Parts
II – Government SRED updates
&
III – Patent related incentives

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Webcast
June 9, 2022

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Authored and presented by David Sabina, MEUK Corporation

II) Government SR&ED announcements

CRA & Provinces

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II - Government SR&ED announcements - CRA & Provinces

1. New SR&ED Director General
2. CRA SR&ED Statistics & Red Book Access
3. CRA Guideline SR&ED eligibility Aug. 13, 2021
4. Federal budget 2022
    1. review of SR&ED
    2. Patent box incentives?
5. CRA April 6, 2022 warning re. false SR&ED info
6. SR&ED SALT - Aug 2021 updates

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1) New SR&ED Director General (DG) July 2021, Lorraine Redekop

- Replaces Jason Charron (2017-2021)
- Some comments integrated into this presentation

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2) CRA SR&ED Statistics
Red Book access restricted?

- Large fluctuations in approved claims 2020-2022
- Mostly related to 15% claimants
- Likely due to clearing of prior year objections & appeals
- Per DG: we are **no longer making the detailed Redbook data available** publicly, however we will continue to make macro-level program data available.

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Balances provided by DG office

SR&ED stats for fiscal period: April 1, 2020 to March 31, 2021 are:

- SRED claims filed: 21,017
- Dollar value of investment tax credits claimed: $3.7B
- Number of SR&ED claims processed*: 21,707
- Dollar value of investment tax credits allowed: $4.7B

**Claims processed in the fiscal period may have been filed in a prior fiscal period. It is possible that the claims processed in the fiscal year exceeds the claims filed in the fiscal year in quantity and investment tax credits.*

Breakdown on refundable vs. non-refundable

For the 2020-2021 and 2021-2022 fiscal periods the numbers are as follows:

Fiscal Year	Claims processed	Total ITC allowed on closed* claims ($,000)	Refundable ITC ($,000)	Non-refundable ITC** ($,000)
2021-2022	20,320***	$3,259,377	$1,900,708	$1,358,670
2020-2021	21,707	$4,661,935	$2,015,615	$2,646,320

Large increases 2020 to 2021
Mostly 15% claimants

SR&ED claim intake	Year end Mar 31, 2020		31-Mar-21			Variance 2020-2021		
	Claims	ITC's	Claims	ITC's Claimed	ITC's Allowed*	Claims	ITC's Claimed	ITC's Allowed*
National	**19,959**	**$3,046,754**	**21,707**	**$3,700,000**	**$4,661,935**	**-1%**	**40%**	
Refundable (35%)	12,069	$1,363,208	14,039	$1,599,717	$2,015,615		6%	33%
Refundable TPR (35%)	2,805	$149,665	3,319					
Non-Refundable (15%)	3,466	$1,142,062	3,117	$2,100,283	$2,646,320		37%	82%
Non-Refundable TPR (15%)	1,424	$311,680	1,101					
Other	195	$80,138	131					
	19,959		21,707					

