



GUIDELINES

Overview

Rural Innovation Initiative Eastern Ontario (RIIEO), made possible with funding from the Federal Economic Development Agency for Southern Ontario (FedDev Ontario), supports the transition and growth of traditional SMEs, manufacturers and communities into the new rural economy, driving direct investments by private companies in innovation capital producing aggregate local and regional effects.

Innovation capital is investment in Industry 4.0, new or next generation equipment, technology, products and processes that lead to business growth, access to new markets and investment in people (job creation).

Supported projects will strengthen competitiveness, productivity, business growth, process innovation, new market access, creation and retention of employment opportunities, the re-skilling of the industrial workforce, incremental sales and increased profitability, and as a result, diversify and transform our local communities and economy.

Intake will begin **May 21, 2019** with all projects targeted for completion by (Year 1: December 31st, 2019 - Year 2: December 31st, 2020)

Rural Innovation Initiative Eastern Ontario

STREAMS

LOCAL

Lanark County + North Leeds

Transition SMEs into the new rural economy.

Non-repayable performance-based funding from \$25,000 up to \$100,000 supporting SMEs in Lanark County + North Leeds to expand business growth and adoption of advanced business innovation processes.

For information on the application process visit:

www.valleycfdc.com/grants

REGIONAL

Eastern Ontario

Accelerate growth of existing innovation-driven SMEs

Non-repayable performance-based funding of \$100,000 to accelerate the growth of SMEs on the innovation track, with benefits to multiple communities within Eastern Ontario.

To Apply [click here](#)

The combined Stream total support to for-profit recipients will not exceed \$100,000.

LOCAL STREAM

GENERAL INTENT

Overall it is the intent of Valley Heartland CFDC to carefully invest in local projects that support the transition of traditional SMEs, manufacturers and our communities into the new rural economy.

Projects will demonstrate sustainability, drive prosperity and job creation/sustainment through innovation, research and development, commercialization, and business practices that work to position the region for global competitiveness, export markets, and economic diversification

WHO IS ELIGIBLE

Eligible recipients located in Lanark County + North Leeds may include:

- Private, for-profit, traditional SMEs with the potential to grow through innovation.
- Fourth Pillar Not-For-Profit organizations supporting business and community transition into the new rural economy.

WHAT IS ELIGIBLE

Projects in the following priority sectors will be considered:

- Advanced Manufacturing
- Clean Tech
- Digital Industries
- Agri-food
- Food Processing
- Projects that focus on inclusiveness: youth, women entrepreneurs, Indigenous peoples, Official Language Minority Communities, persons with disabilities, immigrants and visible minorities

ELIGIBLE ACTIVITY

Eligible activities should expand business growth and allow SMEs to transition into the new rural economy, support the adoption of advanced business and innovation processes such as:

- ✓ New materials
- ✓ Integrated solutions
- ✓ Rapid prototyping and engineering
- ✓ Machine learning
- ✓ Cutting edge services software
- ✓ Cloud computing
- ✓ Robotics and automation
- ✓ Extended intelligence, etc.

Fourth Pillar NFP projects should be business focussed, align with federal government economic development priorities, support priority industry sectors and inclusiveness related priorities. Examples of eligible project activities could include:

- ✓ Support programs for re-skilling of the industrial workforce
- ✓ Business accelerators and hubs diversifying and transitioning local economies

- Selected projects will be eligible for a non-repayable performance-based contribution. Successful applicant must pay out a minimum of \$50,000 before any reimbursement is issued (financing may be available through Valley Heartland CFDC). Progress payments are released based upon detailed Progress Claims submitted by approved applicants. Minimum progress payment is \$25,000. Funds are released when a claim is accompanied by all invoices, proof of payments, and proof of deliverables associated with the claimed costs.

ELIGIBLE COSTS

Eligible costs for project activities may include:

- Labour
- Expertise
- Non-Capital
- Capital

All costs must be reasonable and directly related to the eligible project activities.

