

# *Bringing Technology to Market*

## Technology Commercialization Program

# AET Minister's Mandate

## You will take the lead to:

- *enhance value-added activity, increase innovation, and build a skilled workforce to improve the long-run sustainability of Alberta's economy, and*

## Lead the following initiatives:

- *encourage technology commercialization and increase the Canadian venture capital invested in Alberta, in part by establishing the Alberta Enterprise Fund*

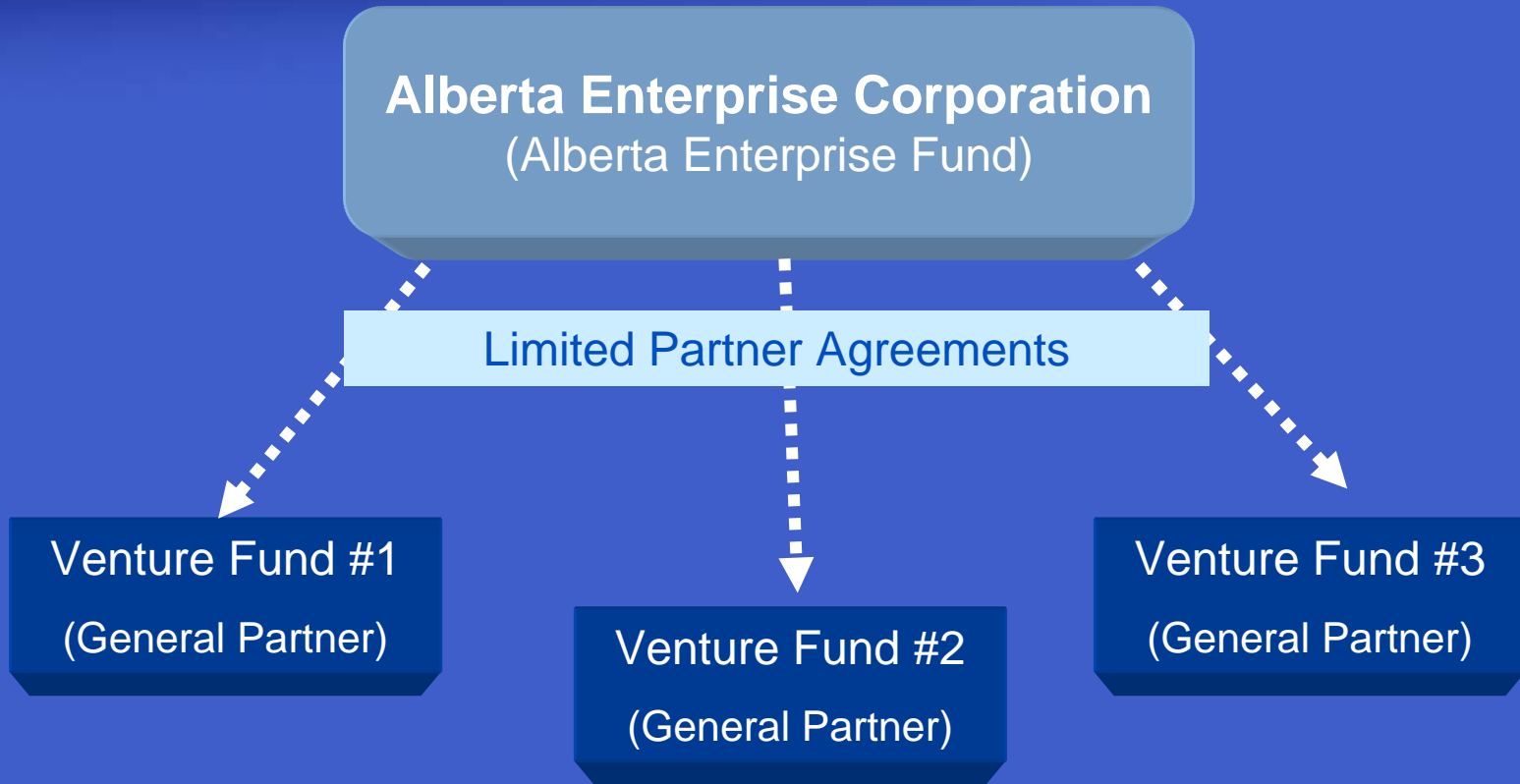
# Key Initiatives

- Alberta Enterprise Fund
- SR&ED Tax Credit
- AVAC (IVAC) Company Development
- Business Development Centres
- Product Commercialization Centres
- Innovation Support Services
  - Innovation Vouchers
  - Technology Development Advisors
  - Product Demonstration Fund
- Encouraging Entrepreneurship