Source: CRA Redbook

Source: CRA SR&ED Director General Office

Stabilizing 2021 to 2022 - shift to 35% claimants

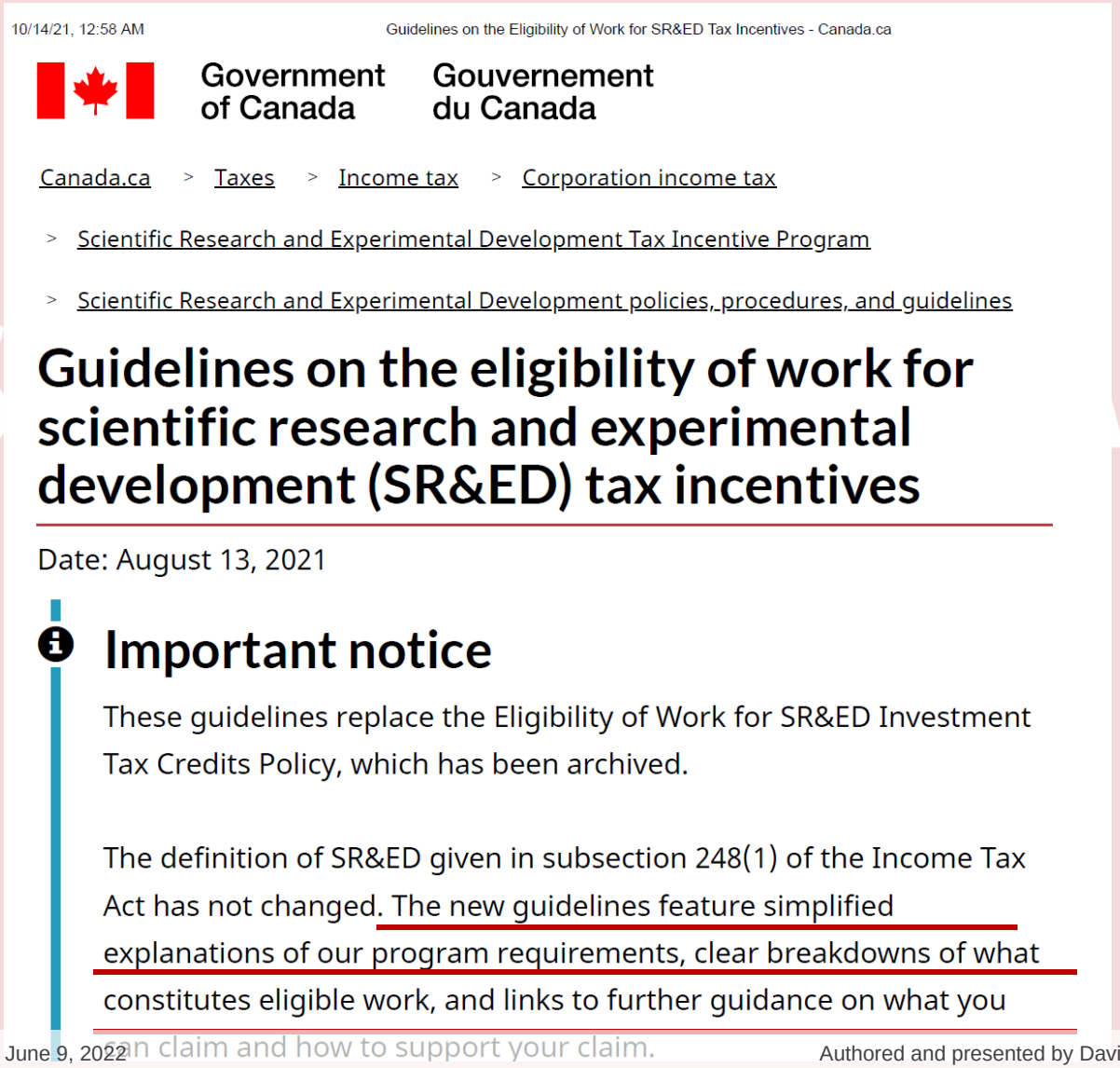
SR&ED claim intake	31-Mar-21			31-Mar-22		Variance 2021-2022	
	Claims	ITC's Claimed	ITC's Allowed*	Claims	ITC's	Claims	ITC's Claimed
National	**21,707**	**$3,700,000**	**$4,661,935**	**20,332**	**$3,259,377**	**3%**	**-23%**
Refundable (35%)	14,039	$1,599,717	$2,015,615		$1,900,708		19%
Refundable TPR (35%)	3,319						
Non-Refundable (15%)	3,117	$2,100,283	$2,646,320		$1,358,670		-35%
Non-Refundable TPR (15%)	1,101						
Other	131						
	21,707			20,332			

Source: CRA SR&ED Director General Office

Source: CRA SR&ED Director General Office

* - ITC's allowed may relateto prior periods

3) CRA Guidelines on SR&ED eligibility Aug. 13, 2021



10/14/21, 12:58 AM Guidelines on the Eligibility of Work for SR&ED Tax Incentives - Canada.ca

Government of Canada / Gouvernement du Canada

Canada.ca > Taxes > Income tax > Corporation income tax

> Scientific Research and Experimental Development Tax Incentive Program

> Scientific Research and Experimental Development policies, procedures, and guidelines

Guidelines on the eligibility of work for scientific research and experimental development (SR&ED) tax incentives

Date: August 13, 2021

Important notice

These guidelines replace the Eligibility of Work for SR&ED Investment Tax Credits Policy, which has been archived.

The definition of SR&ED given in subsection 248(1) of the Income Tax Act has not changed. The new guidelines feature simplified explanations of our program requirements, clear breakdowns of what constitutes eligible work, and links to further guidance on what you can claim and how to support your claim.

New focus : Why & How ?

Requirements for work to be eligible

The definition describes **why** and **how** SR&ED is conducted, which are two key requirements that must both be met for work to be eligible as SR&ED.

Why = TA
(Technological Advancemment)

The "Why" requirement

Work must be conducted for the advancement of scientific knowledge or for the purpose of achieving technological advancement (contained in paragraphs (a) to (c) of the definition). The key to both is the generation or discovery of **knowledge** that advances the understanding of science or technology. The type of knowledge in this context is conceptual knowledge, such as theories or prediction models, rather than just factual knowledge, such as data or measurements. Categorizing this knowledge as being either scientific or technological is not important when it comes to determining the eligibility of work, as both scientific and technological knowledge are eligible.

TU (Technological Uncertainty) Prior Art / Standard Practice

How can you determine when new scientific or technological knowledge is needed? It is needed when it is unknown (or uncertain) whether a given result or objective can be achieved, due to an insufficiency in the available scientific or technological knowledge. This is referred to as a scientific or technological uncertainty. Note that the available knowledge is the combined scientific or technological knowledge of the resources within your business and those sources that are reasonably available to you publicly.

Why (or why not)? = TU Conclusions vs. Results

The recognition that scientific or technological uncertainty exists marks the starting point for the SR&ED work, while the advancement is the targeted outcome of the work. Therefore, an attempt to resolve scientific or technological uncertainty is an attempt to achieve scientific or technological advancement.

Note

Note that success or failure in meeting your objectives is not relevant when assessing whether your work meets the "Why" requirement. The definition of SR&ED only requires that the purpose of the work be for achieving scientific or technological advancement, or in other words, for the purpose of generating or discovering scientific or technological knowledge that advances the understanding of science or technology.

