



Canadian Dairy
Commission

Commission
canadienne du lait

APPENDIX C

CDC Matching Investment Fund



Program Guide

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1. Background and Purpose

The Canadian Dairy Commission (CDC) remains committed to supporting an environment that encourages growth and innovation in the manufacture and use of Canadian dairy products and ingredients. The **Matching Investment Fund (MIF)** provides non-repayable contributions for product development projects on a matching investment basis.

The MIF is designed to help eligible companies and Food Technology Centres (FTC) with product development initiatives that help stimulate demand for Canadian dairy products and ingredients. It supports:

- the development of new or innovative products;
- the reformulation of existing products;
- knowledge transfer activities;
- technology transfer projects;
- new opportunities for solids non-fat ingredients.

Eligible companies and Food Technology Centres (FTC) can access financial support for the following activities of product development projects:

- **Consultation:** Access to advice from specialists and experts on the many areas of the product development process: management and market research, dairy and food science, technical services, and food processing.
- **Product Development:** Support for product analysis, trials, and technology transfer, which includes, but is not limited to, the adoption of new or existing technologies, kitchen, lab, pilot or industrial scale tests, retrofitting of equipment, sample preparation costs, and packaging techniques.

Consultation and product development services can be accessed separately or combined depending on the nature of the project. Both types of services are designed to encourage knowledge and technology transfer.

2. Eligibility Requirements

2.1 Applicant Profile

Registered Canadian dairy processors, finished food product manufacturers, and food technology centres involved in the development, manufacture and/or utilisation of Canadian dairy products and ingredients are considered eligible under the MIF. They are defined as follows:

Dairy Processor:

A dairy product manufacturer holding or applying for a valid license to operate a dairy plant facility.

Finished Food Product Manufacturer:

A food manufacturer that manufactures further processed products including but not limited to baked goods, confectionery, prepared foods (frozen, sealed), nutraceutical and pharmaceutical products, beverages, cosmetic products, pet food, and processed meats.

Food Technology Centre (FTC):

A CDC recognized Canadian food technology centre or food science institute that offers expertise in the areas of food product development and food analysis.

Other Organizations:

Other types of organizations (such as milk marketing boards, food processor associations, etc.) that want to support projects from their members by matching CDC's investment are also considered eligible under the MIF.

2.2 Eligibility Criteria

To qualify for funding assistance under the CDC MIF, an applicant must meet eligibility criteria defined in sections A, B and C below.

A) Demonstrate, to the satisfaction of the CDC, that the project meets **at least one** of the following criteria:

- Incorporates a Canadian dairy ingredient in a product formulation where no dairy ingredient(s) had been previously used.
- Replaces a substitute ingredient in a product formulation with a Canadian dairy ingredient, or significantly increases the dairy content of an existing product formulation.
- Develops and markets a new dairy product or a product pursuant to the Dairy Innovation Program (DIP)¹.
- Develop and markets a new or innovative further processed product containing Canadian dairy ingredients.
- Includes technology/knowledge transfer activities having a demonstrated benefit for a company or for the Canadian dairy industry as a whole.
- The CDC reserves the right to refuse applications or cancel the program if funds are no longer available.

B) Demonstrate that the new/innovative dairy product formulation or further processed product satisfies **all** of the following criteria:

- The product has the potential to increase the use of raw milk components (in the case of a dairy product manufacturer) or Canadian dairy ingredients.
- The project involves a technical challenge associated with incorporating a Canadian dairy ingredient or developing an innovative dairy product.
- It uses dairy ingredient(s) which is/are made wholly or mainly from milk.

C) Demonstrate that the dairy product formulation or further processed product will not risk displacing existing Canadian dairy product(s) and/or further processed product(s) made with Canadian dairy ingredients.

In order to meet criteria C, an applicant must demonstrate that:

- The project involves reformulating a product with dairy (rather than developing a new/innovative product); OR
- The product is not currently manufactured in Canada; OR
- Similar Canadian product(s) are not currently manufactured and sold in the province(s) where the organization intends to market the product; OR
- Similar Canadian product(s) are not currently manufactured and sold to the same clientele under the same distribution channel.

¹ The DIP is a CDC program which provides access to additional milk outside of existing provincial plant supply allocation to Canadian registered dairy processors who wish to produce new and innovative dairy products. For more information, visit: <http://www.milkingredients.ca>.

