

ENTREPRENEUR FUNDING IGNITION



Ignition is a competition for entrepreneurs seeking startup funding. Applicants will compete for capital awards to start or expand their business. With this investment of seed capital, entrepreneurs can develop their ideas into tangible and viable businesses.

Innovation PEI will award up to \$25,000 to the winning applicants. This investment will not require a matching contribution. Eligible costs could include (list not exhaustive):

- incorporation
- product development
- refinement
- market research
- intellectual property
- business development.

This initial investment is expected to leverage additional funds to support the business.

Applicants may be eligible for support under the Skills PEI Self Employ Program. Eligibility will be determined by Skills PEI on a case by case basis.

Applicants will not be restricted from applying for other Innovation PEI programs and services. Successful businesses who receive support under this program can only do so once.

Eligibility

Applicants must be a startup in Prince Edward Island or entrepreneurs committed to establishing and operating a new venture on PEI. The primary applicant(s) must be the founder(s) of the business or majority owner; revenue is not required at the application stage. Product and/or services developed must have the potential to be sold outside of Prince Edward Island.

Businesses that have received funding under Innovation PEI's Innovation and Development Labour Rebate are not eligible for support under this program.

Entrepreneur Loan Opportunities

If interested, candidates are also offered the opportunity to have their application forwarded to Finance PEI and the Business Development Bank of Canada for consideration for a small business loan. BDC business loans offer highly flexible terms and conditions tailored to protect the individual company's cash flow.

Loan applications will be reviewed by BDC and as such, must meet BDC's eligibility requirements. All information shared between Innovation PEI and BDC will remain strictly confidential.

Eligible applicants will be contacted directly by BDC and may be asked to submit additional financial information.

Review Process

To be considered for this award, applicants must submit a summarized business plan to Innovation PEI following the requirements list below. The business plan will be reviewed by an evaluation committee consisting of representatives from Innovation PEI.

Following initial review of the business plan, a certain number of applicants will be selected for the second phase of the review process and will have the opportunity to pitch their idea. Pitches are limited to 10 minutes in duration with a Q/A period afterward. Recipients will be chosen based on the merit of their business plan and their success in the pitch session.

Applications will be evaluated on the following criteria:

- Experience of the founders and management team
- Proposed product or service
- Market value & potential uptake
- Business growth
- Business viability

Note: detailed financial information and projections are *not required* in the application for Ignition funding. However, if available, they provide a clearer picture of business viability for reviewers. Applicants are encouraged to include as much available information as possible to allow for the fullest description of the proposed business, but those without detailed financial plans should not be discouraged from making an application.

Business Plan Requirements

The format of this document can vary but all sections must be collated into one document and include the following elements:

1. Elevator Pitch (1 page summary) of proposed product/service and company
2. Overview of proposed product or service
 - a. Describe these elements in detail. Include features, competitive advantages and disadvantages, innovation, market need and if IP protection options are available.
3. Founders and Team
 - a. Describe the skill sets of the founders and the management team. What is your expertise and experience? Have you previously developed a product or started a business?
 - b. Is there any skillset you will need to outsource or add to your team (hiring)?
4. Market
 - a. Describe the target market, size and industry. Who will be your customers?
 - b. Is the market currently being met? What is the competition and what are your advantages over it?
 - c. Why would your target market purchase your product? Describe sales and marketing strategy.
 - d. What is the revenue model?
5. Statement of Work
 - a. Outline the development work to be conducted over the next year. Include milestones and timeline.
6. Financial
 - a. Use of award funds
 - b. Possibilities for additional investment

Schedule

Competition Launch – April 1, 2015
Business Plan Submission Deadline – May 29, 2015
First Round Review Complete – June 26, 2015
Pitch Sessions – Week of July 6, 2015
Results Released – Week of July 13, 2015

*dates may be subject to change

Confidentiality

Members of the evaluation committee must sign non-disclosure and conflict of interest agreements. Only those directly involved in the evaluation process will have access to submissions. Applicants must ensure that employment agreements allow for participation in this program and the development of new products and services.

Recipient Reporting

Recipients of the Ignition award will be subject to reporting requirements that will be outlined within the contribution contract. These requirements may include:

- Submission of invoices/receipts of eligible expenses tied to the business
- Regular progress reporting to Innovation PEI
- Creation of, or participation in, an advisory or mentorship board to assist the business/founders
- Restrictions pertaining to public communication of award details

If you wish to submit a business plan for consideration, or have questions about eligibility or the review process, please contact:

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Program sponsored by:

