and researchers to access world-class equipment, facilities and research capacity;
- Create, grow and retain companies in Canada that are able to capture new markets with breakthrough innovations;

- Accelerate the commercialization of leading edge technologies, goods, services in priority areas where Canada can significantly advance its competitive advantage;
- Attract investment (including foreign direct investment and venture capital).

Centres with a strong commercialization orientation will be expected to become self-sufficient by the end of the funding period.

Research centres that do not yet have a well developed commercialization agenda shall also be considered for funding. In such instances, it is expected that the centre will help create sufficient scale and focus to position Canada at the forefront of international research breakthroughs that will yield economic, health, social or environmental benefits to Canadians. Centres with a strong research orientation that yield significant public benefits within the funding period may be eligible for subsequent support in the event that the program is extended.

## Class of recipients

Organizations eligible to receive funds are not-for-profit corporations created by universities, colleges, not-for-profit research organizations, firms, and other interested non-government parties.

As a condition of eligibility, organizations applying for CECR funds shall have an established Board of Directors responsible for the approval of its annual financial reports and audits.

## Competition Budget and Size of Grants

A total of \$165 million is available for the 2008 Competition. After review of the Letters of Intent, it was determined that, for this competition, applicants' requests should not normally exceed \$15 million, over 5 years. Applicants are therefore required to revise their budgets accordingly. Multiple



sources of funding for projects are expected. Total assistance being provided to a project will be carefully monitored to ensure all sources of funding do not exceed eligible costs.

The CECR program may provide up to 50 per cent of total eligible commercialization costs, and up to 75 per cent of the other total eligible costs (as described below). Total federal government assistance for eligible expenses of the Centre shall not exceed 75%. The balance in funding must come from non-federal sources.

**Eligible expenses**

The program will provide support for the following eligible expenditures:

- **Operating Costs:** maintenance and operation of the facility; materials and supplies; liability insurance for members of the board of Directors and Centre administrators; legal fees and other related incorporation costs.
- **Salary Costs:** salaries for technical and professional staff employed to provide support to users or to maintain and operate the facility.
- **Knowledge Dissemination/Sharing Costs:** hosting professional and scientific conferences and lectures (excluding travel and accommodation); dissemination and exchange of research results with others including academia, governments, the not-for-profit sector and private sector; activities aimed at promoting science awareness such as workshops and lectures open to the public; attending professional and scientific conferences and lectures.
- **Commercialization Costs:** specialized equipment and directly related operating costs

(where the applicant is ineligible for support under the Canada Foundation for Innovation); pre-commercialization support services (e.g. intellectual property protection, market studies, business plan development, counselling and mentoring, technology evaluation).

Where a project involves capital equipment expenditures that are vital to the success of a commercialization project, the cost of that equipment will be considered an eligible expense, provided: 1) the eligible recipient is not eligible for other federal programming that supports capital expenditures such as the Canada Foundation for Innovation, and 2) the equipment cost for which coverage is requested does not exceed \$1 million and at most 20% of the total eligible commercialization expenses.

**Competition Process**

Based on a review of the Letters of Intent, selected applicants have been invited to submit Full Applications for a deadline of **Wednesday, October 31, 2007, 4:30 EST.**

**Timetable: 2008 Competition for CECRs**

Dates	Milestone
June 26, 2007	Competition Announced
August 20, 2007	LOI Deadline
September 2007	Private Sector Advisory Board (PSAB) review of LOIs and Steering Committee Decision
September 2007	Invitations for Full Applications



October 31, 2007	Full Application Deadline
November 2007	Expert Review Panels
November 2007	Recommendation by PSAB of projects to be awarded funding
November 2007	Decision by the NCE Steering Committee on selected Centres
December 2007	Treasury Board Submission for funding of selected Centres
February 2008	Memorandum of Understanding and CECR Grant Agreements signed
March 2008	New CECRs Announced

- The likelihood that the Centre will strengthen domestic collaboration and ensure that benefits spill over to a wide array of firms, sectors and regions of the country;
- The opportunity to optimize resources, drawing on existing national and international commercialization and/or research strength, world-class infrastructure, facilities and funding sources to enhance Canadian capacity.