Defining Prior Art / Standard Practice

The "Why" requirement in the context of experimental development

In the context of experimental development, the work is conducted for the purpose of achieving technological advancement. In other words, the work is conducted for the generation or discovery of knowledge that advances the understanding of technology.

Here are some characteristics of problems that may suggest the technological knowledge is insufficient:

- Existing design methods are not applicable;
- Requirements or specifications do not conform to existing standards;
- Too many variables or unknowns;
- Parameters or conditions are outside of the normal operating range;
- Nature of the problem is evolving;
- Data is not readily available;
- There are interlocking constraints.

The "How" requirement
TU & Conclusions vs. Results = TA

It is important to distinguish between a systematic approach to carrying out work and the approach that is a systematic investigation or search called for in the definition of SR&ED. The latter approach includes:

- Generating an idea consistent with known facts, which serves as a starting point for further investigation towards achieving your objective or resolving your problem. Your idea may be expressed as a possible solution to a problem, a proposed method or an approach. This can be referred to as a hypothesis.
- Testing of the idea or hypothesis by means of experiment or analysis. The idea can evolve and change as a result of testing.
- Developing logical conclusions based on the results or findings of the experiment or analysis.
- Keeping evidence that is generated as the work progresses.

Other ideas & concepts

- Elon Musk – “recursive effects”

- Source - Elon Musk: SpaceX, Mars, Tesla Autopilot, Self-Driving, Robotics, and AI | Lex Fridman Podcast #252
- Video clip

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Recursive effects

Dictionary

Definitions from Oxford Languages · Learn more

Search for a word

re·cur·sive

/rəˈkərsiv/

adjective

characterized by recurrence or repetition.

- **MATHEMATICS • LINGUISTICS**
  relating to or involving the repeated application of a rule, definition, or procedure to successive results.
  "this restriction ensures that the grammar is recursive"

- **COMPUTING**
  relating to or involving a program or routine of which a part requires the application of the whole, so that its explicit interpretation requires in general many successive executions.
  "a recursive subroutine"

Recursive effects = System Uncertainty

- Synonymous with “system uncertainty”?
- Understanding “how” component relate to the “whole system” - key concept fo SR&ED
- Simple example – using rockets
  - Concepts & Ideas to help guide claimants
- Some terms > insightful for claimants
  - E.g. Prior Art vs. Standard Practice

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Feedback

- Do you think the new directives simplify the process?
- Any other ideas or suggestions?
- Email: admin@sredstakeholder.ca

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4) Federal budget Apr. 7, 2022 – review of SR&ED program

- 2022 Budget page 63

Review of Tax Support to R&D and Intellectual Property

The Scientific Research and Experimental Development (SR&ED) program provides tax incentives to encourage Canadian businesses of all sizes and in all sectors to conduct R&D. The SR&ED program has been a cornerstone of Canada's innovation strategy. The government intends to undertake a review of the program, first to ensure that it is effective in encouraging R&D that benefits Canada, and second to explore opportunities to modernize and simplify it. Specifically, the review will examine whether changes to eligibility criteria would be warranted to ensure adequacy of support and improve overall program efficiency.

Patent box incentives?

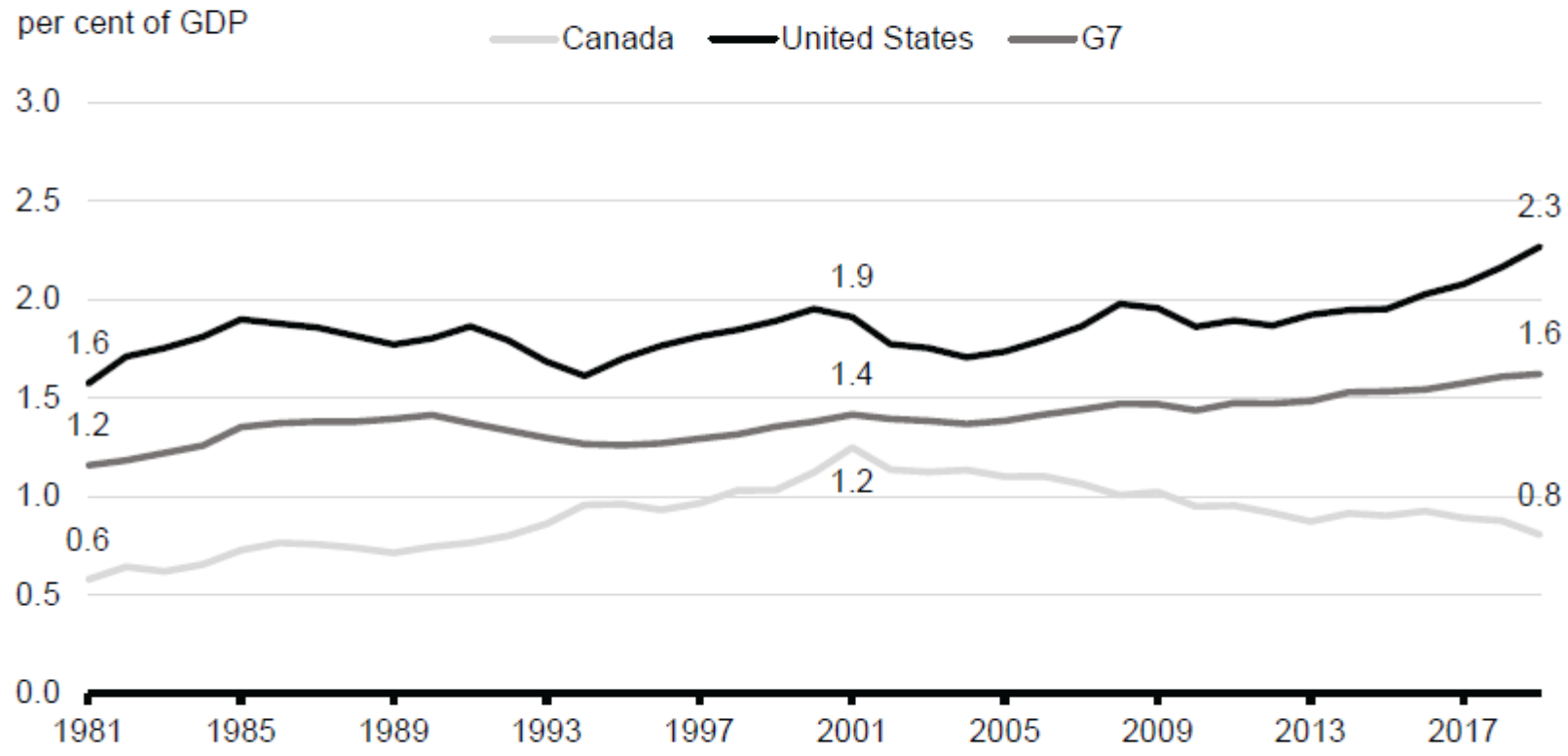
As part of this review, the government will also consider whether the tax system can play a role in encouraging the development and retention of intellectual property stemming from R&D conducted in Canada. In particular, the government will consider, and seek views on, the suitability of adopting a patent box regime in order to meet these objectives.

