



Next Generation  
Manufacturing Canada

# Made Smarter: Strategic Supply Challenge



# Agenda

- 14:00 – 14:05 - Welcome and Introduction
- 14:05 – 14:15 - The Challenge
- 14:15 – 14:25 - Is my project in scope for this challenge?
- 14:25 – 15:00 - How to prepare a strong application
- 15:00 – 15:20 - Project funding and eligible costs
- 15:20 – 15:35 - Q&A
- 15:35 – 15:45 - Break
- 15:45 – 16:00 - IP Strategy Development
- 16:00 – 16:15 - Application Process
- 16:15 – 16:30 - Q&A
- 16:30 - Wrap up & Close

# The Challenge

To develop sustainable and globally competitive manufacturing capabilities in Canada for products critical to protect the health of Canadians during and beyond the COVID-19 pandemic.

It's all about...

# The Application of Advanced Manufacturing Capabilities in the fight against COVID 19

# The Challenge

- The challenge will target the manufacturing of critical products for responding to COVID-19 and other infectious diseases, including:
  - Personal Protective Equipment (PPE),
  - Medical devices,
  - Materials and components required for health care products (such as filter Material for N-95 masks, melt-blown fabric, and sterile packaging products, etc.),
  - Disinfecting and sterilization products,
  - Drugs, vaccines and other therapeutic products.

# The Challenge

- Projects will be reviewed against the latest Health Canada guidelines at the time of assessment. <https://www.canada.ca/en/health-canada/services/drugs-health-products/covid19-industry.html>
- If the product falls outside current guidelines or government priorities, a roadmap will need to be provided indicating how the device or product would achieve approval and certification.
- Example:
  - Home test kits  
<https://www.canada.ca/en/health-canada/services/drugs-health-products/covid19-industry/medical-devices/testing/home-devices.html>

*“At this time, Health Canada does not consider that the benefits of using home test (self-testing) kits outweigh the risks. In accordance with section 5 of the IO, applications for authorization for these types of medical devices will be rejected without compelling new evidence to the contrary.”*

- **Disinfection Robots**

*A portfolio approach will be taken across all product categories to ensure an even distribution of products. NGen has already funded 6 disinfection robots therefore it is highly unlikely that we will fund additional projects.*

# Challenge Funding

\$30m

Funding at 50%

Maximum of \$2m from NGen funding Admin free



# Funding

## Project Size

Expected to be between \$500k - \$4m

Include at least two private sector partners



# Funding

## Administration Fee

- NGen is a not for profit organization. Project administration fees are usually applied to projects as a condition of funding.
- The fee is a one-time, project administration fee payable to NGen equal to 2.5% of the total cost of the project.
- The fee enables NGen to support projects through its project monitoring and claims management process.
- The Admin is not an eligible cost.

## What if I have a \$10m project?

- If successful the first \$4m would be admin free.
- The remainder \$6m would be subject to the 2.5% fee.
- Larger projects greater than \$10m should email [challenge@ngen.ca](mailto:challenge@ngen.ca) to ensure scope fit with the wider NGen program.

