



Small Business Innovation Challenge Program

Ministry of Economic Development and Growth
Ministry of Research, Innovation and Science

Small Business Innovation Challenge (SBIC) Overview

- On March 1, MEDG launched the SBIC in partnership with the Ontario Centres of Excellence to support the growth of high-potential, technology-driven small and medium-sized enterprises (SMEs).
 - The SBIC is an integral component of Ontario's economic plan – the Business Growth Initiative – under the theme of growing Ontario SMEs into larger-scale firms that are globally competitive.
- The SBIC uses public sector business challenges as a platform for SMEs to develop and test innovative technology solutions to a real-world problem facing both private and public sectors.
- The \$28.8 million program provides direct funding to Ontario SMEs to take an innovative idea and develop a working prototype that addresses the challenge issued by Ontario Ministries.
- Modelled after international best practices and successful U.S. and U.K. programs, it was designed to:
 - Engage Ontario's start-ups and SMEs in solving pressing public sector challenges;
 - Increase commercialization opportunities for SMEs through direct funding support and applied demonstration opportunities to prove the value of their innovations to domestic and global markets;
 - Provide a stronger footing for Ontario SMEs to compete domestically and abroad.

Identify a Problem or Issue



Champion Ministry identifies a problem for which a solution is needed

Example: MTO is seeking existing and emerging technology solutions that would support the implementation of High-Occupancy Toll (HOT) lanes in Ontario.

Develop Problem Statement



Champion Ministry works with MEDG and OCE to develop a Problem Statement

Example: As HOT lanes are implemented in Ontario and abroad, there is a growing need for the development of an enforceable means to determine if a vehicle in a specific lane should be billed/fined based on the number of occupants. This solution could be implemented in HOT lanes in Ontario/other jurisdictions and has other in applications (e.g., occupancy at border crossings).

Problem Statement Publicly Posted

SMEs submit proposals to OCE that respond to the Problem Statements

Assessment and Evaluation

Proposals assessed against program criteria. Review panel evaluates proposals and funding decisions are made. Phase at which applicants enter program is confirmed

Example:



Proposals submitted

Evaluation



Proposals meet criteria

Funding Decision



Funding awarded

Two points of entry (based on readiness level of applicant)

Phase 1: Feasibility

SMEs develop feasibility study/ business case to establish technical merit, feasibility, and commercial potential of product
 Up to 5 SMEs per challenge
 Up to \$100,000 per SME
 Up to 6 months

Phase 2: Development & Demonstration

SMEs develop, test and demonstrate prototype
 Up to 3 SMEs per challenge
 Up to \$1 million per SME
 Up to 2 years



Prototype Procurement (Optional Phase)

Demonstration and testing under real world conditions
 50-50 cost-share between Champion Ministry and MEDG
Example: MTO tests prototype at HOT lanes pilot site

Commercialization

Commercial development and sale of product
 No SBIC pilot funding – OPS Procurement Directive applies

SMALL BUSINESS INNOVATION CHALLENGE (SBIC)

Supporting the growth of high-potential, technology-driven SMEs

- The SBIC launched March 1, 2017 with two initial challenges:

1 Service Ontario Challenge



Allowing people to prove who they are when they interact with government via a common, secure, and user-friendly method, so people can easily and privately connect to a wide range of government programs and services

2 MTO Challenge



Developing an automated way to detect how many people are in vehicles using high occupancy toll (HOT) lanes to ensure that vehicles with more than one occupant are not mistakenly billed or fined

- MEDG/MRIS is developing a pipeline of potential challenges for future funding rounds.



SMALL BUSINESS INNOVATION CHALLENGE (SBIC)

Supporting the growth of high-potential, technology-driven SMEs

Does your Ministry have any challenges you'd like to discuss with our team?

- Challenges can come from any Ministry and any Department within the OPS.
- There are two key features that make a challenge ideal for the SBIC:

1 No Existing Suitable Solution

The program aims to support companies in the creation of new products or services with the potential for IP creation.

2 Innovation of Value Beyond OPS

Innovation should be of interest to multiple buyers and ideally from multiple jurisdictions. The program aims to help SMEs grow into globally competitive companies.