- Part III - We will discuss Quebec patent box incentives for examples & issues

However, Canada currently ranks last in the G7 in R&D spending by businesses. This trend has to change.

Chart 2.3

Business R&D Relative to Peers



Source: Organisation for Economic Co-operation and Development, Main Science and Technology Indicators.

5) CRA April 6, 2022 warning re. false SR&ED info

Government of Canada / Gouvernement du Canada

Canada.ca > Canada Revenue Agency > CRA Newsroom

Important reminder for businesses filing SR&ED claims

April 6, 2022

Ottawa, Ontario

Canada Revenue Agency

The Canada Revenue Agency (CRA) has observed a recent increase in Scientific Research and Experimental Development (SR&ED) claims containing false and/or fraudulent information. While the vast majority of claims filed for SR&ED tax incentives are compliant with filing requirements, the CRA is reminding you to make sure the information provided in your claim, including information submitted on your behalf by a representative, is valid.

What is SR&ED?

The SR&ED Tax Incentive Program is the largest Government of Canada program supporting research and development in Canada, providing more than $3 billion in tax incentives to over 16,000 businesses annually. Depending on the size and type of business, SR&ED tax credits can be used in three ways:

- A non-refundable investment tax credit (ITC) that can be used to reduce taxes owing in the year;

Additional comments from New SR&ED Director General,

Lorraine Redekop

- As indicated in the message we issued on April 6, we have observed a recent increase in claims containing false and/or fraudulent information.
- In response to this increase, we've reviewed and updated our processes with regards to integrity in the SR&ED program, including the protection of SR&ED program data.
- Following this review, we are developing a revised approach to data management that balances transparency with the need to safeguard program integrity.

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We are here to help you with your SR&ED claim

The CRA is committed to making it easier for eligible businesses to claim SR&ED tax incentives. Whether you are a new or returning claimant, a large or a small business, we can help you determine if your work is eligible. Use our Self-Assessment and Learning Tool to find out, up-front, whether your work is likely to qualify for SR&ED tax credits and to calculate your potential SR&ED claim amount. You can also request a free telephone consultation with a SR&ED specialist if you have questions about whether your work is eligible or how to submit a claim.

Before you submit your claim:

- Review all the information you are sending to the CRA, including information being submitted by a third party representative on your behalf. You are responsible for any mistakes, omissions, or false information in the claim, including information your representative submits.
- Verify that all the required supporting documents are included with your claim.

Submitting false information may have serious consequences

If you apply for the SR&ED Tax Incentive Program using false and/or fraudulent information, you will have to repay the amount to which you were not entitled and you may face serious consequences, including interest and penalties. Third parties who knowingly file false or overstated SR&ED claims on your behalf can have civil penalties imposed on them.

Remember: It's your responsibility to verify the information being submitted on your behalf and to keep documentation to support any claim you make.

If you suspect someone of providing false or fraudulent information to the CRA, you can report it online at canada.ca/taxes-leads or by calling the National Leads Centre at 1-866-809-6841. The CRA will take steps to protect your identity or you can provide information anonymously.

Contact us if you have any questions or need assistance. We are here to help!

