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is in our nature



# AgriMarketing Program Funding Proposal

## 2012-2013

Small and Medium-sized Enterprise  
(SME)  
Application Guide

September, 2011



Agriculture and  
Agri-Food Canada

Agriculture et  
Agroalimentaire Canada

Growing Forward 

Canada 

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## INTRODUCTION

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

### Objective

The objective of the AMP 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 an important vehicle for branding Canadian food and agriculture *as a whole* in international markets.

AMP 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.

## GENERAL COMMENTS

### Evaluation Criteria

The AMP SME Funding Proposals, submitted via a National Industry Association, will be initially evaluated by the AgriMarketing Secretariat to determine eligibility, based on the criteria listed below. Applications that meet the eligibility criteria will be forwarded to the various sector departmental working groups for review and assessment. Applications will then be forwarded to a Director General level committee which will make funding recommendations.

Applications will be assessed on the following criteria:

- Size of the SME - funding available to companies which have up to **250 employees**.
- Demonstration of an international market export plan
- Eligibility of the activities based on list provided in this guide
- Demonstration that proposed activities are clearly linked to your international market export plan
- Demonstration of the capability to complete the proposed activities, as demonstrated by your international market export plan
- Level of funding requested is appropriate in relation to intended outcome and as compared to average costs of similar activities from other SMEs
- Identification of tangible anticipated results and outcomes which can and will be measured for performance management purposes.
- Confirmation by your affiliated National Industry Association that you are export-ready. The Association is to confirm this for its SMEs by providing a completed Appendix C, attached in this guide for reference.

### **How to apply:**

- Complete SME application form in its entirety
- Submit to your affiliated National Industry Association

Please ensure that the application form is complete (all applicable boxes are filled) and includes the total eligible costs of the activity, the breakdown of the costs, and the total AMP funding requested.

### **Submission of Application:**

To be considered for AMP funding, the final proposal must be submitted via your association to the AgriMarketing Secretariat by noon, EST, January 6th, 2012.

Please submit your application electronically and in hard copy to your affiliated association, who will submit it to the AgriMarketing Secretariat by the established deadline.

If you have any questions regarding the process, please contact in order listed:

1) Your affiliated National Industry Association contact

2) AgriMarketing Secretariat  
Agriculture and Agri-Food Canada  
1341 Baseline Road,  
Tower 5, Floor 4, Room 133  
Ottawa, Ontario K1A 0C5  
[AgriMarketing@agr.gc.ca](mailto:AgriMarketing@agr.gc.ca)  
Phone: 613-773-0221  
Fax: (613) 773-1555

### **ELIGIBILITY FOR AMP PROGRAM PARTICIPATION AND ACTIVITIES:**

#### **Eligible activities and examples**

The AMP will provide **50% funding support up to a maximum of \$50,000 annually per SME** for eligible activities.

Proposed activities are non-generic and do not duplicate work which the AMP already funds associations to undertake.

*Example:* A SME can spend a maximum of \$100,000 in total costs on an activity or series of activities to receive a maximum of 50% AMP funding for a total of \$50,000 annually.

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

If the Association is participating at a trade show, the SME can participate as an exhibitor with the association in its booth but would not receive AMP funding for this activity. However, if the SME would like to do follow-up business activities after the show, these follow-up activities would be eligible for AMP funding.

**Listing of Activities Eligible for AMP Funding:**

**(Note: The program does not fund SME activities in the USA)**

General
<ul style="list-style-type: none"> <li>• Advertising in print and electronic media, billboards and posters</li> <li>• In-store and food service promotions, product demonstration to buyers and consumers</li> <li>• Trade seminars designed to inform industry representatives of specific attributes of Canadian agriculture, food and seafood products</li> <li>• Trade show attendance as a non-exhibitor. (i.e. walking the show or meeting with potential clients)</li> <li>• Trade show attendance as an exhibitor, only at trade shows where the AMP is not funding a National Industry Association that represents the same sector</li> <li>• Technical training of foreign buyers about Canadian products and product handling</li> <li>• Outgoing missions, exploratory missions</li> <li>• Incoming missions, training sessions</li> </ul>

**Listing of Eligible Costs for Eligible Activities:**

General
<ul style="list-style-type: none"> <li>• Incremental costs for materials, supplies, and services specific to the project</li> <li>• 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</li> <li>• Seminars and training costs, including room rentals, audio-visual equipment rentals, printed material, simultaneous translation, publicity and honorariums</li> <li>• Registration fees at conferences, seminars and trade shows</li> <li>• Design, translation and production of promotional material</li> <li>• Advertising costs related to print and electronic media, billboards and posters</li> <li>• Employment of part-time contractors to help in implementing specific promotional activities at point-of-sale or display sites</li> <li>• Professional, interpretation and translation services</li> <li>• Federal and provincial taxes, including the non-refundable portion of the Goods and Services Tax (GST), if any, paid by the SME</li> </ul>
Trade Shows
<ul style="list-style-type: none"> <li>• Participation fee</li> <li>• Travel (see eligible travel expenses below)</li> <li>• Per diems</li> </ul>
In-Store Promotions
<ul style="list-style-type: none"> <li>• Travel (see eligible travel expenses below)</li> <li>• Per diems</li> <li>• Product demonstrations</li> <li>• Catalogues</li> <li>• Recipe booklets / cards / pamphlets for hand outs</li> </ul>

- 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 and apply them to incoming buyers)

### 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.

### Listing 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 AMP agreements (ie your association)
- Contracted services carried out by federal, provincial or municipal governments (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 furnishing, 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 specified under the AMP 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 or 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 discretion of the Minister, is deemed to be ineligible

**Guide to completing the SME application for funding:**

**Section A – Company and Contact Information**

**SME 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. If your application is successful, this information will also be used in the Contribution Agreement as the recipient's contact information. Provide the name of an alternate contact person. If AMP staff is unable to contact the authorized representative, they 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 or 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 here 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 in the guide to clearly answer this section. (see page 5)

### **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 2012-2013, 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 <http://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% of total eligible costs from the AMP and up to 85% of total eligible costs from all levels of government sources (Federal, Provincial and Territorial and Municipal). This requirement is set out the Stacking of Assistance clause in each Contribution Agreement, which states that "at the time of application, the Recipient shall disclose in writing, all proposed sources of funding, including sources and amounts from federal, provincial/territorial and municipal governments, for any activity or objective to be undertaken in the Fiscal Year that falls within the scope of the Activities and Objective Schedule."

### **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](mailto:canadabrand@agr.gc.ca) or visit the web site at [www.brandcanada.agr.gc.ca](http://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 seeking 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 your 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 AMP 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. A reminder that Quarter 1 reflects the months of April through to June, Quarter 2 is July through to September, Quarter 3 is October to December, and Quarter 4 January to March.