2.3 Activities and Funding Limits

If a project application is deemed eligible, 50% of the eligible costs of the project will be funded by the CDC, up to a maximum of \$150,000 (before taxes). Of this amount, a maximum of \$25,000 (before taxes) can be allocated to consultation activities. Remaining funds must be allocated to product development activities. Projects which emphasize the use of solids non-fat (SNF) ingredients such as, but not limited to, skim milk powder (SMP), milk protein concentrate (MPC) or liquid skim will be given priority attention under the CDC MIF and may be eligible for an increased level of funding subject to CDC Board approval.

Small businesses (less than 25 employees) are eligible for a reimbursement of up to 100% of eligible costs (before taxes) for the first \$10,000 spent on a project (this includes up to \$5,000 for consultation activities and up to \$5,000 for product development activities). In the case of a project involving only one activity (consultation or product development), the amount eligible for 100% reimbursement is set at \$5,000. Additional eligible costs (before taxes) will be reimbursed on a matching investment basis (50%).

Applications will be treated on a first come first serve basis². In cases where several projects are reviewed by the CDC at the same time, those projects resulting in higher scores based on the evaluation criteria will be prioritized.

The CDC reserves the right to determine the amount of funding to be allocated to a project on the basis of its ability to contribute to growth and innovation in the manufacture/use of Canadian dairy products and ingredients and/or in the use of milk solids non-fat.

² Based on the date that all the required information has been received from the applicant to allow the CDC to evaluate the project.

ACTIVITIES AND FUNDING LIMITS FOR CONSULTATION AND PRODUCT DEVELOPMENT ACTIVITIES

AUTHORIZED ACTIVITIES:

CONSULTATION

*Access to advice from
specialists/experts, including
knowledge transfer*

Consultation services in management/marketing research:

- Company start-up/Business Plan
- Identification of opportunities
- Commercial/financial feasibility study
- Marketing research
 - Access to market data and reports
 - Survey/consultation of target groups
 - Focus groups

Dairy/food sciences experts:

- Problem-solving related to product formulation
- Integration of dairy ingredients
- Literature and search review
- Legislation

Engineering services consultant:

- Technical feasibility study
- Technologies and equipment

PRODUCT DEVELOPMENT

*Support for product analysis, trials and
technology transfer*

- Adoption of new or existing technologies
- Lab/Kitchen scale trials in a food development centre/food plant setting
- Pilot tests
- Industrial scale tests
- Product and nutritional analysis
- Clinical trials
- Sensory/organoleptic analysis
- Sample preparation
- Focus group testing directly related to the sensory attributes of the product
- Packaging methods/techniques
- Retrofitting of equipment needed to conduct the product development phase
 - Design, fabrication and machining of equipment (including parts and labour)
 - Authorized only when technologies readily available in the marketplace are not applicable due to the innovative nature of the product.
 - The maximum amount of funding authorized for retrofitting of equipment is at the CDC's discretion, based on the nature of other product development activities involved and potential benefits and risks associated with the Project.

ELIGIBLE COSTS CATEGORIES:

*(See Appendix 2 for
details on specific
costs eligible in
each category)*

- Consultant and sub-contractor costs
- In order to qualify, knowledge transfer expertise must come from outside the company/organization.

- Consultant and sub-contractor costs
- Direct labour costs
- Direct material costs

AVAILABLE FUNDING:

Total of \$150,000 per project, sharing of investment costs (50%) including a maximum of \$25,000 for consultation activities. Subject to CDC Board approval, amount of funding maybe higher for projects emphasizing the use of milk solids non fat (SNF).

SMALL BUSINESS INCENTIVE:

Small businesses with less than 25 employees are eligible for a full refund on services valued at \$10,000 dollars or less in the case of projects involving consultation **AND** product development activities (\$5,000 per type of activity). When only one activity is involved, the amount eligible to a full refund is set at \$5,000.

2.4 Dairy Products and Ingredients

Dairy products and ingredients deemed eligible under the terms and conditions of the CDC MIF are defined as follows:

Canadian dairy products and ingredients made wholly or mainly from milk such as: butter, cheese, milk powders, milk protein concentrate/isolate, evaporated milk, sweetened & condensed milk, whole milk, liquid milks, cream, and yogurt.

2.5 Development of New Products or Technologies

An applicant may request assistance from a Food Technology Centre (FTC) to conduct authorized activities listed on page 6 or it may conduct those activities at its own place of business provided it meets the “on-site” product development eligibility requirements of the CDC MIF.