**Elements to consider when Commercialization is involved:**

- The opportunity to create, grow and retain companies in Canada that are able to capture new markets with breakthrough innovations;
- Evidence that the Centre will help accelerate the commercialization of leading edge technologies, goods, services in priority areas where Canada can significantly advance its competitive advantage.

**Program Criteria**

To ensure that the program objectives are met, proposals are assessed against the three selection criteria outlined below.

**I - Benefits to Canada**

- The extent to which the Centre's commercialization and/or research program addresses issues of high priority for Canada;
- The potential for the Centre's commercialization and/or research activities to yield significant economic, social, health or environmental benefits to Canadians;
- The likelihood that the Centre will create sufficient scale and focus to brand Canada as the host of an internationally recognized Centre of excellence in the area;

**II - Track Record and Potential of the Applicants**

- The achievements of the applicants and their ability to contribute to the Centre's commercialization and/or research program;
- The proven ability of the applicants to train and retain innovative and internationally competitive researchers in areas and technologies critical to Canadian productivity, economic growth, public policy and quality of life;
- The likelihood that the Centre will attract top talent from around the world (researchers, post-



- graduate and post-doctoral students and internationally recognized business leaders, in the case of Centres with a commercialization mandate);
- The ability of the applicants to attract investment (including, in the case of Centres with a commercialization mandate, foreign direct investment and venture capital).

### III - Strength of the Business Plan:

- Excellence, focus and coherence of the commercialization and/or research program;
- The extent to which the partnerships involve various levels of government and the private sector to complement the funding available through the granting agencies and the Canada Foundation for Innovation;
- The effectiveness of the plan to manage, protect and exploit intellectual property resulting from Centre-funded research
- The likelihood for this investment to result in the creation of a sustainable, productive Centre of excellence;
- The quality of the proposed organizational structure with appropriate representation on the Board of Directors and management team;
- Evidence that the applicants have in place an accountability framework likely to result in effective leadership and sound financial decision-making.

## Review and Decision Process

### **Stage II: Full Proposals**

Centres advanced to Stage II will develop full project proposals, including complete information on the Centre and its intended operations, funding requirements, the partnerships among supporters, their duties and respective contributions, and the expected research and commercialization outcomes and benefits of the project. All partnership arrangements, contributions and allocations of benefits (such as intellectual property) among parties must be fully described for a proposal to be considered complete.

A full CECR proposal consists of the following:

- I. A business plan addressing the CECR selection criteria (includes a proposed budget);
- II. Biographies for the leaders of the Centres;
- III. Contribution Confirmation Letters and summary of contributions the applicants secured from stakeholders.

Complete proposals received by the NCE Secretariat by the established due date will then undergo a consultation and assessment process. Proposals will be distributed by the NCE Secretariat to CFI, the relevant granting agency(ies) and other relevant organizations (e.g. BDC, NRC, Regional Agencies) for consultation and comment, including non-binding comment on the potential likelihood of support for the relevant activities of the proposed Centre under their respective programming. The Secretariat will meet with provincial officials to identify provincial priorities and to secure their views on the project proposal(s) from their province.

Proposals will undergo review by Expert Panels established by the NCE Secretariat, comprised of domestic and international experts, who will evaluate the project proposals, meet with applicants, and produce in-depth written assessments of the proposals. The Private Sector Advisory



Board will review each Expert Panel report, the comments from the parties consulted, and then recommend to the NCE Steering Committee priority Centres for approval. Centres failing to be endorsed by Expert Panels as having the potential to achieve excellence in research or commercialization will not be eligible for program funding.

Given the multi-disciplinary nature of the projects, funding for a given Centre may come from more than one Granting Agency, and so the NCE Secretariat will be the primary point of interaction for all project applicants throughout the life of their projects. Funding disbursements will be managed by the NCE Secretariat and disbursed to the recipient(s) against a funding agreement under the legal authority(ies) of the relevant granting agency(ies) (NSERC, and/or SSHRC and/or CIHR).