INELIGIBLE AND/OR UNSUPPORTED COSTS INCLUDE:

- Any costs deemed not reasonable and/or not directly related to the eligible project activities.
- Activities in support of regular maintenance and/or ongoing operational costs.
- Cost incurred prior to the eligibility date as defined in the Contribution Agreement.
- Costs incurred after December 31, 2020.
- Any cost that is ineligible under the Contribution Agreement.
- Acquisition of land or buildings.

REPORTING REQUIREMENTS

Eligible recipients must demonstrate that they are prepared to and have mechanisms in place to submit data, schedules, plans and reports in sufficient detail for Valley Heartland to:

- Assess project progress
- Post project completion monitoring
- Evaluate the outcomes and effectiveness of the contributions

Eligible recipients will provide Valley Heartland with Progress/Activity Reports and financial claims on a monthly basis, quarterly or as required and outlined in the Contribution Agreement.

HOW TO APPLY: Local Stream – Valley Heartland CFDC

Step 1

- **Pre-qualification Questionnaire** - The purpose of the 5 minute Questionnaire is to pre-qualify potential applicants. The questionnaire allows businesses to answer a few basic eligibility and program priority questions to determine whether they're project is eligible to continue to the application step. Some submissions will not qualify for the program and will be declined during this phase. Once the questionnaire has been received, businesses will be notified of the qualification decision within 5 business days and corresponding next steps.

Questionnaire: <https://www.surveymonkey.com/r/VHLocalStream>

Step 2

- **Application Submission** – Applications and attachments must be submitted via email to info@valleycfdc.com
Download: PDF Version - [Application](#) + [Application Appendix 1:Activity Budget](#)
Word Version – [Application](#) + [Application Appendix1:Activity Budget](#)
- **Due Diligence** – Valley Heartland staff carry out review, due diligence and project development
- **Board Review** – Applications and recommendations are reviewed by the Valley Heartland Board of Directors for decision
- **Project Selection** – Applicants are notified of decision by Board of Directors (Accept or Decline)

Step 3

- If a project is selected for support, Valley Heartland will prepare a Contribution Agreement with terms and conditions.

Please Note

- Financial contributions are performance-based and subject to a 10% holdback until the applicant has completed the project, and met all project requirements as outlined in the Contribution agreement.
- Total support to recipients will not exceed \$100,000.
- No project is expected to extend past December 31, 2020
- Incomplete applications will not be considered.

Program Contact

Amber Coville, Business Development + Program Officer

info@valleycfdc.com

613-283-7002 ext. 110



Valley Heartland: Local Stream Application Process

Continuous Intake - Opens May 21st 2019

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Glossary

Accelerating	Supporting an innovation-driven SME to build on their existing momentum through continuous innovation.
Advanced Manufacturing	The incorporation of technology (specifically: computer-controlled or micro-electronics-based equipment) into the design, manufacturing or handling of a product. Typical applications include computer-aided design, computer-aided engineering, flexible machining centres, robots, automated guided vehicles and automated storage and retrieval systems.
Agri-Food	Producing food products through farming.
Clean Tech	Products, processes and services that improve on environmental performance in support of sustainable development and clean economic growth.
Digital Technologies	The use of software applications to enhance productivity and to make businesses more agile, flexible and responsive to real-time market demand. A Digital Industry is an economic sector utilizing Digital Technologies.
Food Processing	<p>The transformation of raw ingredients, by physical or chemical means into food, or of food into other forms. Projects that receive funding to make improvements at a community food centre or to build a farmers' market are NOT considered part of this theme.</p> <p>The sector is made up of ten sub-sectors:</p> <ol style="list-style-type: none"> 1. Meat Products 2. Dairy Products 3. Beverage & Tobacco Manufacturing 4. Bakeries & Tortilla 5. Grain & Oilseed Milling 6. Other Food Manufacturing (Seasoning and Dressing and Snack Foods) 7. Fruit & Vegetables 8. Sugar & Confectionery 9. Animal Food 10. Seafood
Fourth Pillar	A Fourth Pillar organization is a private industry-led non-profit corporation working at the intersection of the public and private sectors to support the competitiveness and success of its membership through collaborative innovation. These may include industry associations, economic development commissions, incubators and accelerators, etc.
FTE	A Full-Time Equivalent (FTE) is the equivalent of one employee working full-time or more than one person part-time, such that the total working time is the equivalent of one person working full-time. Generally, full-time positions will involve between 35 and 40 hours in a regular work week. A FTE calculation is the total hours worked in a week divided by the regular work week. FTEs do not

