



**Small and Medium-sized Enterprise
(SME)
Application Guide
For period
April 1, 2012 to March 31, 2013**

**DEADLINE FOR APPLICATION
DECEMBER 16, 2011**

Send completed applications to:

Food Beverage Canada
201, 17904-105 Avenue
Edmonton, AB T5S 2H5

Email: kparker@foodbeveragecanada.com

Toll Free: 1-800-493-9767

Fax: 780-484-0985

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INTRODUCTION

Thank you for your interest in the Small and Medium-sized Enterprise (SME) program. This document is intended to help you complete your application to the SME program for the period covering April 1, 2012 to March 31, 2013.

Objective

The objective of this program is to enhance the Canadian agriculture, agri-food, fish and seafood sectors' marketing capacity and competitiveness by assisting industry to identify market priorities and equip itself for success in global markets*. The program is also an important vehicle for increasing global awareness of the quality and diversity of Canadian products as a whole.

***The SME program does not fund activities in Canada or the USA**

GENERAL COMMENTS

Marketing Plan:

SME applicants should have in place an international market export plan, which lays out the context – strategic objectives, priorities, precise target countries and rationale – for the activities for which funding is requested each year. This strategy should be based on, and cite, in-depth market research which clearly demonstrates why particular markets are being chosen and how the products represented by the applicant should be strategically positioned in various markets.

Evaluation Process and Criteria:

Upon receipt of your SME Application Food Beverage Canada will review the application for basic eligibility, export readiness and completeness. It will then be sent to Ottawa for further review by various sector departmental working groups for assessment to determine eligibility based on the criteria listed below. Upon this further approval process applications will then be forwarded to a committee which will make funding recommendations.

Applications will be assessed on the following criteria:

- Confirmation that your company is export-ready
- Size of the company – **funding is available to companies which have up to 250 employees**
- Demonstration of an international market export plan
- Demonstration that proposed activities are clearly linked to your international market export plan
- Eligibility of proposed activities based on the list provided with this guide
- Demonstration of the capability to complete the proposed activities
- Level of funding requested is appropriate in relation to intended activities and intended outcomes as compared to average costs of similar activities from other applicants.
- Identification of tangible anticipated results and outcomes which can and will be measured for performance management purposes.

How to Apply:

- Complete the application form provided in its entirety. Refer to this guide for help in completing the application or call Food Beverage Canada for assistance.

Please ensure that the application form is complete and includes the total eligible costs of the activity, the breakdown of the costs and the total funding request.

- Submit your application (1) electronically and (2) mail a signed original to:

Food Beverage Canada
 201, 17904-105 Avenue
 Edmonton, AB T5S 2H5
kparker@foodbeveragecanada.com
 Phone: 1-800-493-9767 or 780-486-9679

YOUR APPLICATION MUST BE RECEIVED BY FOOD BEVERAGE CANADA ON OR BEFORE FRIDAY, DECEMBER 16TH, 2011 to provide sufficient time for review and subsequent submission to Ottawa.

ELIGIBILITY FOR SME PROGRAM PARTICIPATION AND ACTIVITIES

Eligible Activities and Examples

The program will provide **50% funding support up to a maximum of \$50,000 annually per company** for eligible activities **in foreign markets other than the USA and Canada.**

Proposed activities must be company specific and not duplicate work which the association receives funding to undertake.

Example: In order to receive the total maximum annual funding you must spend \$100,000 on eligible activities.

Example: trade show participation is eligible as long as the Association is **NOT** participating at the same show (not duplicating work being done by the association).