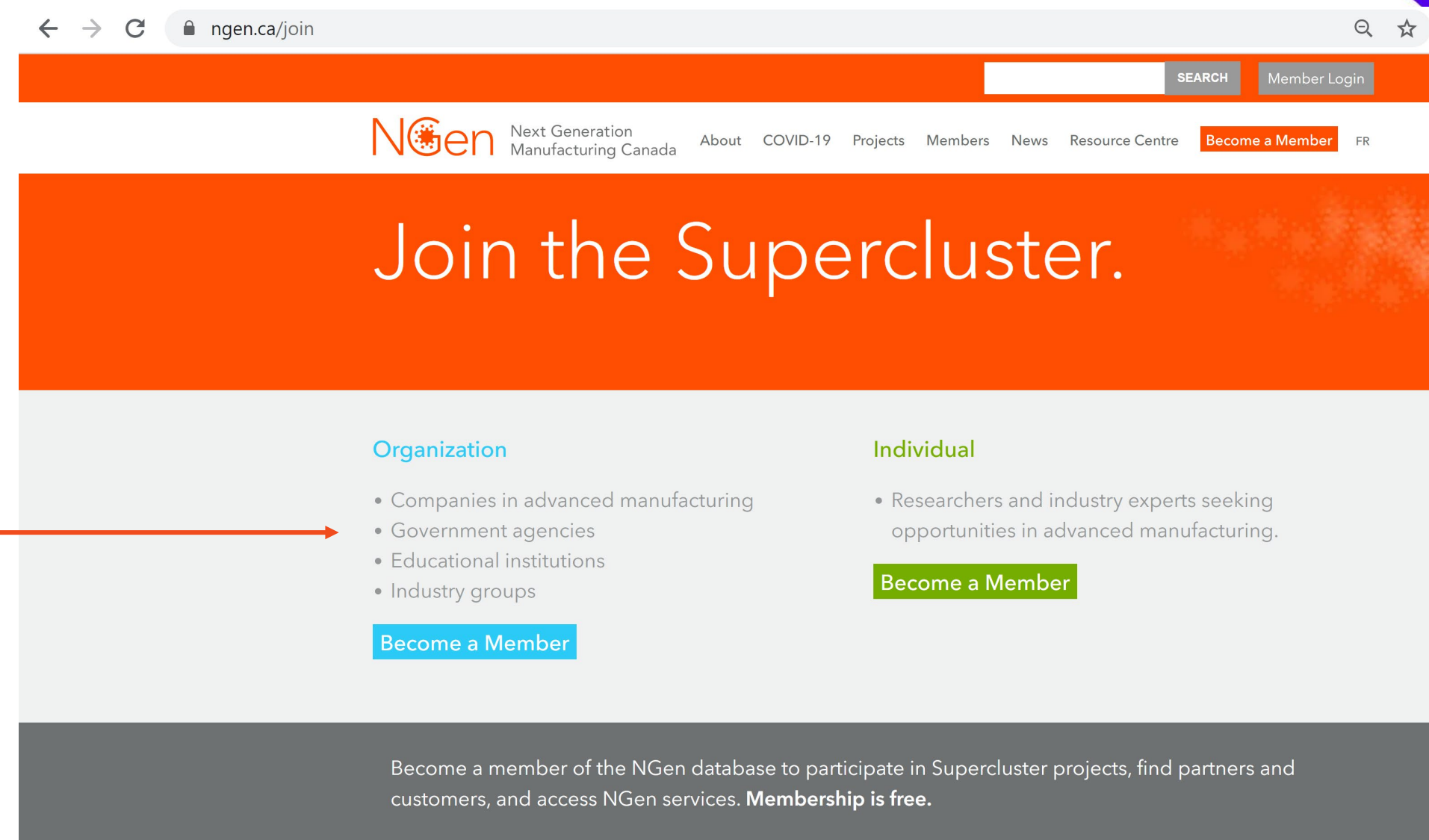
# Funding

- Capital expenditures for the purchase of Advanced Manufacturing equipment are eligible for funding under this Challenge. Any expenditure exceeding \$1 million will require approval by Innovation, Science, and Economic Development Canada. An expedited approval process has been established for this COVID-19 response.
- Partners cannot sub-contract labour services to the project.
- No individual partner may receive more than 70% of NGen funding - therefore if this is a \$4m project funded at 50%, no partner can receive more than \$1.4m of NGen funding.

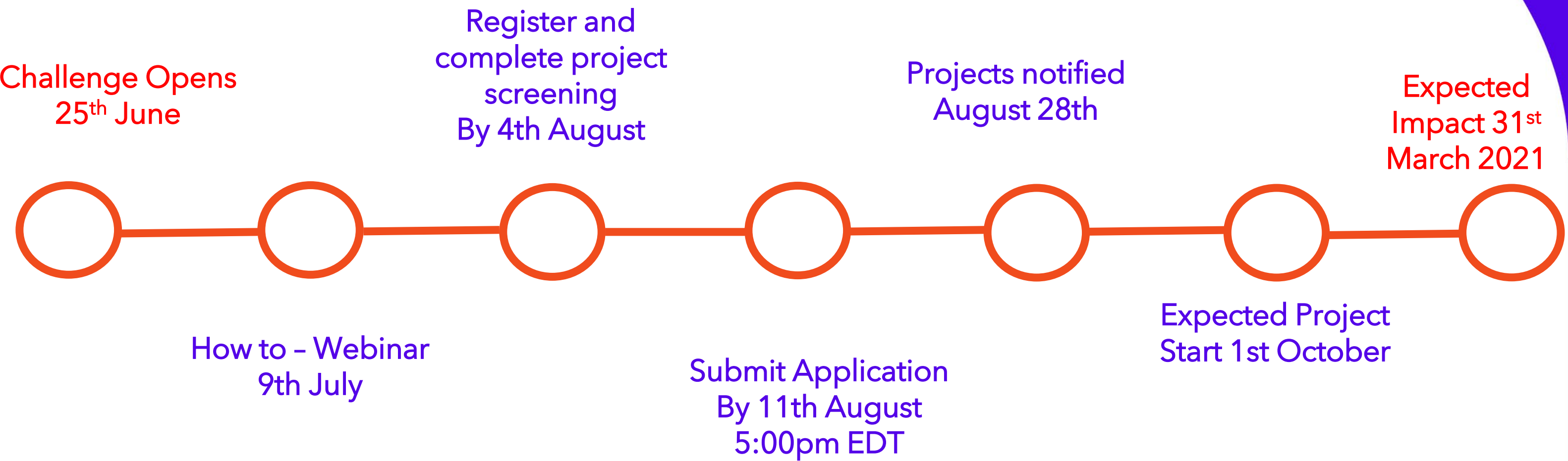
# Who can apply

- Any member of NGen may submit an application for project funding or apply to be considered as a partner
- Register as an Organizational NGen member at <https://www.ngen.ca/join>

Membership is free



# Timeline





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# Is my project in scope for this challenge?