A FTC listed in Appendix 1 may also apply to the CDC MIF for on-site product or technology development activities deemed eligible under the MIF.

FTC Assistance: A dairy product manufacturer or further processor that requires assistance from an FTC should consult the list of CDC-recognized FTCs in Appendix 1.

Subject to CDC approval, a company may request the services of a consultant or FTC not appearing on the attached list.

On-site product development: An applicant that submits a project to conduct on-site product development activities must provide the CDC with satisfactory information regarding the nature and type of product development expertise and equipment it can supply.

In the case of an FTC, it must also demonstrate to the CDC that there is adequate potential for commercialization of the product with a dairy processor or further processor partner.

3. Application Process

An applicant whose project meets the eligibility criteria mentioned in section 2 can submit an application under the CDC MIF.

The CDC will hold in strict confidence the content of any discussion and/or information supplied by a company or FTC pursuant to an application under the CDC MIF. As an Agency of the Crown, the CDC is bound by the provisions of the *Access to Information Act*. This Act allows for the protection against the release of commercially sensitive information including but not limited to a product, recipe formulation and process, market intelligence, or technical innovation.

An applicant wishing to submit an application under the CDC MIF must follow a 2-step application and review process. The Dairy Marketing Program (DMP) group is available to answer questions, provide guidance during the application process, and review draft applications prior to submission. Applicants who require this type of assistance should contact the officers identified in section 5 to discuss their project.

Some partners of the CDC also offer services to assist in the preparation of MIF applications or prepare applications on behalf of applicants wishing to submit a project proposal. Organizations interested in this service should contact CDC recognized Food Technology Centers listed in Appendix 1 to discuss the conditions for this assistance.

3.1 Step 1: Project Summary Form

The first step of the application process is to provide the CDC with a brief description of the project using the *Project Summary Form* in Appendix 3. This form is also available at the following link: http://www.milkingredients.ca/ui/MIFAppFrm_eng.php.

An applicant submitting a *Project Summary Form* will be contacted by phone or e-mail by the CDC if additional information is needed to complete the preliminary evaluation process. Based on this evaluation, the CDC will determine within 10 business days whether the applicant may proceed to *Step 2*.

3.2 Step 2: Project Application

In the second step, the applicant is required to submit a detailed account of the planned activities of the project using the *Project Application Guide* (supplied by the CDC). The applicant must demonstrate how the application addresses all of the stated eligibility requirements and evaluation criteria, based on the amount of funding expected from the CDC ($\leq \$10,000$, $\leq \$50,000$ or $\geq \$50,000$) and on the complexity and risks associated with the Project. As shown in *Appendix 4: Evaluation Criteria Based on CDC's Contribution*, the lower the CDC's contribution and a project's complexity and risks are, the fewer details the applicant will be required to provide.

Upon review of the project application, the applicant will be contacted by the CDC for an interview by conference call to complete and/or validate the information provided in the application documents. Once all the required information has been received, the CDC MIF Review Committee will complete its evaluation of the project and will determine within 30 business days whether the application is deemed to qualify under the CDC MIF.

APPLICATION AND REVIEW PROCESS

Step 1

Project Summary Form

- Completion of the *Project Summary Form* (available at www.MILKingredients.ca) and submission to the CDC,
- Initial project evaluation by the CDC (Go/ No Go)

Go: Project pre-approved
Project authorized to go to Step 2

No Go: Project rejected
End of the process

Step 2

Project Application

- Written application based on *Project Application Guide* provided by the CDC with information on the following:
 - Nature and eligibility of the project
 - Applicant's profile
 - Business and marketing strategy
 - Commercial and technological expertise/partners
 - Benefit for the industry
 - Planned activities and associated costs
 - Financial requirements of the project
- Interview by conference call with the Applicant and the CDC
- Project evaluation by the CDC MIF Review Committee
- Final decision on the eligibility of the project (Go/ No Go)

Go: Project approved
Start of the project

No Go: Project rejected
End of the process

3.3 Evaluation of Applications

The CDC MIF Review Committee will evaluate each application based on the eligibility requirements set out in Section 2 of this Guide, and its anticipated benefits and risk.

Projects which emphasize the use of solids non-fat (SNF) ingredients such as skim milk powder (SMP) milk protein concentrate (MPC) or liquid skim will be given priority attention under the CDC MIF and may be eligible for an increased level of funding.

