

# FACT SHEET

**precarn**  
INCORPORATED

SUCCESSFUL INNOVATION  
THROUGH COLLABORATION.

L'INNOVATION RÉUSSIE  
GRÂCE À LA COLLABORATION.



## Industrial T-GAP

Precarn is an independent not-for-profit company that supports the pre-commercial development of leading-edge technologies. Precarn works with Canadian companies who are seeking to commercialize their new ideas to get an edge in global markets.

There is a recognized chasm in the commercialization of technologies especially in very small companies. It is the black hole on the 'research to reality' road where innovative and viable technologies get lost. Because the development step often lies outside the domain of traditional investment sources, many valuable technologies and ideas are needlessly shelved. In an effort to address this situation, Precarn has allocated \$500,000 in funds to advance technologies that show commercial promise. The Technology-Gap Assistance Program (T-GAP) is the conduit through which the funds are awarded.

The T-GAP program has the following characteristics:

- A focus on very small (2-10 person) companies and start-up companies;
- Maximum funding is \$60,000 (with most accepted projects falling into the \$40,000 range);
- Maximum Precarn support is 75% of total project costs;
- Project duration of nine months or less;
- Proposals may be submitted at any time; and,
- 75% of Precarn's contribution will be paid upon approval of the project and the remaining 25% will be paid upon project completion and receipt of the final report.

Available funds are primarily intended to bring technologies closer to commercial readiness; naturally, this represents a wide range of different activities, but some examples include:

- Building engineering prototypes,
- Refining and implementing designs,
- Conducting scale-up activities,
- Product-specific market research,
- Conducting field studies, or
- Carrying out technical and market assessments.

Equally diverse are the expenses that can be claimed under the program; typical examples include:

- Salaries,
- Consultants fees,
- Materials and supplies,
- Project-related travel, and
- Other necessary direct costs.



## ELIGIBILITY

Funding for projects is available to start-up or very small companies that are incorporated in Canada at the time of the proposal submission.

## APPLICATION PROCEDURE

Applicants are required to submit a proposal, as outlined in the attached Proposal Content guidelines. With regard to a proposal, estimates may be used in lieu of exact figures. A detailed budget will be required during the contracting process if a project is approved. Applications may be made to the Precarn office at any time.

## PROJECT DELIVERABLES

The recipient of T-GAP funding is required to submit progress reports to the Precarn office including:

- A mid-term progress report, and
- A final report that summarizes the activities and achievements of the project period and discusses commercialization plans for the technology.

## PROPOSAL EVALUATION

### Screening Criteria:

Proposals will be initially screened for the following criteria:

- The eligibility of the company;
- Whether the project's technology has been or can be protected (e.g. by patents or copyrights), and
- Whether the project is considered to increase the commercial potential of the technology.

### T-GAP Proposal Content Guidelines

It is no coincidence that the proposal requirements resembles those of a business plan; the preparation of this document is intended to engage the applicant in a thoughtful analysis of the potential opportunity presented by their technology and the market(s) for which it is targeted. However, as proposals are not intended to be lengthy nor onerous, they are limited to a maximum of five pages (not including appendices).

### Cover Page

Provide the name and contact information for the applicant and the company. Include the number of employees and annual revenues (if applicable). Also provide a title and a short description of the technology and its application.

### The Opportunity

Provide a simple statement making reference to the technology, the potential product(s) and the potential market(s) involved. For example:

*The research into (seismic sensor) technology, which has been carried out in (the Department of Geology at Pangea University) has resulted in the identification of a (new type of blast monitoring device) that could be marketed (in large quantities) to (the construction, mining, and quarry) industries.*

### Project Description

- Explain the need for the T-GAP funding.
- Describe the work that will be done. Include a Statement of Work, Milestones and a schedule of work. Provide a GANTT chart if appropriate.
- Describe the breakdown of responsibility of the various members involved in the project.
- Describe what the end result of the project will be.

### Project Team

- List the members and affiliations of the Project Team.
- Describe the expertise of the various members of the project (both from a scientific and business standpoint).
- Indicate the level of commitment the team has to commercializing the technology.

### The Product or Service

- Describe, in non-technical language, the purpose of the proposed product or service and why it should be developed.
- If this is a new technology, what functions or features will it have? What are its unique features (cost, design, simplicity, etc.)? How does it achieve this purpose? Describe the current and potential features, functions and benefits of the proposed product and compare to would-be competitors.

- What is its current stage of development (e.g. idea, engineering model, engineering prototype, production prototype)?
- How long will the technology remain relevant and useful (i.e. length of life cycle)?
- Will this be a single product, or will it lead to further products, features or refinements? Discuss some of the next generation possibilities for the proposed product.

### The Market

- If this is a new technology, what function will it provide? Is there a receptor market for this technology? How do you know?
- If this is an innovation on an older technology, is the innovation an incremental improvement or a radical departure? How will this affect the adoption curve?
- What is/are the target market(s)? Describe the needs of this/these market(s).
- Describe any competing technologies.
- Provide information on the market potential?
- Describe the technology transfer opportunities and issues (e.g. licensing, sale, start-up, etc.).
- What are potential distribution channels for this technology? Do they exist? If not, how will they be developed?
- Describe the expected rate of adoption?
- Describe any potential or desired partners that could increase the likelihood of commercial success.
- Describe any other relevant factors (e.g. seasonality, regulatory requirements, assistance programs available, market trends)?
- Describe any market research that has been conducted (e.g. market size, emerging technologies or trends, etc.)

### Intellectual Property

- What is the status of the intellectual property (IP) involved?
- Who will be the owners of technology, and what will be their percentage of ownership?
- What steps will be taken to protect the technology (e.g. patents, copyrights, etc.)?

### Commercialization and Financial Criteria

- Is there sufficient expertise in your field to commercialize the technology?
- Are there any interested parties who will share in these expenses?
- Explain the financial needs of the project, and explain how the funds will be allocated, by providing a detailed, time-phased budget by task that includes all sources of funding and in-kind support.
- Provide information on other sources of funding for commercialization that has been (or will) be explored, this must include both university-industry liaison offices (UILOs) and National Research Council (NRC) Industrial Research Assistance Program (IRAP), <http://www.nrc.ca/irap/>.

### Appendices

List or include:

- Any necessary additional explanations or diagrams of the technology,
- Advisory board or Board of Directors (if applicable),
- Copies of any industry or market studies that have been conducted and referenced in the proposal,
- Any other necessary information.

The information provided in T-GAP Proposals and supporting documents will be used on a confidential basis in accordance with Precarn's review policy. If required, Precarn and its reviewers will sign non-disclosure and non-use agreements.

**Proposals may be submitted (and will be subsequently reviewed) at any time.**

Questions about the Program and submissions should be directed to:

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*"Precarn is an independent not-for-profit company that supports the pre-commercial development of leading-edge technologies. Precarn works with Canadian companies who are seeking to commercialize their new ideas to get an edge in global markets."*

*Unlike other research funding programs, Precarn uses a collaborative model that includes a developer, a customer and an academic research partner in every project. This collaboration accelerates development, reduces risk and shares the cost of the R&D. Precarn provides access to an extensive national network of world-class researchers, innovative companies and sources of funding."*