	include positions created as a result of sub-contracts to undertake work on the project (e.g. construction, suppliers, etc.). <i>(As defined by RIIEO project funder, Federal Economic Development Agency for Southern Ontario)</i>
Innovation	Innovation generates value through the successful creation and commercialization of a new product or service, the application of a new process, the adoption of new technologies, models, structures or methodologies, access to new markets, or implementation of new ways to collaborate and communicate. It is focused on making businesses, organizations and communities more adaptive, effective, profitable, and sustainable by creating new wealth, new jobs and contributing to economic advancement and the industries of the future.
Innovation Capital	Innovation capital is investment in Industry 4.0, new or next generation equipment, technology, products and processes that lead to business growth, access to new markets and investment in people (job creation).
ICT	Information and Communication Technologies (ICT). Technologies that provide access to information through telecommunications.
Industry 4.0	A name given to the current trend of automation and data exchange in manufacturing technologies. It includes cyber-physical systems, the Internet of things (IoT), cloud computing, and cognitive computing. Industry 4.0 is commonly referred to as the “fourth industrial revolution.”
IoT	The Internet of Things (IoT) is the system where the Internet is connected to the physical world via ubiquitous sensors. IoT is the extension of Internet connectivity into physical devices and everyday objects. Embedded with electronics, Internet connectivity, and other forms of hardware (such as sensors), these devices can communicate and interact with others over the Internet, and they can be remotely monitored and controlled.
IIoT	The Industrial Internet of Things (IIoT) refers to the extension and use of the internet of things (IoT) in industrial sectors and applications. With a strong focus on machine-to-machine (M2M) communication, big data, and machine learning, the IIoT enables industries and enterprises to have better efficiency and reliability in their operations. The IIoT encompasses industrial applications, including robotics, medical devices, and software-defined production processes, at the intersection of Information and Communications Technologies (ICT) and Operational Technology (OT).
Maintained Job	A Maintained Job refers to employment that existed prior to the project, but which would not have continued, or would have been unlikely to continue, if the project had not been funded. <i>(As defined by RIIEO project funder, Federal Economic Development Agency for Southern Ontario)</i>
NGO	A local, national or internationally organized non-profit organization that operates independently of any governments (though often funded by governments) and typically one whose purpose is to address a social mandate.
OT	Operational Technologies (OT) refers to the networking of operational processes and industrial control systems, including human machine interfaces, supervisory control and data acquisition systems, distributed control systems, and programmable logic controllers.
Permanent Job	A Permanent Job is a position without a fixed end date. <i>(As defined by RIIEO project funder, Federal Economic Development Agency for Southern Ontario)</i>

SME	Small and Medium-sized Enterprise (SME). Having less than 250 employees and less than \$50 million in total annual revenue.
Temporary Job	A Temporary Job is defined as a temporary or contract position with a fixed end date. <i>(As defined by RIIEO project funder, Federal Economic Development Agency for Southern Ontario)</i>
Transitioning	Supporting a traditional SME in their efforts to become an innovation-driven enterprise. For the purposes of RIIEO, funding the commercialization of a new product or process innovation that will poise the company for enhanced productivity, growth, access to new markets, increased revenue generation and job creation.
Youth	Age 15 years old and under 40 years of age (up to and including 39 years of age)