An applicant involved in the development of a dairy product high in milk fat (such as butter or butter oil) must demonstrate how the remaining SNF components will be treated/commercialized.

In the case where an applicant is seeking funding from other sources (e.g.: provincial and federal governments and/or institutions), the additional sources of funding, along with the amounts being requested, must be fully disclosed to the CDC at time of application. Monies provided under the CDC MIF shall not serve to support activities specifically covered by other funds or grants.

4. Approved Projects

4.1 Method of Payment, Reporting, and Audit Requirements

In the case of an approved project application, CDC will provide up to 50% of the agreed amount to the company halfway through the project subject to the receipt of a detailed progress report prepared by the company or FTC accompanied by copies of payments of approved expenses. The balance of funds will be transferred following the successful completion of all the authorized activities and upon receipt of a final written report prepared by the company or FTC accompanied by copies of payments of approved expenses. No payment will be made³ by the CDC until the CDC receives and approves claims along with progress or final reports supplied by the company or FTC.

The company or FTC agrees to submit to an audit by representatives of the CDC during an approved project and after its completion, and to keep records of its activities associated to the CDC MIF for a period of 3 years. Company record keeping procedures are outlined in the Agreement which governs projects receiving funding under the CDC MIF.

4.2 Knowledge Transfer

The company or FTC agrees to provide the CDC with studies and/or reports that may be obtained as a result of the funding received under the CDC MIF. In the case where an application is approved on the basis that the project involves knowledge transfer activities having a demonstrated benefit for the Canadian dairy industry as a whole, the terms and conditions relating to the transfer of knowledge will be mutually agreed upon during the project approval process.

4.3 Reports to the Dairy Industry

On occasion, the CDC will report on the progress of the MIF to dairy industry stakeholders. Information relating to approved projects will be reported on an aggregate basis so as not to reveal the names or the particular details of any project. Companies whose projects have been approved will be consulted in advance by the CDC to review and approve the information before it is presented.

5. Contact Information

For more information on the CDC MIF and to discuss whether your project might be a good fit with the program, please contact:

Canadian Dairy Commission
Building 55, NCC Driveway
960 Carling Ave.
Ottawa ON K1A 0Z2
Fax: (613) 792-2009

Virginie Robert
Tel: 613-792-2019
Email: Virginie.Robert@cdc-ccl.gc.ca

³ Except in the case of an authorized advance payment (up to 10% of total CDC MIF contribution).

Appendix 1: Recognized Food Technology Centres

PROVINCE	FOOD TECHNOLOGY CENTRE	CONTACT INFORMATION
ALBERTA	Food Processing Development Centre Processing Development Division of Alberta Agriculture 6309 - 45 Street, Leduc, Alberta T9E 7C5 Web site: http://www1.agric.gov.ab.ca/\$department/deptdocs.nsf/all/fpdc5012	Jacqueline Martin-Lopez Tel: (780) 986-4793 Fax: (780) 986-5138 Email: jacqueline.martin.lopez@gov.ab.ca
	University of Alberta Department of Agriculture, Food and Natural Science 206F Agriculture/Research Centre, Edmonton, Alberta T6G 2P5 Web site: http://www.afns.ualberta.ca/	Lech Ozimek Tel: (780) 492-2665 Fax: (780) 492-4265 Email: lozimek@ualberta.ca
BRITISH COLUMBIA	Food Information Service University of British Columbia, Faculty of Agr. Sciences 6650 NW Marine Drive, Vancouver, B.C. V6T 1Z4 Web site: http://www.fis.agsci.ubc.ca/	Tim Durance, PhD. Professor and Director Food, Nutrition and Health Tel: (604) 822-4425 Email: fis@interchange.ubc.ca
MANITOBA	Department of Food Science University of Manitoba, Winnipeg, Manitoba R3T 2N2 Web site: http://www.umanitoba.ca/afs/food_science/	Arny Hydamaka (Ph.D.) Professor Tel: (204) 474-9621 Fax: (204) 474-7630 Email: hydamaka@ms.umanitoba.ca
	Food Development Centre Box 1240, 810 Phillips Street, Portage la Prairie, Manitoba R1N 3J9 Web site: www.gov.mb.ca/agriculture/fdc	Alphonsus Utioh, P.Eng. Tel: 204-239-3179 Fax: 204-239-3180 Email: autioh@gov.mb.ca
NEW BRUNSWICK	New Brunswick Research & Productivity Council (RPC) 921 College Hill Road, Fredericton, NB E3B 6Z9 Web site: http://www.rpc.ca/	Mr. Germain Landry, M.Sc. Tel: 506-452-1382 Email: Germain.Landry@rpc.ca
ONTARIO	Guelph Food Technology Centre (GFTC) 88 McGilvray Street, Guelph, Ontario N1G 2W1 Web site: www.gftc.ca	Karen McPhee, Manager, Product Development Services Tel: 519-821-1246 ext 5058 Fax: 519-836-1281 Email: kmcphee@gftc.ca
PRINCE EDWARD ISLAND	Prince Edward Island Food Technology Centre P.O. Box 2000, Charlottetown, P.E.I. C1A 7N8 Web site: www.gov.pe.ca/ftc	Jim Smith, Executive Director Email: jsmith@gov.pe.ca