Decisions reached by the NCE Steering Committee are final. There is no appeal process.

The names and affiliations of the members of the Private Sector Advisory Board will be included in its final report. This report will be available at [www.nce.gc.ca](http://www.nce.gc.ca) after the new Centres are announced (see *Timetable*, above).

## Guidelines for Completing a Full Application

### General Presentation

Print must be in black ink, of letter quality (minimum standard), with no more than six lines per inch. The type size for fonts measured in points (pts) must be no smaller than 12 pts. If measured in characters per inch (cpi), it must be no more than 10 cpi. Condensed type is unacceptable. Use white paper, 8½ x 11 inches (21.5 cm x 28 cm), with margins of ¾ of an inch (1.75 cm) (minimum) all around. Enter the title of

the CECR at the top of every page and number the pages consecutively. Graphs and illustrations may be included, but will count as part of the page limits set out below. Either single or double column presentation of text, graphs or illustrations is acceptable. **Any extra material will be removed.**

### Host Institution covering letter (*maximum 2 pages*)

A letter, signed by the proposed Centre Director and the President or CEO of the institution that proposes to host the Centre, must be included. This letter should outline the nature of anticipated support from the proposed Host Institution. Host Institutions play an important role in CECR funded Centres, through both direct administrative support and by participating in Centre governance through ex-officio voting membership on the Board of Directors.

The signatures on the letter should match the signatures on Section A of the Application Form.

### Book 1

Complete the CECR 2008 Full Application Form (Sections A to F) available on the NCE Web site at [www.nce.gc.ca](http://www.nce.gc.ca).

### Section A : Cover Page

The following information **must** be provided:

- **Centre Director:** name, mailing address, telephone and fax numbers, and, e-mail address for the proposed Centre Director; applications must identify a single Centre Director;



- **Title:** name and acronym of the proposed Centre (in both official languages) as it will be used for publication and communication purposes. Avoid using “Centre of Excellence” or “CECR” in the title or acronym;
- **Keywords:** up to ten key words related to the proposed Centre;
- **Anticipated number of researchers and participating organizations:** anticipated number of researchers and/or organizations accessing the Centre;
- **Budget Grand Total, CECR funds:** the grand total from Section E.2, line 6;
- **Signatures:** The Centre Director and the President or CEO of the proposed Host Institution.

## Section B: Centre Vision

Describe a vision of what the centre proposes to achieve, including specific goals and objectives (maximum one page). The vision should describe the expected end-results of the commercialization and research activities after five years, especially with respect to the expected outcomes and impacts on partners and the user sector.

## Section C: Summary of Proposal for Public Release

Provide a one-page summary describing the centre, its proposed commercialization and/or research program, and expected impact on the Canadian economy and quality of life. Write for a general audience using plain language, as it may be used for communication purposes, such as press releases or the NCE Website.

## Section D: Business Plan

The business plan should provide a framework for the operation of the centre

and be designed in the context of the goal and objectives of the CECR program.

Potential overlap with similar initiatives should be addressed and the incremental value that would be provided by CECR funding adequately highlighted. The onus is on the applicant to provide sufficient information to enable review committees to evaluate the relationship with other sources of support (held or applied for) and to recommend the appropriate CECR funding level. A consequence of not providing adequate information to enable reviewers to assess the relationship to other sources of support is that they can recommend reduced or no funding.

Guidelines for the presentation of the Business Plan are found below.

The Business plan is limited to **twenty (20) pages**, to be allocated amongst two sections. Within the overall limit of 20 pages, the suggested length of sections may be adjusted as needed.

### D1. Articulation of the Proposed Centre’s Benefits to Canada *(approx. 7 pages)*

Describe a vision of what the Centre proposes to achieve, including specific goals and objectives. The vision should describe the expected end-results of the commercialization and research activities over and following the course of the funding period, especially with respect to the expected outcomes and impacts on the industry.