# Alberta Enterprise Fund

- *Established as arms-length provincial corporation, managed by experienced experts*
- *\$100 M allocated for co-investment in venture funds, expert management*
- *Promote the development of a venture capital industry in Alberta supporting the development of knowledge-based industries*
- *Provide improved access to venture capital for Alberta knowledge-based companies*
- *Promote Alberta as a technology investment destination*

# Alberta Enterprise Fund



*Each "Venture Fund" will have a number of limited partners, including the Alberta Enterprise Corporation*

# SR&ED Tax Credit

- *Reduces cost of research and development by allowing companies to claiming R&D expenses*
- *Credit is 10 % of a eligible expenditures up to \$ 4 M, for a maximum credit of \$ 400 K*
- *Refundable ... start-up and early stage companies doing R&D can receive the credit even if without having taxable income*
- *Alberta Finance and Enterprise will implement the tax credit, effective January 1, 2009*

# AVAC (IVAC) Company Development

- *AVAC Ltd is a non-profit organization that offers support to early stage companies in a range of technology areas*
- *Additional resources allocated to their IVAC Capacity Builder Program, starting in 2008.*
- *The Capacity Builder offers support for:*
  - mentoring, management expertise.
  - Intellectual property development
  - professional marketing plans, assessments and feasibility studies
  - other professional services (legal, professional, engineering)

# Business Development Centres

**Business Development Centres ... *help firms start up and grow through these services:***

- business planning and start-up assistance, market research, intelligence and executive mentorship, client networking, access to investment sources, intellectual property management, recruitment of expertise, and incubation and office services.