QUEBEC	Agriculture and Agri-Food Canada Food Research and Development Centre 3600 Casavant Blvd. West, St. Hyacinthe, Quebec J2S 8E3 Web site: www.agr.gc.ca/science/frdc	Marc D'Aoust Tel: (450) 773-1105 Fax: (450) 773-8461 Email: daoustm@agr.gc.ca
	Cintech agroalimentaire 3224 Sicotte St, Saint-Hyacinthe, Quebec J2S 2M2 Web site: www.cintech-aa.gc.ca	Suzanne Laberge Tel: (450) 771-4393 Fax: (450) 771-0832 Email: slaberge@cintech.ca
	Centre d'expertise fromagère du Québec 3230 Sicotte St, E304 Saint-Hyacinthe, Quebec J2S 7B3 Web site: http://www.expertisefromagere.com/	Abdel Ould Baba Ali Tel: (450) 250-2330 Fax: (450) 250-2337 Email: info@expertisefromagere.com
	Institut des nutraceutiques INAF/STELA Pavillon des services, bureau 1710 Université Laval 2440, boulevard Hochelaga Web site: http://stela.fsaa.ulaval.ca	Renée Michaud Tel: (418) 656-3527 Fax: (418) 656-5877 Email: renee.michaud@inaf.ulaval.ca
SASKATCHEWAN	Saskatchewan Food Industry Development Centre Inc. #117-105 North Road, Saskatoon, SK S7N 4L5 Web site: www.foodcentre.sk.ca	Carmen Ly Tel.: (306) 933-7556 Email: cly@foodcentre.sk.ca

Appendix 2: Definitions of Eligible Costs

The CDC has established 3 categories of eligible costs related to consultation and/or product development activities under the CDC MIF.

CATEGORY	DEFINITION	EXAMPLES
Consultants and Sub-contractors Costs	<p>Professional fees for consultants and sub-contractors for work which can be specifically identified and measured as being directly related to the Project funded under the CDC MIF.</p> <p>Travel costs for consultant and sub-contractor includes economy airfare and hotel (as per published government rates) only.</p>	<ul style="list-style-type: none"> • Cost of feasibility studies done by a specialized consultant prior to product development • Cost of focus group testing done by a consulting firm • Cost of pilot trials conducted by a FTC
Direct Labour Costs	<p>Gross wages or salaries (excluding benefits, incentives and bonuses) incurred for work which can be specifically identified and measured as being directly related to the Project funded under the CDC MIF.</p> <p>Only wages or salaries of staff directly involved in product testing or contract personnel hired to work on the Project are considered as direct labour costs.</p>	<ul style="list-style-type: none"> • Salaries of staff working on the production line • Salaries of staff working on machinery/equipment retrofit • Salary of the supervisor of the product testing team • Salary of an intern / summer student hired to work specifically on the project
Direct Material Costs	<p>Material costs which can be specifically identified and measured as being directly related to the Project funded under the CDC MIF.</p>	<ul style="list-style-type: none"> • Cost of Canadian dairy ingredients used in product testing activities • Cost of other raw material used for the project

Appendix 3: Project Summary Form

GENERAL INFORMATION

OBJECTIVE OF THE CDC MATCHING INVESTMENT FUND (MIF)

The CDC MIF is designed to support product development initiatives that help grow the business for milk and dairy ingredients, by providing funding for consultation and product development activities.