If the Association is participating at a trade show you can participate as an exhibitor with the association and receive the usual funding/reimbursements provided. **If you would like to do follow-up business activities after the show these follow-up activities would be eligible for SME funding and should be included in your application.**

List of Activities Eligible for SME funding in foreign markets other than the USA and CANADA

General

- Advertising in print and electronic media, billboards and posters
- In-store and food service promotions, product demonstration to buyers and consumers
- Trade seminars designed to inform industry representatives of specific attributes of Canadian agriculture, food and seafood products.
- Trade show attendance as a non-exhibitor (i.e. walking the show or meeting with potential clients) *providing the association is not offering a mission to the specific trade show.*
- Trade show attendance as an *exhibitor providing the association is not offering a program to the specific trade show.*
- Technical training of foreign buyers about Canadian products and product handling.
- Outgoing missions, exploratory missions
- Incoming missions, training sessions

List of Eligible Costs for Eligible Activities

General

- Incremental costs for materials, supplies, and services specific to the project
- Incremental consultant fees as billed to the SME, including communication, travel, accommodation costs for other professional services (domestic and locally-engaged on site). Consultants must have an arms' length relationship
- Seminars and training costs, including room rentals, audio-visual equipment rentals, printed material, simultaneous translation, publicity and honorariums
- Registration fees at conferences, seminars and trade shows
- Design, translation and production of promotional material
- Advertising costs related to print and electronic media, billboards and posters
- Employment of part-time contractors to help in implementing specific promotional activities and point-of-sale or display sites
- Professional interpretation and translation services
- Federal and provincial taxes, including the non-refundable portion of the Goods and Services Tax (GST), if any, paid by the SME

Trade Shows

- Participation fee
- Travel (see eligible travel expenses below)
- Per diems

In-Store Promotions

- Travel (see eligible travel expenses below)
- Per diems
- Product demonstrations
- Catalogues
- Recipe booklets / cards / pamphlets for hand outs
- Translation

Missions

Outgoing Missions:

- Travel (see eligible travel expenses below)
- Canadian or in-market consultants such as translators, etc.
- Direct costs such as space rental and logistical equipment

Incoming Missions:

- Travel (see eligible travel expenses below)

Market Research

- **Ineligible**

Travel

- Return, economy (lowest economy fare regardless of flight duration), international airfare including airport taxes, and relevant ground costs, per diems for Canadians traveling abroad.
- In-country, or out-of-city transportation (e.g. airplane, train, buses, vehicle rentals) including airport taxes and relevant ground costs, per diems for Canadians traveling abroad

- Where value is clearly demonstrated, expenses for an individual on travel status for a period of three months maximum

List of Ineligible Costs

General

- Normal costs of establishing a commercial operation
- Product development and commercialization
- Technical training for Canadian buyers
- Training for consultants
- Training for employees
- Expenses already funded through other AgriMarketing agreements (i.e. your association)
- Contracted services carried out by federal, provincial or municipal government (for example laboratory work) including contracts with crown corporations
- Research, analysis, and/or development of industry-specific policies
- Capital costs, rental or purchase of capital items (e.g. standard office equipment and furnishings, computer items, video camera, vehicles, permanent displays)
- Payment in-kind (i.e. where there is no cash outlay)
- Business cards, seasonal greeting cards and subscriptions to publications (see comment above)
- Memberships in trade associations
- Costs incurred prior to the effective date of project or after the agreement completion date
- Retail listing fees and slotting charges
- Costs for entertainment, hospitality and gifts (e.g. meals and beverages, banquets, sightseeing tours, briefcases at conferences, gifts for guest speakers)
- Market development activities in Canada
- Design, packaging and labelling costs
- Giveaways, prizes, coupon redemptions
- Product development
- Salary and commission costs other than those specific under the AgriMarketing Policy on Salary or approved in advance by AAFC
- Cost of preparing international market export plans
- Costs of services, travel, accommodation and meals for government employees
- The refundable portion of the GST, value-added taxes, or other items for which a refund of rebate is received
- Banking charges and fees including interest and credit card charges
- Any expenses relating to the promotion and advertising of tobacco or tobacco products
- Advertising and promotion activities in Canada and the U.S.
- Costs related to international trade shows held in Canada
- Market research
- Any other expenditure which, at the direction of the Minister, is deemed to be ineligible.