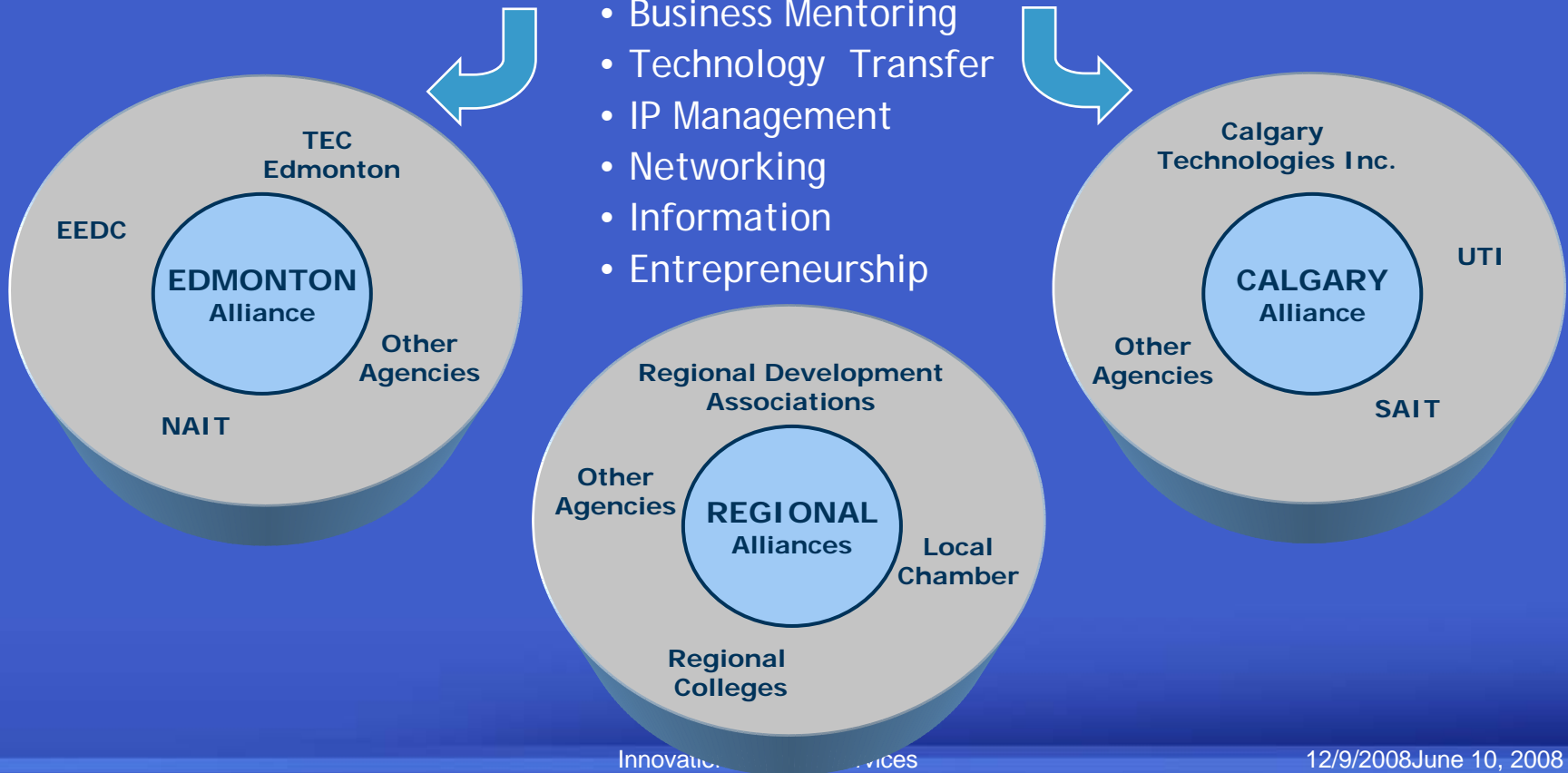
**AET ... *will continue supporting existing and aid new centres throughout the province reflecting regional strengths in innovation and the needs of local industry***