Contacts

Media Relations
Canada Revenue Agency
613-948-8366
cra-arc.media@cra-arc.gc.ca

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6) CRA SR&ED Self Assessment Learning Tool "SALT"

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Nov 30, 2021 update

Authored and presented by David Sabina, MEUK Corporation

November 30, 2021 version

Previous version of the tool

Before November 2021, the SR&ED Self-Assessment and Learning Tool consisted of fillable PDF forms. It was updated to an online version to make it faster and easier to assess your eligibility. The PDF version of the tool should no longer be used since it will not receive any updates.

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Français

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Search CRA

MENU

Canada.ca > Taxes > Income tax > Corporation income tax > Scientific Research and Experimental Development Tax Incentive Program

SR&ED Self-Assessment and Learning Tool

Date: November 30, 2021

The Self-Assessment and Learning Tool (SALT) helps you understand how to prepare to apply for Scientific Research and Experimental Development (SR&ED) tax incentives.

The SALT helps you:

- understand the definition of SR&ED
- understand what kinds of work are considered SR&ED
- understand if your project might include SR&ED work
- estimate how much of your expenditures are considered SR&ED
- estimate the investment tax credits that you might be eligible for

Begin self-assessment

Legend for SR&ED eligibility indicators

- Positive – generally supportive
- Neutral – need proper explanations or could go either way
- Negative – typically counter to eligibility

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Objectives & knowledge advancment

Fields marked with an asterisk (*) are required.

Assessing your project

* **Are you expecting to, or did you, increase knowledge, or create/improve a technology as part of your project?**

Yes | No

* **What are you trying to do?**
Select the option that best applies.

- ○ Develop a new device, method, or service
- ○ Improve a device, method, or service
- ○ Characterize a new compound or material
- ○ Determine how we could meet new regulations, or get a certification

Positive for eligibility

Neutral for eligibility

Previous | Next

Technological Uncertainty & Standard Practice

* **Why is this a problem for you?**
Maximum of 3 selections

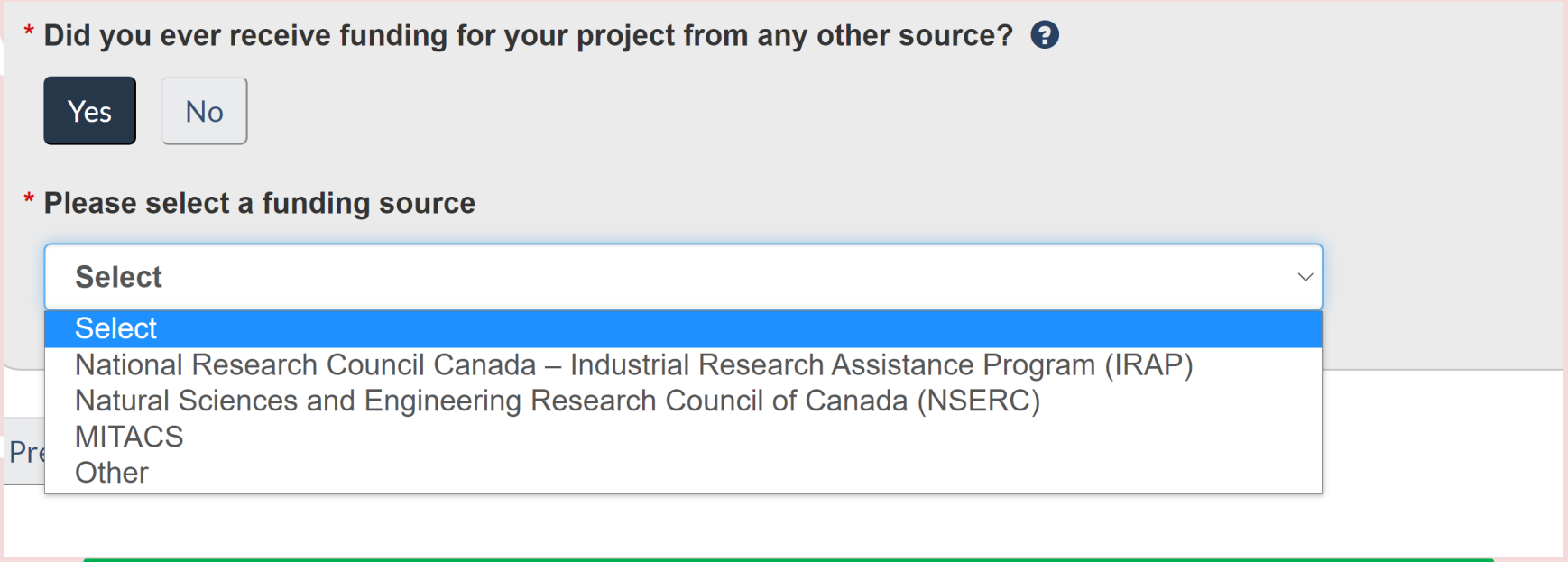
- [x] There was no solution/knowledge available publicly
- [x] What was available at the beginning did not allow us to achieve our objective
- [ ] The device, equipment or method, that we acquired, did not work as intended
- [ ] We needed to develop new modules or components
- [ ] Solving the problem appeared beyond our existing capabilities, so we developed a workaround for our issue

* **Did you ever receive funding for your project from any other source?**

Yes | No

Previous | Next

Government Funding



Note: Involvement of listed groups may increase probability of eligibility

Timeline & status

Fields marked with an asterisk (*) are required.