CONFIDENTIALITY OF PROPOSALS

The CDC will hold in strict confidence the content of any information supplied in this Project Summary Form, based on the provisions of the *Access to Information Act* explained in Section 3 of the Program Guide.

PROJECT SUMMARY FORM

Please summarize the project you want to submit to the CDC MIF, by answering each question on this form. If there is not enough room on this form to provide the required information, please use additional pages, clearly indicating the question or item number.

1. COMPANY PROFILE

Company name:					
Name of contact person:					
Address:					
City:		Province:		Postal Code:	
Telephone:		Fax:			
Email:					
Web Site:					
Year of incorporation:		Business registration number:			
Category of business (select):	<input type="checkbox"/> Dairy product manufacturer	<input type="checkbox"/> Food technology centre (FTC)			
	<input type="checkbox"/> Further processor	<input type="checkbox"/> Other _____			

2. PROJECT DESCRIPTION

2.1. Describe the primary objective of your project.

See additional pages attached

2.2. Explain how your project will result in a net increase in the use of raw milk components or dairy ingredients.

See additional pages attached

2.3 List the activities that need to be performed for this project along with their estimated cost and the name of the partner(s)/service provider(s) who will be performing the activity.

If the work is to be done in-house by company staff, insert "applicant" in the *Partner/Service Provider/Applicant* column.

Activity	Cost	Partner/Service Provider/ Applicant
1.		
2.		
3.		
4.		
5.		
6.		
7.		

2.4. Please select all the activities that have already been conducted for this project:

Literature review	<input type="checkbox"/>	Technical feasibility study	<input type="checkbox"/>	Market study	<input type="checkbox"/>
Financial feasibility study	<input type="checkbox"/>	Business plan	<input type="checkbox"/>	Marketing plan	<input type="checkbox"/>
Kitchen trials	<input type="checkbox"/>	Pilot scale testing	<input type="checkbox"/>	Validation that the product is not manufactured in Canada	<input type="checkbox"/>
Other : _____	<input type="checkbox"/>	Other : _____	<input type="checkbox"/>	Other : _____	<input type="checkbox"/>

3. ELIGIBILITY REQUIREMENTS

3.1. Select which eligible dairy products / components will be used in the formulation of your product:

Butter	<input type="checkbox"/>	Milk powders	<input type="checkbox"/>
Cheese	<input type="checkbox"/>	Milk protein concentrate/isolate	<input type="checkbox"/>
Cream	<input type="checkbox"/>	Sweet & condensed milk	<input type="checkbox"/>
Evaporated milk	<input type="checkbox"/>	Whole milk	<input type="checkbox"/>
Liquid milks	<input type="checkbox"/>	Yogurt	<input type="checkbox"/>
		Other : _____	<input type="checkbox"/>

3.2 Does the final product include whey?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

3.3. What are the technical challenges of this project associated with incorporating a Canadian dairy ingredient or developing an innovative dairy product?

See additional pages attached

3.4 Select which of the following requirement(s) your project will meet and explain how (for each selected requirement):

REQUIREMENTS	EXPLANATION
Incorporate a Canadian dairy ingredient in a product formulation where no dairy ingredient(s) had been previously used. <input type="checkbox"/>	
Replace a substitute ingredient in a product formulation with a Canadian dairy ingredient, or significantly increase the dairy content in an existing product formulation. <input type="checkbox"/>	
Develop and market a new dairy product or a product pursuant to the Domestic Dairy Product Innovation Program (DDPIP). <input type="checkbox"/>	
Develop and market a new or innovative further processed product containing Canadian dairy ingredients. <input type="checkbox"/>	
Technology/knowledge transfer activities having a demonstrated benefit for a company or for the Canadian dairy industry as a whole. <input type="checkbox"/>	

3.5 In order to demonstrate that the dairy product formulation or further processed product will not risk displacing existing Canadian dairy product(s) and/or further processed product(s) made with Canadian dairy ingredients, select which of the following requirement(s) your project will meet and explain how (for each selected requirement).

