

New Media Manitoba B2B Professional Services Program

Introduction

The B2B Professional Services Program will provide funding for eligible Interactive Digital Media (IDM) companies in Manitoba developing sales and marketing products that drive customer acquisition, revenue generation, and job creation. Examples of eligible activities include the development of software solutions, product development, online tools, market research, go-to-market strategies, and third party consulting services to generate business development products.

While the program is aimed at supporting the wider IDM sector, preference will be given to under-represented companies that require additional support to execute their growth strategy. Companies led by female entrepreneurs and indigenous people will be given special consideration.

The B2B Professional Services Program will provide up to \$20,000, capped at 50% of a participating company's eligible expenses per fiscal year ending 31 March.

Program Guidelines

Eligible Applicants

This program is open to IDM production companies. The applicant must:

- Meet one of the following requirements;
 - At least 25% of the company's revenue over the previous two fiscal years comes from the creation of complete IDM products; or
 - At least 50% of the company's expenditures over the previous two fiscal years are associated with the production of IDM projects.
- Be Manitoba-based;
 - Have a permanent establishment in Manitoba which serves as head office and base of operations (i.e. applicant is eligible to pay corporate income taxes in Manitoba; and Manitoba address is listed as a head office in T2 filing);
 - Companies with more than 365 days of operation must be able to demonstrate that they had a permanent establishment in Manitoba for at least one year prior to the deadline.
- Be a Canadian-owned organization
 - as defined in the Investment Canada Act.

- Be incorporated in Manitoba or federally or prepared to incorporate immediately if their application is successful;
- Be a private sector, for profit company; and
- Have at least one owner or full-time employee with a minimum full-time equivalent of three years of experience in the creation of content for interactive platforms, networks or devices (video games, mobile content, websites, etc.)

The following companies are ineligible:

- Companies that are primarily engaged in marketing, design and branding service work for clients;
- Companies that are associated with an organization that is not in good standing with New Media Manitoba;
- Not-for-profit and public sector entities; and
- Companies that hold a broadcast license or that have an ownership association with a company that holds a broadcast license.

New Media Manitoba will only accept one application per company or associated company per fiscal year. Up to three representatives per company, per activity will be considered. At least one of the participating representatives at each activity must be a decision maker at the executive level within the applicant company. Companies are advised to choose the individual(s) best suited to take advantage of this opportunity. To be eligible, company representatives must:

- Be working full time with the applicant company (sales agents, external consultants, etc. are ineligible);
- Be Canadian citizens or landed immigrants / permanent residents; and
- Be Manitoba residents.

In certain cases, to support the growth and expansion of Manitoba's IDM industry, applications will be accepted from new companies. New companies must:

- Have an executive team with the experience and commitment required to deliver and commercialize an IDM project including at least one owner or full-time employee with a minimum full-time equivalent of three years of professional experience in the interactive digital media production industry;
- Be majority-owned by individuals that have a recent track record of working in Manitoba;
- Be prepared to incorporate immediately if their application is successful; and
- Meet the relevant eligibility criteria for established companies on incorporation.

In addition, owner/operators must be able to demonstrate that they possess significant industry experience including previous attendance at key industry events. New companies should contact New Media Manitoba in advance to determine their eligibility.

New Media Manitoba will consider providing support for a senior, long-term, part-time employee who has the authority to make key decisions for the company. If required, please contact New Media Manitoba in advance of your application to determine if an exception would be allowed.

Eligible Activities

Eligible activities include developing sales and marketing products that drive customer acquisition, revenue generation, and job creation. Examples of eligible activities include the development of software and product solutions, online tools, market research, go-to-market strategies, and third party consulting services to generate business development products.

Activities supported through this program must contribute to the applicant company's business and market development goals related to their proprietary interactive digital media projects. These projects must be intended to be experienced by an end user on an interactive digital media platform, network or device. The projects must also consist primarily of content that includes a combination (at least two) of text, sound and images.

Proposed activities and market development goals must not be related to projects that are:

- Primarily intended to promote companies and corporate and/or institutional agendas;
- Primarily intended for use by corporations/businesses;
- Primarily intended for interpersonal communication;
- Primarily catalogues and databases;
- Primarily repurposed linear and streaming content (music, video, books, magazines) that have not been augmented or enhanced;
- Primarily user generated content, social networking tools and/or distribution of licensed content projects provided by a third party;
- Primarily hardware, non-interactive software, applications, tools, services, and platforms
- Contrary to public policy in the opinion of New Media Manitoba.

Companies may receive funding for the same activity year over year provided that they can demonstrate that they are pursuing new business and market development objectives.

The number of eligible program activities is capped at five. In the event an applicant applies to the B2B Professional Services Program with more than five activities, only the first five will be considered for funding purposes. New Media Manitoba reserves the right to only relate to a portion of the business and market development plan submitted by the applicant company.

While companies are strongly encouraged to submit carefully considered, realistic and well researched activity plans for the period covered by the B2B Professional Services Program, New Media Manitoba is open to adjustments to a participating company's activities as required due to external pressures and unforeseen circumstances. Up to two activity changes are permitted over the course of the year for which the B2B Professional Services Program applies. Prior to undertaking a new activity, recipients must notify New Media Manitoba of the activity change and provide activity-specific information along with a revised budget that includes the costs associated with the new activity. Any changes that are not approved by New Media Manitoba in advance may result in a reduction of the amount of support provided to the participating company.