Guide to completing the SME application for funding

Section A – Company and Contact Information

Legal Name:

Please indicate what name your company is officially registered under.

Operating as:

Please indicate what name your company regularly uses in your marketing and promotional activities

Company logistical information:

Complete boxes as requested of the logistical details of your company

Authorized Representative information:

Provide the name of the authorized representative. This information will be used by program staff to clarify elements of your application. Please provide the name of an alternate contact person. If we are unable to contact the authorized representative we will contact the alternate.

Size of your organization:

Please provide the number of employees in your organization, as well as indicate if you are associated to a parent company. If you are a subsidiary of another company, please provide the name of the organization in full and the number of employees in that company.

Section B – Background Information

Description of your company:

Eligible applicants include organizations and entities promoting the export of Canadian agriculture, agri-food, fish and seafood products. Specifically explain whether you are a producer, manufacturer, trading house, processor of any other type of agri-food, fish and seafood SME.

Information on your international market export plan:

Please provide as much detail information on your international market export plan. It is important to clearly demonstrate that you are export ready for the target countries you will identify further in your application.

Information on your eligibility:

Please use the section entitled *Evaluation Process and Criteria* on page 3 of this guide to help you answer this section.

Information on your product:

Please provide as much information as possible on the product you are exporting or planning to export. It is important to clearly explain the name and type of product, if it's a processed product, as well as clearly explain its Canadian content.

Export Ready:

It is important to demonstrate that your organization is export ready. Provide as much information as possible on your international market export plan in this section.

Target Countries:

Provide a list of countries, **in order of priority** that your organization is targeting in the period April 1, 2012 to March 31, 2013 or for which the services of trade commissioners in Canadian Posts abroad might be required. For your information, Canada's Global Commerce Strategy defines where Canadian opportunities and interests have the greatest potential for growth. The strategy can be found at www.international.gc.ca/commerce/strategy-strategie/r.aspx

Section C – Funding Resources

List funding received from other government programs over the last three years. Recipients may obtain up to 50% to total eligible costs from the Agri-Marketing SME Program and up to 85% of total eligible costs from all levels of government sources (Federal, Provincial, Territorial and Municipal). This requirement is set out by Agriculture and Agri-Food Canada and must be strictly adhered to.

Section D – Marketing of an Innovative Product

In this section, please clearly indicate whether your product is actually an innovative product, a new product in Canada, or whether your product is a new product in your target country, and therefore a niche target.

Section E – Canada Brand

The Canada Brand is a marketing strategy designed to help Canadian products stand out from competitors in the domestic and international markets. Based on research showing that Canada has a positive, well-recognized image around the world, while our food products are largely unknown, the Canada Brand provides graphics, research and other tools free of charge to help Canadian companies differentiate and promote their products. To register or obtain more information on the Canada Brand Initiative, please contact them at canadabrand@agr.gc.ca or visit the web site at www.brandcanada.agr.gc.ca

Section F – AgriMarketing Funding Proposal and Budget Spreadsheet**Application Form and Description of Activities****Identification of Strategic Objectives of your international market plan seeing funding**

Provide an overall summary of your objectives for your product in your target countries. For example, explain why a particular market has been chosen and what you hope to achieve for your products in that market, (i.e. percentage of sales, of exports, etc.)

Performance Indicator

Please describe what these objective(s) and activity(ies) listed below will have contributed towards our international market plan. What outcome(s) will be the result? How will you demonstrate that these activity(ies) have accomplished your goal? How can you report on their success?

Description of the eligible activities, budget breakdown, total cost of activity, requested SME funding, target country and quarter.

In this section provide a clear description of the eligible activity you are seeking funding for, provide as much detail as necessary to be able to provide a budget breakdown, and a total cost. Re-identify the target country the activity is aimed at and indicate in which quarter the activity is anticipated to take place. **Quarter 1 is April 1 to June 30; Quarter 2 is July 1 to September 30; Quarter 3 is October 1 to December 31; and Quarter 4 is January 1 to March 31.**