Timeline

* **What is the current status of your work?**

- (●) The work is ongoing
- ( ) The work is completed
- ( ) The work is planned to take place in the future
- ( ) The work has been placed on hold due to a lack of resources, or circumstances beyond our control
- ( ) The work was abandoned because once we understood what the problem was, we decided to change our approach (e.g. Upgraded materials, changed requirements, or omitted functionality)

Activities: + & - indicators

Project data and execution

* **What activities did you conduct?**
Maximum of 3 selections

- [ ] We developed prototypes and made iterative changes to the design based on test results
- [ ] We formulated a hypothesis or defined potential solutions to solve our problem/increase knowledge that were validated with a set of experiments
- [ ] Using the normal ranges of parameters on the available equipment/methods, we carried out tests and trials
- [ ] We modified existing methods/processes to fine tune and optimize the results based on novel understanding brought from our work
- [ ] We applied known industry or company practices when faced with the problem
- [ ] We hired someone knowledgeable to do the work for us

Previous | Proceed to my eligibility summary

Analysis: + & - indicators

*** What kind of data or feedback did you collect?**
Maximum of 3 selections

- [ ] We did not collect data
- [ ] We collected data from experiments/trials and fed back into it, or analysed it to draw conclusions
- [ ] Once the end product was stable we released it for testing. We collected feedback on user experience
- [ ] We carried out an analysis of existing data from the literature (meta analysis)
- [ ] We collected user feedback while the project was ongoing to closely monitor tests and results
- [ ] We continued to collect the data we normally collect during our process

Authored and presented by David Sabina, MEUK Corporation

III - Patent Based Incentives (Tax / Grant)

1) Quebec (IDCI) “patent box” incentives
2) EDC CanExport
3) IRAP IP Assist

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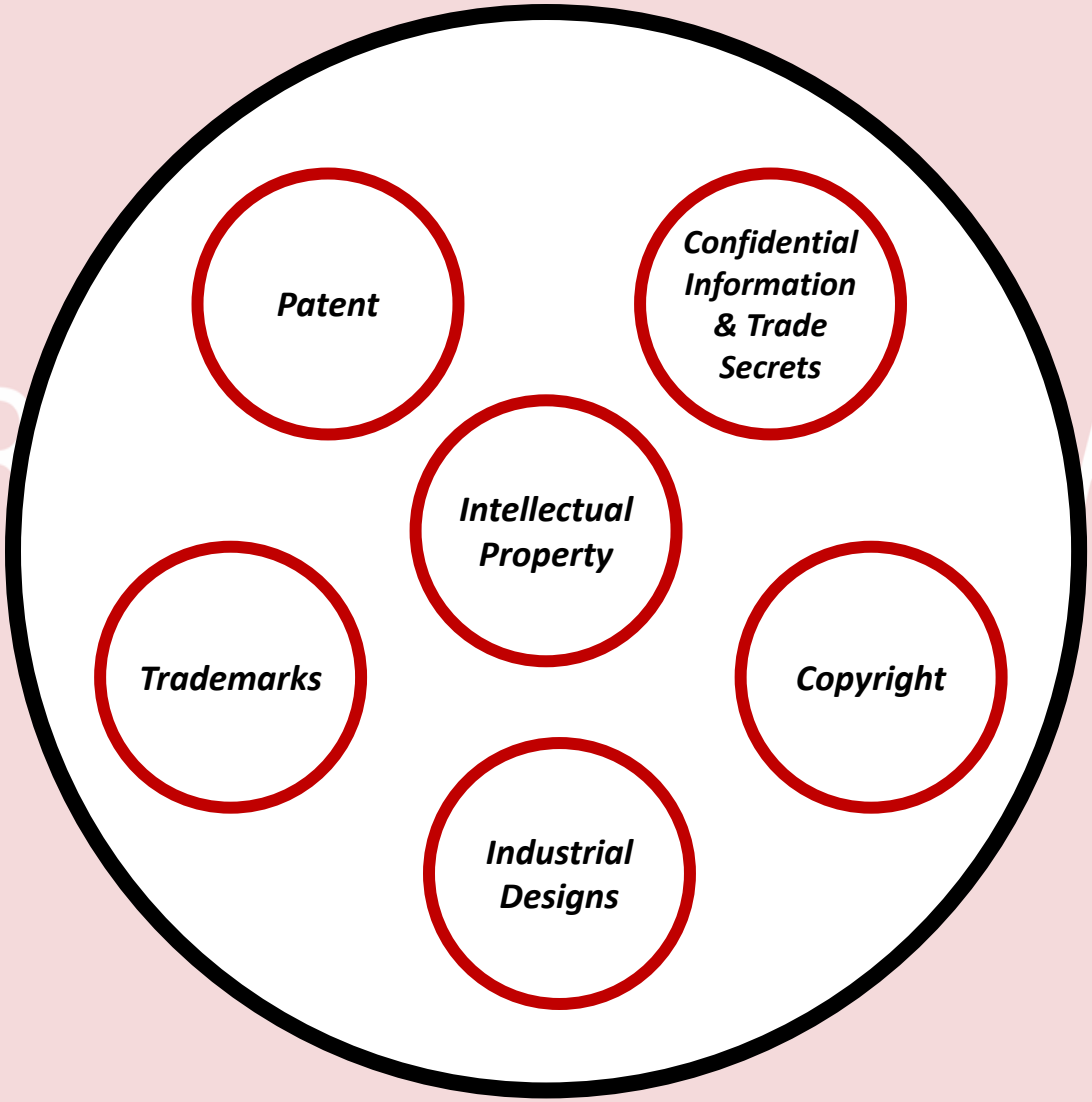
Types of IP


