

ALBERTA INNOVATION VOUCHER PILOT PROGRAM

PROGRAM GUIDELINES

Updated: November 4, 2009

The voucher pilot program is designed to enhance the ability of small technology and knowledge-driven businesses operating in Alberta to contribute to the growth and diversification of the Alberta economy. The voucher program aims to:

- a) Assist small businesses to move more rapidly from concepts and ideas to commercial products and services, thereby gaining a competitive advantage in domestic and export markets
- b) Build links between Alberta's public and non-/not-for-profit service providers and small businesses, thereby increasing their access to technology and business expertise; encouraging service provider to increase their focus on the needs of commercialization requirements and business management knowledge
- c) Provide support to Alberta's small businesses, including those located in areas outside of major metropolitan centres

During the program's pilot, preference will be given to businesses in emerging growth sectors such as clean technology, health, bio-tech and ICT.

Value of Vouchers

Vouchers are available in two denominations:

1. A voucher to a maximum value of \$10,000 for smaller fee-based services such as marketing studies, business advice, or business formation
2. A voucher to a maximum value of \$50,000 for more substantial technology development activity such as product prototyping, lab verification, field testing, etc.

Businesses are eligible to receive (if successful in their application) one of each type of voucher throughout the duration of the program.

Eligibility Requirements

The applicant's business is a technology or knowledge-driven business developing new products or services for growing markets.

The applicant's business must have a gross revenue that, in the preceding fiscal year, did not exceed \$5,000,000 and has fewer than 51 employees.

The applicant's business must be registered in Alberta or Canada and carries on more than 50 percent of its business activity in Alberta and will continue to do so for the next 18 months.

The applicant must not have previously been awarded a voucher in the amount being applied for. This includes vouchers that have been received by the applicant but never used.

Program Conditions

Recipients of an Innovation Voucher:

- a) Are eligible and can apply for one voucher either to a maximum value of \$10,000 or \$50,000 depending on the nature of the project
- b) Will use the voucher as partial payment to an approved service provider. The voucher can be used for up to 75% of the total eligible cost of the project or the value of the voucher, whichever is less
- c) Must contribute a minimum of 25% of the total eligible cost of the program (excluding in-kind contributions)
- d) Cannot use vouchers to pay for services already funded through other municipal, provincial or federal government grant programs
- e) Are allowed to pool or bundle their vouchers to help them to address a larger problem common to two or more recipients
- f) Cannot transfer their voucher to another individual or business
- g) Can only use their vouchers to pay for work undertaken in the province of Alberta
- h) Must enter into a written agreement that clearly specifies the work to be undertaken by the service provider and the cost of providing these services with the service provider

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- i) Must complete the project within nine months from when the voucher is granted
 - j) Must not make any public announcement or issue any press release regarding the receipt of a voucher except in consultation and with the approval of the province
 - k) Must adhere to all other program conditions as outlined in the voucher program conditions agreement
 - g) Costs associated with applying for government grants and programs
 - h) Costs of internships or support for students of knowledge institutions
 - i) Basic professional services such as ongoing, routine accounting, tax and legal business requirements, and financing fees
 - j) Routine testing and maintenance
 - k) Travel costs and entertainment costs
 - l) Anything that would constitute an export subsidy
 - m) Any expenditure of time by in-house personnel of the applicant
 - n) Any amount paid on account of goods and services tax
 - o) Any administrative fee or surcharge for administering such expenditures
 - p) Anything else as determined by the province at the province's sole discretion not to meet program conditions
- a) The use of technology to move from concepts to commercialization
 - b) Specialized business and professional services required to commercialize a product or services (such as those required for protection of intellectual property, development of business plans and market studies)
 - c) Specialized services required to obtain pre-commercial seed and venture capital financing for new and innovative high technology products and services
 - d) Specialized services required to access unique human resource expertise
 - e) Product testing, certification and demonstration necessary to move product and/or service to market

The voucher cannot be used as payment for the following expenses:

- a) Expenses incurred prior to receiving a voucher (i.e., retro-active payments are not allowed)
- b) Training courses
- c) Software
- d) Equipment purchases
- e) Design and production of advertising material
- f) Sales and promotion activities

Application Process

Application forms can be downloaded from www.technology.gov.ab.ca.

All applications must be submitted by November 20, 2009. Recipients will be notified early 2010.

Applicants are strongly encouraged to meet with prospective service providers to discuss their project prior to applying to the innovation voucher program.

Additional Information

For additional information, please go to www.technology.gov.ab.ca.