

Introduction to IRAP

Elliott Schiller

IRAP is the Industrial Research Assistance Program. Like SR&ED, which we discussed last month, IRAP is funded by the Industry Canada and managed by the National Research Council of Canada (NRC). It has a budget of \$220 million for 2013/2014.

After SR&ED, IRAP is the second largest government source of funding for Small- to Medium-sized Enterprises (SME's). However, as IRAP delivers funds to businesses under various programs, any discussion of IRAP requires you to learn the federal government's "alphabet soup" language. Between last month and the above paragraphs, you should already know the acronyms SR&ED, IRAP, NRC, and SME.

Before I introduce any further acronyms, we need to clarify one other point. The federal government, like your business, has a fiscal year-end. In their case, the year-end is March 31. So, many government programs expire on that date, or, require approval for additional federal funds to continue past that date. Also, like your business, government departments like NRC are given a yearly budget, which can often be depleted early in the fiscal year. Therefore, the first rule of thumb in dealing with any government-funding program is to get your application in for funding early in the fiscal year, before the budget has been allocated elsewhere.

IRAP provides funds to support multiple aspects of business. The one that is probably of most interest to the printing industry is its Financial Assistance Services support. Under this service, IRAP provides funding for:

- Technology innovation projects
- Youth Employment Strategy Program
- And DTAPP (our next acronym)

Let's look closer at each of these programs to see how you might qualify, beginning with technology innovation projects. Similar to SR&ED, IRAP will provide funds, at its discretion "to assist firms to develop and adapt technologies and incorporate them into competitive products and services to be commercialized in the global marketplace."

For example, you are approached by a client to deliver a product that will require you to experiment with utilizing your production equipment in a way that you have never attempted to do previously. However, the potential business opportunity reaches far beyond this client, and could provide you with a new and very significant revenue stream. On the down side, the cost of experimentation will be significant either in manpower or time or material consumed – and a successful outcome is not a foregone conclusion. In that case, you can approach IRAP for financial assistance. If approved, your innovation costs will be subsidized, and, your additional innovation costs might still be eligible for SR&ED funding – definitely a win-win situation.

The second program that IRAP supports is the Youth Employment Strategy Program. Under this program, IRAP will provide SME's with financial assistance to hire "highly skilled post-secondary graduates." Funding will go towards assisting in salary costs for qualified graduates who are hired for a period of at least six months to work



on innovation projects. These projects can include market analysis for a new technology-based product, business development activities, and customer service improvement activities. Again, certain activities may also qualify for SR&ED funding and the costs not covered by IRAP might be covered by SR&ED. Win and win once again!

Lastly, IRAP supports DTAPP, which stands for Digital Technology Adoption Pilot Program. DTAPP's goal is to assist you in increasing your productivity through the adoption of digital technology. DTAPP provides funding and advisory services for a wide range of projects including digital technology adoption, and improving the understanding of the link between adopting digital technology and productivity.

DTAPP was created by the 2011 federal budget with \$80 million in new funding over three years. That funding expires on March 31, 2014. This reporter asked Industry Canada, the funds provider, if DTAPP will be renewed for future years. The response was "a decision will be made public in due course."

Based on that response, if your firm is planning to implement or upgrade your systems capability, don't procrastinate initiating the DTAPP application for the analysis project. In our experience, even if DTAPP is not renewed, when a program is completed, there are allocated funds to companies that are not used (not every project goes over budget), and often, these can be made available to new applicants.

When it comes to obtaining government funding, the four D's of time management – Do, Delay, Discard and Delegate – don't apply. If you want your project to be financially supported by government funding, the maxim of government funding applications is "the early bird gets the worm." Better it should be your business rather than your competitors'.

Elliott Schiller is a Director at Toronto's Teeger Schiller Inc., a company that specializes in obtaining government funding. His clients receive over \$5 million annually to support their ongoing business innovation. E-mail eschiller@teegerschiller.com or visit www.FundingHelp.ca.



Services Provided by Teeger Schiller Inc.

Management Consulting Division

- Existing Systems Evaluation
- Existing Systems Improvement
- Needs Analysis
- New System Search / Selection
- Implementation Project Management
- Logistics / Operations Consulting
- Best Practices Consulting
- Change Management
- E-commerce Support
- Data Mining / Business Intelligence



SR & ED Division / Grant Division

- Identify and Develop Claim
- Engineers / Former Federal Employees
- Up-to-date on Program Nuances and Changes
- Templates Provided for Project Documentation
- SR & ED Technical Claim Preparation
- Training to Ensure Proper SR & ED Tracking
- SR & ED C.I.C.A. Continuing Education Credit Courses
- Free Consultation to Evaluate Claim Potential
- Meet with CRA to Support and Defend Claim
- Government Funding Opportunities



Policy Governance® • IT Governance

- Policy Governance® / IT Governance Workshops
- Policy Governance® / IT Governance Implementation
- Board Coaching
- CEO / ED / CIO Coaching
- Policy Governance® / IT Governance Templates (CobIT)
- Owner Accountable Leadership
- Ensuring Fiduciary Compliance
- Develop Board of Directors Policy Manual
- Board Process Maintenance
- New Directors Orientation



David Teeger

Director

David Teeger C.A., C.A. (S.A.) graduated as a Chartered Accountant in South Africa, and upon arrival in Canada he obtained his Canadian C.A. designation and joined Richter & Associates, a management consulting firm, where he concentrated his practice on various business sectors including household goods, fashion, automotive parts, public associations, and retail chains. He performed many roles in his 15 years at Richter, including managing the professional services organization in North America and all business operations throughout Europe.

David's professional capabilities include computer audits, feasibility studies, system analyses and assistance in the selection, negotiation and implementation of computerized solutions.

As a founding partner of Teeger Schiller Inc., he has focused his practice on consulting to management. His team of professionals has helped businesses select and successfully install a variety of ERP business solutions and add-on systems including business intelligence solutions to give new life to existing computer systems. David's clients not only rely on him to successfully manage the implementation of their new systems, but to manage the change that occurs in their organizations as a result of the use of these new tools.



Elliot Schiller

Director

Elliot Schiller, Ph.D., C.M.C. began his career as a Chemical Engineer working for Grumman Aircraft, in Long Island, New York. He obtained his Ph.D. at the University of Pittsburgh with funding from the U.S. Atomic Energy Commission, and, after being awarded a Presidential Fellowship, he went on to perform research and development activities at Brookhaven National Laboratory.

Since coming to Canada, he has primarily assisted consumer products and retail organizations in a variety of strategic management initiatives, traveling around the globe on behalf of his clients. In 1987, Elliot joined Richter & Associates, and it is here that he first met David Teeger.

As a founding partner of Teeger Schiller Inc., he has focused the SR&ED / Grant Division on obtaining grants and tax incentives for over 100 companies in the small to medium sized business sector. His team has provided services to the discrete / processing manufacturing, material development, textiles, apparel, automotive and computer sciences sectors. Annually, Teeger Schiller Inc. secures more than \$5 million in government funding to assist its clients in having their business initiatives supported by government funding.



304 Richview Ave., Toronto, ON M5P 3G5

Tel: 1.888.816.0222

info@teegerschiller.com • www.teegerschiller.com
Toronto • Montreal • New York • South Florida