# Strategic Requirements

There are 4 Strategic requirements that need to be met.

## 1. Transformative - Technically or Commercially

- Establishment of a long-term, sustainable, and globally competitive manufacturing capability in Canada.
- Adoption of Advanced Manufacturing capabilities.
- The application or development of new manufacturing capabilities to create a sustainable business case.

## 2. Collaborative.

- Need to include at least two industry partners.
  - A lead partner plus at least one other.
- Partnerships entail joint contributions to the project, building trust on the basis of Shared Risk and Shared Reward.
- Projects are encouraged to include one SME with fewer than 500 employees. Collaboration with other companies, academic and research organizations is also encouraged. This is not mandatory.

# Strategic Requirements (cont.)

## 3. Applied.

- Projects that promise significant long-term commercial potential based on manufacturing in Canada.

## 4. Enduring.

- Projects should contribute to Canada's advanced manufacturing ecosystem by developing new supply chain capabilities, skills development, IP sharing, and/or business scale-up opportunities.

# Project Requirements

## Advanced Manufacturing

- The project targets the adoption or development of advanced manufacturing technologies.
- Establish manufacturing capabilities.

## Market opportunity & penetration

- Describe the market scale-up opportunity and the potential to enter the market if this is a new market.
- Consider the domestic and international supply opportunities and ensure there is long-term sustainability.
- Ensure that the project is not taking market share away from an existing Canadian manufacturer.

# Project Requirements

## Creating value

- The project targets the creation of or safeguarding jobs and economic value for Canada.

## Supply Network

- Consider the whole supply network upstream and downstream.
  - Source of raw material & components to testing, certification and distribution.

## Additionality, Incremental, Counterfactual

- Why is NGen funding required for the project success? Explain how the project could not go ahead at the same scale or pace without it.

# Projects out of scope

- The design of products themselves.
- Projects related to experimental or theoretical work without any direct commercial application or use.
- Projects related to early stage development that do not have a functioning prototype and or do not have a plan for appropriate certification and approval in the project timeframe.
- Production activities themselves or activities that subsidize full scale production.
- Activities that could be viewed as anti-competitive.
- Activities where benefits accrue to a single firm or organization
- Any routine or periodic changes made to existing products, production lines, manufacturing processes, services and other operations in progress, even if those changes may represent improvements.



A link to this page is available on the Challenge page.

<https://www.ngen.ca/strategic-supply-challenge-collaboration>

## ***Made Smarter Challenge - Collaboration Portal***

**Provide us more information about your ideas and  
search for partners (coming July 15th\*\*\*)**

\*\*\*A fully searchable database will be available by the July 15th.

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## NGen COVID-19 Response: Made Smarter - Strategic Supply Challenge Portal

### Made Smarter Challenge Collaboration Portal

Provide us more information about your  
ideas and search for partners (coming July  
15th\*\*\*)

\*\*\*A fully searchable database will be available by  
the July 15th.

COMPANY EMAIL\*

FIRST NAME\*

LAST NAME\*

PHONE NUMBER

COMPANY NAME\*

What is your project idea for the Strategic  
Supply Challenge

What capabilities do you have that will support  
the Strategic Supply Challenge

protected by reCAPTCHA  
Privacy - Terms

Submit

# Unsure if you are in Scope?

FAQ page - [https://www.ngen.ca/made smarter](https://www.ngen.ca/made_smarter)

Still unsure Email - [Challenge@ngen.ca](mailto:Challenge@ngen.ca)



# NGen - Funding Streams from \$50K - \$20m+

## Feasibility Studies

Partnership of 2 or more SME's working to prove or demonstrate the technical or economic feasibility of an advanced manufacturing opportunity

Dedicated towards SME's funding at 50%

Total project size between \$50 to \$200k

## Cluster Building

Group of SMEs with geographical, industry or technical interests, collaborating to forming a mini-cluster to address shared challenges and opportunities for business growth

Dedicated towards SME's funding at 50%

Total project size up to \$150k

## Pilot Projects

Partnership of 2 SME's working on a smaller scale advanced manufacturing project.

Dedicated towards SME's funding at 50%

Total project size between \$100 to \$500k

## Supercluster Projects

Partnership of 3 or more organizations with an advanced manufacturing project. Project must include 1 SME.

Funding at 44.4%

Total project size between \$1m to \$20m

# Manufacturing. Revolutionized.



## Thank You

[Challenge@ngen.ca](mailto:Challenge@ngen.ca)

Become a member today.

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