



Business-Led NCEs Frequently Asked Questions

SCOPE:

1. There are 5 research topic areas and 4-5 BL-NCEs to be established? Does this mean you are looking for one Network to be established in each area?

No. Proposed BL-NCEs can address issues in one or more of the research topics listed therefore funding will not necessarily support one Network in each area and this is not a program requirement. However, in order to maximize the impact of the BL-NCE program, the final selection of proposals will give consideration to balancing the funding to ensure that the largest number of S&T priority areas are covered. Nonetheless it is expected that the applicants would be selective and choose the one or two research topic areas that are best aligned with their described vision.

2. Are these Networks required to have private sector participation from across Canada?

No. It is important to note that it is the scope of the research problem that should be of critical importance and relevant to an industry sector and hence the driver for participation. The scope of the problem should also be such that the progress and impact on the sector can be realized in the 4 year time frame and with the level of funding available.

3. What about international collaborations with other Networks, or foreign partners being included in the consortia?

The goal of the program is to help the Canadian private sector utilize the research expertise available within Canada to solve their pressing research needs either to seize an opportunity, or mitigate a threat, and thereby have them gain an entrepreneurial competitive advantage in the global marketplace. BL-NCE funds can not be used to support activities outside of Canada however if it makes sense for the Network to establish links with international partners then that should be clearly explained in the Letter of Intent (LOI).

ELIGIBILITY:

4. Who are eligible applicants?

Organizations eligible to apply are not-for-profit consortia that represent the interests of private sector enterprises with substantial R&D operations in Canada or potential to benefit from R&D (ideally comprising of SMEs and large companies, research providers and research users).

5. Why is the consortia 'not-for-profit'? Aren't you trying to provide an entrepreneurial advantage for the private sector?

The members of the not-for-profit consortia should be for-profit enterprises however the NCE funds can only be released to not-for-profit entities.



6. Are only newly formed not-for-profit consortia eligible, or can existing not-for-profit industry associations, apply?

*Both are eligible. The majority of the members of both newly formed consortia and existing not-for-profit industry association **must** be from the private sector. This requirement extends to the Board of Directors which must also have a majority of members from the private sector. Significant funding and support from the private sector is expected, however provincial funding can also be used to cover a portion of the research or administrative costs of the Network.*

7. Is it necessary for the not-for-profit consortia that will lead the initiative to be incorporated at the Letter of Intent stage?

At the LOI stage, the NCE Secretariat will accept applications from organizations on behalf of the consortia to be incorporated. As is the case currently in the NCE Program, the application needs to clearly describe the proposed governance structure of the proposed Network, and how that structure meets the incorporation requirement.

ROLE of the PRIVATE SECTOR:

8. Can a single company from the private-sector be the lead on an LOI? Is there a minimum requirement for the number of companies to be involved?

*Each proposal will be evaluated on its merit. The establishment of a BL-NCE is meant to enhance the productivity of a **group** of companies who have identified common research goals. Therefore a minimum of two companies are required, with ideally a mix of sizes, and those that participate must have sufficient resources.*

ROLE of UNIVERSITIES:

9. Can a university be the lead applicant on a Business-Led NCE?

No. The application must come from the private sector.

10. When will the next "classic" NCE competition be held?

The next NCE competition will be announced in the spring of 2008.

11. Do university researchers need to be involved in the research of the BL-NCE or can the research all be done in the private sector?

The BL-NCEs are meant to be a collaborative effort with the private sector accessing the best and the brightest researchers in Canada; this includes the researchers found in Canadian universities who would be encouraged to interact with researchers in the private sector to ensure the BL-NCE research goals are met.

12. Are there any guidelines or expectations as to the number of universities that should be involved in the Network and whether or not there should be representation from across the country?

There are no guidelines on the number of universities participating. There is however an expectation that they will be the BEST groups to participate (and the proposal should demonstrate that). There is no expectation, or requirement, for geographic representation.

13. Can existing Networks of Centres of Excellence apply if the applicant is clearly the industry partner in the existing NCE?

No. An initiative can not receive NCE and BL-NCE funds concurrently.

ROLE of GOVERNMENT:

14. How can government research laboratories participate?

The participation of government research labs in the BL-NCEs is strongly encouraged, as appropriate, to help achieve the research goals of the Network. However, BL-NCE funds can not be transferred directly to support research activities in the government labs.

15. Are government regulatory agencies expected to be included?

It depends on the topic of the BL-NCE and what role they are expected to play.

BUDGET/ELIGIBLE EXPENSES

16. Are the majority of the BL-NCE research funds to be spent in university labs?

The BL-NCE funds can be spent on any eligible research activities in both university and private sector labs. Funding provided for the direct costs of research activities incurred by for-profit corporations participating in the network, or performing the R&D under contract to the network, will be awarded by the proponent through open requests for proposals and a competitive process.

17. Can equipment be funded through this initiative?

Some essential pieces of equipment can be acquired but it is expected that a larger percentage of the funds are to be spent on research activities and not on infrastructure such as equipment.

18. Is there a limit to the amount of funds that are to be used for the administrative expenses of the BL-NCE?

Yes. It would be expected that a limit of approximately 20% of the overall budget be allocated for administrative expenses.

19. Are Business-Led NCEs renewable for a second mandate as are the existing NCEs?

The current term for a BL-NCE is 4 years.

20. Will there be funds available for those groups with successful LOIs who are invited to submit full proposals?

No. It is expected that the costs associated with producing the full proposal should be borne by the group submitting the proposal.

21. Do the industrial contributions, either in cash or in-kind, have to be secured at the time of the LOI?

Not at the LOI stage. But by the full proposal stage, the contributions should be endorsed by firm letters of commitment.

CRITERIA

22. What is required in the letters of support at the Letter of Intent stage?

The letters of support should indicate strong support from the private sector as well as a willingness to participate from the university researcher side.

23. The third criteria, strength of the business plan, talks a lot about commercialization outcomes. Since the research agenda is being supported by a group of private sector enterprises, there may be more results that could be considered 'pre-competitive' or 'common good' (such as new standards or procedures that could potentially be applied across the sector) rather than actual products. Is this an issue?

No. As long as these outcomes have a positive impact on the sector they would be acceptable. However, it is also expected that if there is something with commercial potential that comes out of the research, the BL-NCE should support its further development, if at all possible. This is the rationale behind having partners who could commercialize a technology that would then be of practical use to the industry sector.

OTHER

24. Agreement: will the funding and network agreements developed for the Business-Led NCEs be substantively different from the ones for the existing NCEs?

The agreements are being developed at this time and will be ready at the time of funding. As was the case for classic NCEs, we will consult the appropriate stakeholders when developing the agreements. (Here is the link to the current agreements http://www.nce.gc.ca/pubs/fundingagree/fundingagree_e.htm)

25. What about intellectual property (IP)?

The LOI must describe and have a plan as to how IP issues are expected to be handled within the proposed BL-NCE; the IP policies should be consistent with those of the three granting agencies and the NCE but should also protect private sector interests.

26. Who makes the final funding decision?

The Private Sector Advisory Board (PSAB) is responsible for making recommendations to the NCE Steering Committee which then makes the final decision.