REQUIREMENTS	EXPLANATION
The project involves reformulating a product with dairy (rather than developing a new/innovative product). <input type="checkbox"/>	
The product is not currently manufactured in Canada. <input type="checkbox"/>	
Similar Canadian product(s) are not currently manufactured and sold in the province(s) where the organization intends to market the product. <input type="checkbox"/>	
Similar Canadian product(s) are not currently manufactured and sold to the same clientele in the same distribution channel. <input type="checkbox"/>	

Appendix 4: Evaluation Criteria Based on CDC's contribution

CDC Contribution	≤ \$10,000 OR <u>Consultation Only Project</u>	≤ \$50,000	≥ \$50,000
Evaluation criteria*	Applicant's Profile <ul style="list-style-type: none"> Registered Canadian company, FTC or organization Necessary managerial expertise to complete the project and exploit the results 	Applicant's Profile <ul style="list-style-type: none"> Registered Canadian company, FTC or organization Necessary managerial expertise to complete the project and exploit the results 	Applicant's Profile <ul style="list-style-type: none"> Registered Canadian company, FTC or organization or FTC Established company or availability of a complete business plan to support the project Necessary managerial expertise to complete the project and exploit the results
	Business and Marketing Strategy <ul style="list-style-type: none"> Comprehensive and realistic assumptions (in the context of the market) 	Business and Marketing Strategy <ul style="list-style-type: none"> Comprehensive and realistic assumptions (in the context of the market) Relevance of project with the applicant's overall strategy Description and relevance of the product strategy Description and relevance of the pricing strategy Description and relevance of the production and distribution strategy Description and relevance of the promotion strategy 	Business and Marketing Strategy <ul style="list-style-type: none"> Clear understanding of the opportunity that the product/process will address Comprehensive and realistic assumptions (in the context of the market) Relevance of project with the applicant's overall strategy Description and relevance of the product strategy Description and relevance of the pricing strategy Description and relevance of the production and distribution strategy Description and relevance of the promotion strategy
	Sales / Marketing Expertise <ul style="list-style-type: none"> Necessary marketing expertise to successfully commercialize the product/process to be developed 	Sales / Marketing Expertise <ul style="list-style-type: none"> Necessary marketing expertise to successfully commercialize the product/process to be developed 	Sales / Marketing Expertise <ul style="list-style-type: none"> Necessary marketing expertise to successfully commercialize the product/process to be developed Recent examples of other product marketing successes
	Partners / Outside Expertise Involved (where relevant) <ul style="list-style-type: none"> Relevance of CDC-recognized FTC's involved (if any) Relevance and qualifications of non-CDC recognized partners / outside expertise involved (if any) 	Partners / Outside Expertise Involved (where relevant) <ul style="list-style-type: none"> Relevance of CDC-recognized FTC's involved (if any) Relevance and qualifications of non-CDC recognized partners / outside expertise involved (if any) 	Partners / Outside Expertise Involved (where relevant) <ul style="list-style-type: none"> Relevance of CDC-recognized FTC's involved (if any) Relevance and qualifications of non-CDC recognized partners / outside expertise involved (if any)
	Ability to Conduct the Project In-House (where relevant) <ul style="list-style-type: none"> Relevance of the R&D/Project leader's technical skills/experience Adequacy of the applicant's facilities and equipment to complete the project 	Ability to Conduct the Project In-House (where relevant) <ul style="list-style-type: none"> Relevance of the R&D/Project leader's technical skills/experience Adequacy of the applicant's facilities and equipment to complete the project 	Ability to Conduct the Project In-House (where relevant) <ul style="list-style-type: none"> Relevance of the R&D/project leader's experience Relevance of the R&D team technical skills Adequacy of the applicant's facilities and equipment to complete the project
	Benefit for the Industry <ul style="list-style-type: none"> Investment recovered on a short term period Solids non-fat / butterfat ratio Bonus: additional benefits to the Canadian dairy industry 	Benefit for the Industry <ul style="list-style-type: none"> Investment recovered on a short term period Solids non-fat / butterfat ratio Bonus: additional benefits to the Canadian dairy industry 	Benefit for the Industry <ul style="list-style-type: none"> Investment recovered on a short term period Solids non-fat / butterfat ratio Bonus: additional benefits to the Canadian dairy industry
	Financial Considerations <ul style="list-style-type: none"> Ability of the applicant to pay for his share of the costs. Other sources of funding (if any) are sufficient 	Financial Considerations <ul style="list-style-type: none"> Ability of the applicant to pay for his share of the costs. Other sources of funding (if any) are sufficient 	Financial Considerations <ul style="list-style-type: none"> Ability of the applicant to pay for his share of the costs. Other sources of funding (if any) are sufficient

The CDC may require more information based on the complexity of the project or the risks associated to it.