# Business Development Centres

*AET ... supports coordinated delivery of regional innovation support services*

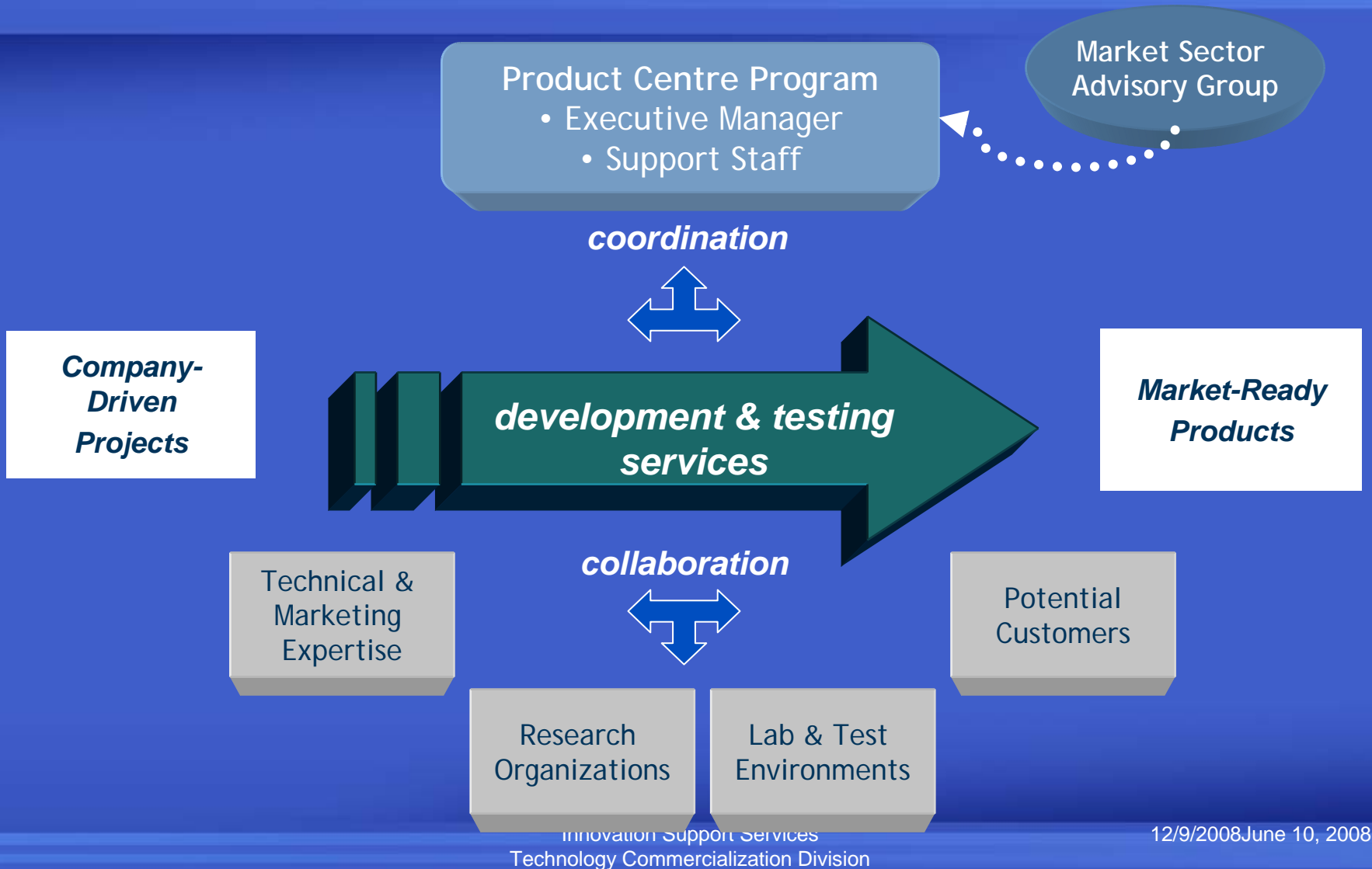
- Support Services
- Business Mentoring
- Technology Transfer
- IP Management
- Networking
- Information
- Entrepreneurship



# Product Commercialization Centres

- *Product Commercialization Centres ... will help companies develop and apply new technology to create marketable new products and services, through support for:*
  - prototype development, lab facilities and equipment, engineering and design expertise, test environments, validation and accreditation services, product demonstration sites and small-scale pilot production.
- *AET ... will pursue creation of a set of product commercialization centres targeting high-value domestic and global market opportunities. Proposed areas of initial focus include:*
  - Environmental Technology
  - Geomatics for Energy & Resource Industry
  - Innovative E-Health Applications

