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# INVEST North Program

## Investment - Innovation Program

### Who is Eligible?

Private-sector businesses alone, or in partnership with a public sector academic or research institution.

For public-private partnership projects, the private-sector business is the lead applicant and the funding recipient.

For public-private partnership projects, the partnering academic or research institution must have the relevant expertise and resources required by the private-sector partner to complete the proposed project.

### What Projects are Eligible?

Applied research & development projects, and demonstration & commercialization of new and innovative technologies.

NOHFC considers innovative technology projects based on the following definition: “the development or implementation of ideas to produce new or improved strategies, capabilities, products, services, or processes with a strong focus on ensuring to satisfy a market need or desire”.

Applicants have the choice to apply for support for applied research & development or demonstration & commercialization costs under separate applications or in one combined application.

- In the event that an applicant chooses to include demonstration & commercialization costs in their project, NOHFC will not accept a subsequent application for the same technology.
- For projects where the applicant elects to combine applied research & development, and demonstration & commercialization costs, before proceeding to demonstration and commercialization phase, the applicant must:
  - Own, have registered a patent for, or have the rights to exploit the intellectual property associated with the technology.
  - Be able to demonstrate that the technology has been tested and fully validated.

Eligible applied research & development activities and associated costs include, but not limited to:

- Direct internal technical labour costs
- Prototyping costs (engineering and design services and component purchase, fabrication and installation costs)
- Product testing
- Intellectual property protection costs
- Research and development services provided by public sector partners

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Eligible demonstration & commercialization activities and associated costs include, but are not limited to:

- Direct internal technical labour costs
- Building or renovation costs specifically related to the commercialization of the new technology
- Prototype demonstration costs (engineering and design services and equipment purchases, fabrication and installation costs)
- Material costs
- Product certification costs
- Research and development services provided by public sector partners
- Marketing costs (in-person or virtual trade show assistance and marketing material design costs) - limited to 20% of total eligible project costs

### **Evaluation Criteria**

Factors that will be considered during evaluation of applications will include but not limited to:

- Innovation meets the NOHFC's definition of Innovation
- Strength of the project's detailed business plan
- Net economic benefits for Northern Ontario
- Demonstrated market need and demand
- Management capacity
- Business' financial position
- Supply chain impacts
- Level of Risk

### **Funding**

#### **Funding for Applied Research and Development only projects**

Funding is in the form of a conditional contribution of up to 50% of total eligible costs to a maximum of \$500,000.

#### **Funding for Applied Research & Development and Demonstration & Commercialization Combined or Demonstration & Commercialization only projects**

- Funding is in the form of a conditional contribution of up to 50% of total eligible costs to a maximum of \$2 million.

Combined Federal and Provincial government funding may not exceed 75% of eligible project costs.

Funding for each project is determined by the NOHFC Board of Directors, and limited funding is available. Not all projects meeting the criteria will necessarily receive funding.

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### **What is Not Eligible?**

Projects intended for internal efficiency purposes only are ineligible.

Ineligible activities and associated costs include, but are not limited to:

- Land
- Working capital
- Administrative or other indirect operating costs
- Labour costs for any person that owns 10% or more of the applicant business
- In-kind contributions
- Business Plans
- Travel, accommodation and meeting costs
- Office equipment and furnishings
- Vehicles

### **Program Requirements**

The applicant may be required to reimburse NOHFC if assets financed by NOHFC are sold within the first three years after project completion.