Provide an overview of the context within which the Centre is positioned. Define the problem areas, the Centre’s proposed commercialization and research activities and the incremental economic and social benefits to Canada.

### D2. The Strategic Plan *(Approx. 13 pages)*



Centre commercialization and research programs must be developed in collaboration with relevant stakeholders, and must integrate industry priorities. Give an overview of the Centre's proposed strategic plan, highlighting the following elements:

- The excellence, focus and coherence of the Centre's commercialization and/or research program;
- The extent to which the partnerships developed for the centre involve various levels of government and the private sector to complement the funding available through the granting agencies and the Canada Foundation for Innovation;
- The effectiveness of the plan to manage, protect and exploit intellectual property resulting from Centre-funded research;
- The likelihood for this investment to result in the creation of a sustainable, productive Centre of excellence;
- The quality of the proposed organizational structure with appropriate representation on the Board of Directors and management team;
- Evidence that the applicants have in place an accountability framework likely to result in effective leadership and sound financial decision-making.

## **Section E: Budget (pages E.1 to E.3)**

### Summary of Anticipated Funding for the Centre (page E.1)

Indicate, for Years 1 to 5, the total funding being requested from the CECR program (line A) as well as the anticipated new incremental cash support (lines B to I) and new incremental in-kind support (lines K to R) from all of the other sources. Where a commitment of new incremental cash or new incremental in-kind support is indicated, a Contribution Confirmation Letter certifying the commitment of the stakeholder to the costs of the centre, for at least one Year is required in Book 2.

### Proposed Expenditures of CECR Funding for the Centre (page E.2)

Provide a detailed summary of the proposed expenditures of CECR funds for the centre, by the categories listed, for Years 1 to 5.

#### Operating Costs (page E.2, line 1)

##### *Operation of Core Facilities (page E.2, line 1a)*

If core facilities are to be funded through the proposed CECR, provide details on the operating costs of each facility on a separate page (one page per facility). Detail the salary and maintenance costs to be paid by the network.

##### *Materials and Supplies (page E.2, line 1b)*

Provide details for any extraordinary requirements on a separate page.

##### *Equipment (page E.2, line 1c)*

List equipment to be purchased/rented and the cost on separate page(s). Provide details on operating and maintenance costs for each piece of equipment costing more than \$150,000 and specify how these costs will be covered.





Administrative Costs (page E.2, line 2)

*Salaries (page E.2, line 2a)*

On a separate page, provide details for each position for which CECR funding is requested. Salary support can be requested for technical and professional staff employed to provide support to users or to maintain and operate the facility.

*Other Administrative costs (page E.2, line 2b)*

Provide details for each category related to the costs of managing the centre. These include costs related to incorporation, hosting meetings of the Board of Directors and other Committees.

Knowledge Dissemination costs (page E.2, line 3)

List on a separate page anticipated conferences hosted or attended by centre personnel for which CECR funds are requested, for each year. Do not include costs related to meetings of Centre Management and Board of Directors which should be entered under line 2b.

Commercialization costs (Page E.2, line 4)

List on a separate page, details of the anticipated commercialization costs for which funds are requested for each year.

*Capital expenditures (page E.2, line 4a).*

The cost of that equipment will be considered an eligible expense, provided: 1) the eligible recipient is not eligible for other federal programming that supports capital expenditures such as the Canada Foundation for Innovation, and 2) the equipment cost for which coverage is requested does not

exceed \$1 million and at most 20% of the total eligible commercialization expenses.

*Market studies, business development (page E.2, line 4b)*

*IP Protection (page E.2, line 4c)*

Other Expenditures (page E.2 line 6)

List any other expenditures not included in any of the above categories. Provide details on a separate page.

Incremental Contributions from Stakeholders (page E.3)

Using one page E.3 per stakeholder, provide details on new incremental cash and new incremental in-kind contributions. A letter from each stakeholder confirming each incremental contribution must be included in Book 2.

**Section F: CECR Application Summary Data Sheet**

Complete the CECR Application Summary Data Sheet to provide reviewers with a brief overview of the content of the submission.