Patent
Confidential Information & Trade Secrets
Intellectual Property
Trademarks
Copyright
Industrial Designs

1) Quebec (IDCI) "patent box" incentives

ISSN 2368-8874

Finances Québec

INFORMATION BULLETIN

December 17, 2021 **2021-9**

CHANGES TO THE INCENTIVE DEDUCTION FOR THE COMMERCIALIZATION OF INNOVATIONS IN QUÉBEC AND ADJUSTMENTS TO OTHER MEASURES

1. CHANGES TO THE INCENTIVE DEDUCTION FOR THE COMMERCIALIZATION OF INNOVATIONS IN QUÉBEC

To encourage the competitiveness of Québec businesses while fostering the retention and valorization of intellectual property developed in Québec, the incentive deduction for the commercialization of innovations in Québec (IDCI) was introduced in the budget released on March 10, 2020.[1]

In short, the IDCI takes the form of a deduction in calculating the taxable income of a qualified corporation and enables such a corporation that commercializes a qualified intellectual property asset developed in Québec to benefit, for a taxation year that begins after December 31, 2020, from an effective taxation rate of 2% on the qualified portion of its taxable income attributable to that asset.

Qualified – corps & assets

In this regard, the expression "qualified corporation" means a corporation that has an establishment in Québec, carries on a business in Québec and from which it derives income from the commercialization of a qualified intellectual property asset to which it holds the rights.[2]

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The expression "qualified intellectual property asset" means an incorporeal property that is either an invention protected by a patent or by a certificate of supplementary protection, or a plant variety protected by plant breeder's rights, or a software protected by copyright. In addition, the property must result from scientific research and experimental development (R&D) activities carried out in whole or in part in Québec.[3]

Qualified – corps & assets

Summary - Need to have

- Establishment in Quebec
- Protection of IP (patent, certificate or protection, copyright, plant right,…?)
- Claimed for SR&ED in Quebec
  - now required – previously hinted at removal

3 part formula

The amount that a corporation can deduct in calculating its taxable income under the IDCI is obtained by applying a formula, which can be broken down into three elements that are used to determine, respectively:

- the qualified profits from a qualified intellectual property asset of the corporation, which profits represent an approximation of the value added attributable to that asset;
- the Québec nexus ratio, which takes into account the relative extent of the R&D activities carried out in Québec by the qualified corporation;
- the rate of the tax benefit, which leads to the determination of a factor making it possible to attain an effective taxation rate of 2% on the qualified income derived from the commercialization of a qualified intellectual property asset.

3 part formula – summary

1. Profit related to the asset
   - Approximation of value
2. Quebec Nexus ratio of R&D
   - If done in multiple jurisdictions
   - OECD rules on transfer pricing
3. 2% deduction related to these profit

Clarifications of the definition of "qualified intellectual property asset"

❑ Clarifications of the definition of "qualified intellectual property asset"

In order to ensure that the IDCI encourages businesses to commercialize Québec-based innovations from Québec, the change in the definition of the expression "qualified intellectual property asset" announced in *Information Bulletin 2020-15* will not be introduced in the tax legislation.

Moreover, in order to more accurately reflect the objective of the IDCI to foster the retention and valorization of intellectual property developed in Québec, while respecting the spirit of the actions established by the Organisation for Economic Co-operation and Development (OECD) to address base erosion and profit shifting (BEPS),[5] the definition of the expression "qualified intellectual property asset" will be amended to specify that, in order to receive this qualification, an intellectual property asset must result from R&D activities carried out at least in part in Québec, which activities must contribute significantly to the creation, development or improvement of the intellectual property asset.

Qualified Intellectual Property Asset

The criteria for determining whether the R&D activities carried out in Québec have contributed significantly to the creation, development or improvement of the intellectual property asset will take into account all the facts surrounding such creation, development or improvement. Accordingly, qualified corporations must be able to demonstrate to the Minister of Revenue the link between these R&D activities and the intellectual property asset.

Also, the R&D activities carried out in Québec must reflect an active participation in the creation, development or improvement of the intellectual property asset and involve the deployment of financial and human resources in Québec.

These changes will apply in respect of a taxation year of a corporation that begins after December 31, 2020.

Qualified Intellectual Property Asset - Summary

- Original definition amended
- OECD / BEPS guidelines profit shifting
- Claimant must illustrate
  - Activities “contribute significantly”
  - Active participation
  - Considering “All facts”
- Effective years > Dec 31, 2020
- IMPLICATIONS: New documentation required

Changes to the Quebec nexus ratio

❑ Changes to the Québec nexus ratio

Under the OECD standards, tax benefits associated with income from an intellectual property asset are permitted provided that there is a direct link between the income receiving the benefits and the R&D expenditures contributing to that income.