# Product Commercialization Centres



# Innovation Vouchers

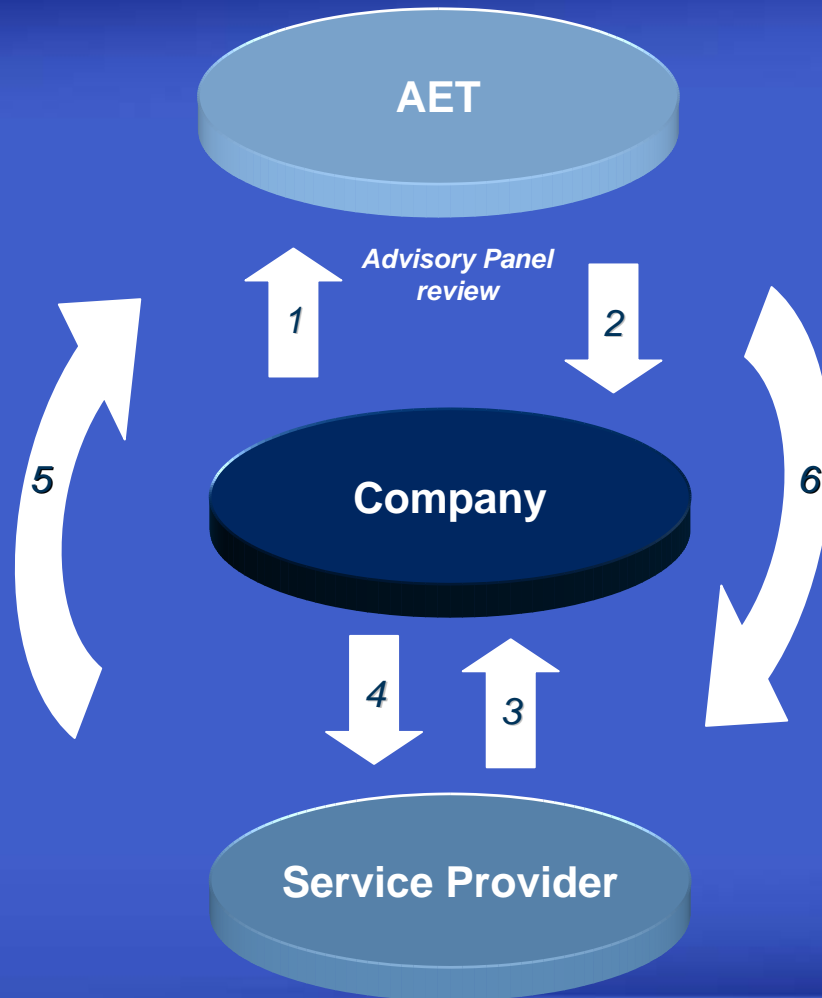
**Innovation Voucher** ... *a voucher (defined cash value) for obtaining specialized assistance on demand from service providers*

**Key Objective** ... *help companies move more rapidly from business idea to commercial products and services*

**How** ... *link firms to service providers; increase access to technology, commercialization requirements and business knowledge; approval by external experts*

**Expected Outcome** ... *more market and investment ready companies business start-ups and growth firms*

# Innovation Vouchers - *Process*



## Key Steps

1. *Company applies to AET for voucher*
2. *AET awards voucher to qualifying company*
3. *Company obtains service from provider*
4. *Company pays provider with voucher*
5. *Provider submits voucher to AET*
6. *AET reimburses provider for value of voucher*

# Innovation Vouchers - *Pilot Program*

- *Program will be run as a two year pilot*
- *SME's will have an opportunity to apply for and receive two different vouchers during life of the program*
  - \$10,000 Voucher for smaller fee-based services such as marketing studies, business advice, or company formation
  - \$50,000 Voucher to help cost of major development activity such as product prototyping, lab verification, field testing
- *Vouchers will be awarded to eligible companies as determined by a straightforward review; approved by an external panel of experts*
- *SME's can reapply to the next round if unsuccessful at first, vouchers must be activated by within 9 months*