**Book 2: (bound, 40 copies)**

**Section G: List of letters from stakeholders (per sector)**

Provide a list of Contribution Confirmation letters, sorted by category (academic, industrial, federal government, provincial government, municipal government, host institution, foreign and other).



For each entry, provide the following:

- Name and title of Senior Executive signing the letter;
- Organization and department;
- Province;
- Amount of cash contribution;
- Amount of in-kind contribution
- Amount of total cash & in-kind contribution

### **Section H: Contribution Confirmation Letters** (*Maximum 2 pages per letter*)

Provide letters confirming the contributions entered in Section E. For each stakeholder organization, the letter must make explicit reference to the proposed Centre, and should:

- Come from a senior executive;
- Make commitments especially in terms of financial and/or in-kind support;
- Indicate how the proposed Centre would help their organization; and
- Indicate current and past associations with the applicant.

The signatures of authorized officers of supporting organizations certify that the organization:

- agrees with the content of the application and will provide the committed resources; and
- agrees to publication of the organization's name as a supporter of the Centre.

If the Centre Director is also a principal of a collaborating or supporting organization, another senior official must sign on behalf of the organization.

**Book 3:** (bound, 40 copies)

### **Section I: Alphabetical List of Key Individuals**

To assist the reviewers in their evaluation, provide:

- An alphabetical list of key individuals involved in the centre (i.e., Centre Director, proposed members of the Management Committee and Board of Directors, interim Chair of the Board).
  
- For each individual, the alphabetical list must provide the following:
  - Name;
  - Organization, Department and Position;
  - Province;
  - Percentage of salaried time to be devoted to the centre, if any;
  - Role in the centre: Centre Director (CD), Proposed member of the Management Committee (MC), Board of Directors (BOD), interim Chair of the Board (CBOD).
  - An asterisk if a Biography is provided.

### **Section J: Short biographies of Lead Applicants and members of the Board of Directors.**

Biographies (up to 20) should be provided for the lead applicants (including the proposed Centre Director) and for members of the Board of Directors. Each biography not to exceed one page in length.

### **SUBMISSION PROCEDURES:**

**Deadline:** The Full Application must be received at the NCE Secretariat by **4:30 p.m. EDST on October 31, 2007.**

Send by mail to the NCE Secretariat:



1) The signed original plus forty (40) copies of Books 1, 2 and 3;

2) One Compact Disc containing:

1. A PDF document containing all the material, arranged in the same order as Books 1, 2 and 3.
2. An Excel version of the CECR Full Application Form, including budget details and the application summary sheet (Excel Format)

**Networks of Centres of Excellence**  
**16<sup>th</sup> floor, mailroom**  
**350 Albert Street**

**Ottawa, Ontario K1A 1H5**

Tables, graphs and figures may be included within the page limits noted above. **Any extra material will be removed.**

The *CECR Full Application Guide for the 2008 Competition*, the *CECR Full Application Form*, and details about the CECR Program can be obtained at [www.nce.gc.ca](http://www.nce.gc.ca).

For more information, please contact the NCE Secretariat at:

**Telephone:** (613) 995-6010  
**Fax:** (613) 992-7356  
**E-mail:** [cecr@nce.gc.ca](mailto:cecr@nce.gc.ca)

## Checklist

A Full Application consists of three books, prepared as follows. Each book must be fully paginated, with tabs for each section. Use the **2008 CECR Competition** (Full Application) form available on the NCE web site.

### Book 1 (original + 40 copies)

- Covering letter from Host Institution.
- Section A: Cover Page.
- Section B: Network Vision.
- Section C: Summary of Proposal for Public Release.
- Section D: Business Plan.
- Section E: Budget.
- Section F: Full Application Summary Sheet

### Book 2 (originals + 40 copies)

- Section G: List of contribution confirmation letters from stakeholders (sorted by sector)
- Section H: Contribution Confirmation Letters

### Book 3 (originals + 40 copies)

- Section I: Alphabetical list of Key Individuals.
- Section J: Short Biographies of lead applicants and proposed members of the Board of Directors.