However, as a transitional measure, the OECD standards also allow for the use of a nexus ratio based on a moving average of R&D expenditures, which is reflected in the current nexus ratio of the IDCI, which takes into account the relative importance of recent R&D activities carried out in Québec by the qualified corporation.

In this regard, work is underway to establish the rules that will allow the nexus ratio to be directly linked to a qualified intellectual property asset, property, service or family of properties or services.

As such, the Ministère des Finances will announce at a later date the application of this new requirement, which will apply in respect of a taxation year that begins after December 31, 2023.

Quebec nexus ratio - summary

- Nexus ratio options for R&D in multiple jurisdictions
- To be implemented for 2024 tax years +
- Implications:
  - Need for specialists – e.g. patent lawyers, valuators, etc.

2) EDC CanExport

I) CanExport SMEs

Up to $50,000 in funding to help Canadian small and medium-sized enterprises (SMEs) break into new international markets.

II) CanExport Innovation

Up to $75,000 in funding to help Canadian SMEs, academic institutions and non-government research centres develop R&D collaborations through partnerships in foreign markets.

2) EDC CanExport
I) CanExport SMEs

Activities Funded

- Travel (compliant with travel advisories)
- Gathering market intelligence (custom research, reports and studies)
- Applying for intellectual property protection in international markets
- Applying for certification in international markets
- Seeking expert legal and business advice
- Search Engine Optimization
- Translating, adapting or creating marketing materials
- Attending virtual trade shows, networking functions, meetings or conferences

2) EDC CanExport
I) CanExport SMEs

Eligible platforms include:

- social media platforms (ex. Facebook, Twitter, LinkedIn, Instagram and WeChat)
- online marketplaces (ex. Amazon and Alibaba)
- search engines (ex. Google and Yahoo)

2) EDC CanExport
I) CanExport SMEs

Who can apply?

- be for-profit
- be an incorporated legal entity, limited liability partnership (LLP) or cooperative
- have a Canada Revenue Agency business number
- employ fewer than 500 full-time equivalent employees
- have $100,000 to $100 million in declared revenue in Canada during its past fiscal year (or 12 months for quarterly filers)

2) EDC CanExport
I) CanExport SMEs

- CanExport SMEs commits to a decision within 60 business days.
- The cost-sharing formula is 50:50. The program funds up to 50% of eligible costs for $10,000 to $50,000 in funding per project. The applicant is responsible for the remaining 50% of eligible project costs (in-kind contributions are not permitted).

2) EDC CanExport
II) CanExport Innovation

Activities Funded

- Travel (compliant with travel advisories)
- Attending virtual trade shows, networking functions, meetings or conferences
- Applying for intellectual property protection in international markets
- Applying for certification in international markets
- Seeking expert legal and business advice
- Shipping technology to determine feasibility/compatibility with a partner's technology
- Translating, adapting and creating promotional plans or materials
- Attending virtual networking functions, meetings or conferences

2) EDC CanExport
II) CanExport Innovation

Who can apply?

- be registered in Canada
- have a Canada Revenue Agency (CRA) business number
- own, co-own, or have decision-making authority over the intellectual property (IP) rights for the technology
- have a prototype (Technology Readiness Level 4 or higher)
- intend to commercially launch the technology within 5 years
- (note: no revenue required)

2) EDC CanExport
II) CanExport Innovation

- The applicant may submit a maximum budget of $100,000; there is no set minimum.
- The program funds up to 75% of eligible costs to a maximum of $75,000 in funding per project. The applicant is responsible for the remaining 25% (in-kind contributions are not permitted).
- CanExport Innovation commits to a funding decision within 60 business days.

2) EDC CanExport
II) CanExport Innovation

Ineligible expenses include:

- application fees for the registration of a trademark
- application fees for IP protection in Canada
- application fees for a provisional patent to prepare for the international phase of the PCT procedure
- consultant or legal fees related to monitoring patents or trademarks
- consultant or legal fees related to developing a **Canadian IP strategy** (but see IRAP IP Assist)
- development of promotional materials for general marketing purposes, or to generate sales (digital marketing, SEO)

3) IRAP IP Assist

- IP Assist is intended to empower firms to better protect and leverage their intellectual property to achieve business objectives. This service will support firms in improving their IP capabilities by providing educational opportunities and supporting access to IP professionals for certain IP-related services. This support is available to help determine whether your business would benefit from an IP strategy.

Funding:

- IRAP will provide financial support of up to $10K (up to 75% of IP consultant fees and 80% salary cost) for a review of the Firm's current IP assets and status, and priority needs assessment for context of IP strategy.

3) IRAP IP Assist

Eligible Activities Include:

- Development of a firm specific IP strategy with gap analysis
- Review of background art
- Competitor IP asset identification
- Review of supply chain considerations
- IP landscaping for identification of potential competitors
- Collaborators and core technology relationships, etc.

- The IP Assist service is not intended to cover the costs for the drafting and prosecution of patents, patent office costs, or patent annuity fees.