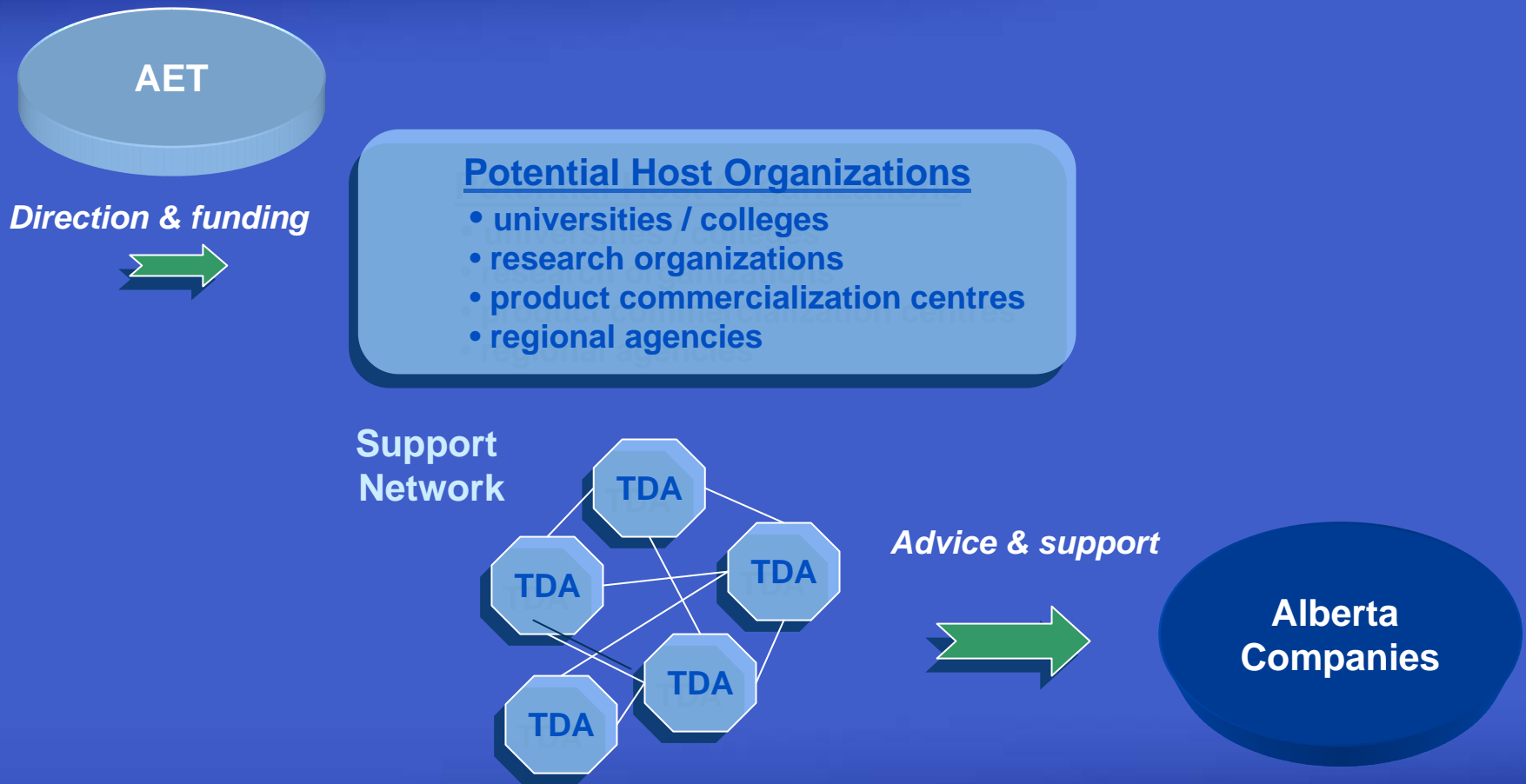
# Technology Development Advisors

*Technology Development Advisors ... will work directly with individual companies to provide technology development and commercialization expertise co-located with relevant organizations throughout the province*

*Target Clients ... include innovators, early stage SMEs and more established SMEs seeking to develop innovative products and services*

*AET ... will define the program role for advisors and fund salary; advisors will be hosted on contract by appropriate agencies across the province based on local or sector need*

# Technology Development Advisors





# Product Demonstration Fund

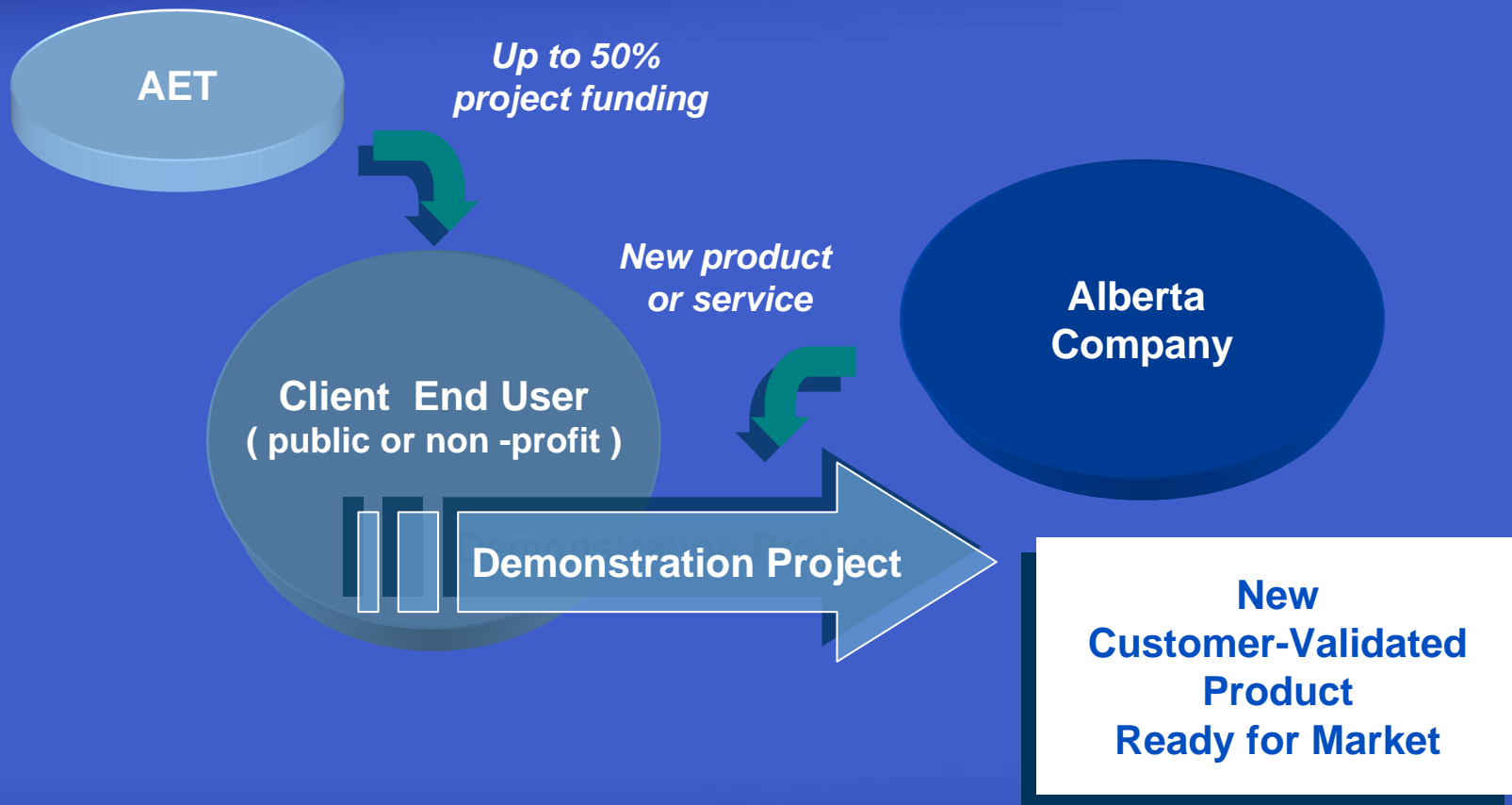
**Product Demonstration Fund** ... *will support specific company technology demonstrations at end-user organizations (non-profits, institutions, public agencies)*

**AET** ... *will screen projects by commercial potential, technical feasibility, and business potential*

**Companies** ... *will work with strategic client to create project, test application, develop technology, address costs, and other outcomes*

**Funding Grants** ... *are non-repayable and support product demonstration activities of firm or group*

# Product Demonstration Fund



# Encouraging Entrepreneurship

*AET ... will facilitate a province-wide initiative to promote entrepreneurship as a highly desirable career path and provide relevant skills training and real-life work experiences*

## YOUTH TECHNOPRENEURSHIP PROGRAM (YTP) ...

- will enable colleges, technical institutes, and local communities to provide a period of “incubation” support to new technology-oriented business ventures.
- interested and eligible youth participate in a business plan competition administered by partnering post-secondary institutions and community organizations and receive financial awards and start-up support towards the development of their company.

# Youth Technopreneurship Program



# Public Inquiries

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