Budget Requirements

Companies must complete the budget template summarizing all eligible expenses, including:

- Product and tool development;
- Marketing materials and content development;
- Third party fee for services rendered for business development initiatives;
- Commissioned market research; and
- Strategic and implementation plans to stimulate growth and market expansion.

Expenses that are considered ineligible for the purpose of this program include:

- Travel and accommodation expenses;
- Core business costs, such as design and printing of business cards and standard catalogs;
- Communications costs, such as faxing, mobile phone fees, long distance fees, etc.;
- Internal labour costs; and
- Operational tools, such as CRM systems, project management and social media tools etc.

Please note, applicant companies that are receiving support for a specific activity through another New Media Manitoba program are not eligible to receive additional support through the B2B Professional Services Program for the same activity.

Companies are advised that if they are participating in activities that are supported by other government agencies and industry associations, certain expenses may not be eligible for inclusion in the B2B Professional Services Program budget. Companies should speak with the organizers of these events to determine specific requirements for creating their budget for these activities.

All eligible expenses included in the budget must be reasonable and appropriate in the opinion of New Media Manitoba. New Media Manitoba reserves the right to request changes to the budget submitted by the applicant company as part of their application to conform to the above guidelines. A cost report is required on conclusion of the program and significant deviations from the approved budget may be disallowed.

New Media Manitoba will provide program participants with an advance of 50% of New Media Manitoba's financial contribution upon signing of the contractual agreement. The balance of funds will be paid in full to the company upon their submission of a complete narrative and financial report to New Media Manitoba as outlined in the agreement.

Application Process

Applicants must submit an Expression of Interest (EOI) via email to the Business Development Manager at New Media Manitoba: liz@newmediamanitoba.com. Incomplete applications will not be considered.

Applications will be assessed according to the following criteria:

- Company track record* including an assessment of market readiness (5%)
- What products/tools/strategies do you need to develop to grow your business? (10%)
- How will these products support the achievement of your company's business development and marketing strategies? (10%)
- What is the projected ROI for these products? Please provide as much detail as possible (40%)
- What is your implementation plan? (15%)
- What resources have you identified/sourced to develop these products? (5%)
- Provide a detailed budget for each activity (15%)
- What is your timetable for developing these products?
- BONUS: extent to which the project supports and reflects diversity in Manitoba as described in the Government of Manitoba's definition of diversity** and/or gender parity; and/or applicant company is primarily Francophone, Indigenous, or culturally diverse (10%)

* Track record includes an assessment of a company's ability to accurately budget for similar activities. New Media Manitoba's contribution may be reduced accordingly.

** The dimensions of diversity include, but are not limited to: ancestry, culture, ethnicity, gender identity, gender expression, language, physical and intellectual ability, race, religion (creed), sex, sexual orientation and socio-economic status.

Applications will be reviewed and evaluated by New Media Manitoba staff. This is a competitive process and only those applications that best meet the requirements of the program will be

accepted. Failure to achieve targeted results in previously funded cycles may be taken into account in funding decisions. (New Media Manitoba reserves the right to consult with external industry advisors on the application packages on an as needed basis).

New Media Manitoba will give priority to quantitative business development result projections in selecting participants and measuring the success of this program. Quantifiable results include an estimate of the financial impact on the participating company with respect to sales, financing, licensing and/or publishing deals, audience awareness, media coverage, partnership development, etc. Applicants are also encouraged to include descriptions of qualitative results projections in their application.

All New Media Manitoba decisions are final. New Media Manitoba reserves the right to alter program guidelines with general public notice to all potential applicants and to refuse any application for any reason. The number of awards and amount awarded is contingent on confirmation of New Media Manitoba's annual budget. New Media Manitoba is not required to make any minimum number of awards. Subject to the Freedom of Information and Protection of Privacy Act, all information contained in the application will remain strictly confidential. All inquiries pertaining to New Media Manitoba Funds are to be directed to New Media Manitoba staff only.

Participant Obligations

Participating companies are responsible for making all arrangements for resources required for the activity plan outlined in their application.

- **Agreement:** On acceptance into the program, the recipient company will be required to sign a standard Manitoba government agreement covering the terms of their participation in the program including providing New Media Manitoba with permission to use the project and delivery materials for promotional purposes. Recipients may not amend the agreement template.
- **Insurance:** Recipient companies will be required to carry Commercial General Liability Insurance on an occurrence basis for Third Party Bodily Injury, Personal Injury and Property Damage, to an inclusive limit of not less than \$2,000,000 per occurrence, \$2,000,000 products and completed operations aggregate. New Media Manitoba and Her Majesty the Queen need to be named as additional insureds on all policies. Please budget accordingly. Additional information on insurance requirements is available on request.

- **Payments:** New Media Manitoba will provide program participants with an advance of 50% of New Media Manitoba's financial contribution upon signing of the contractual agreement. The balance of funds will be paid to the Recipient upon approval of the narrative and financial report by New Media Manitoba as outlined in the agreement.
- **Reporting:** Final and follow-up reports must include an assessment of business development results to date and a comparison of actual results with those proposed in the participating company's application. Further reporting criteria is outlined in the New Media Manitoba agreement. A follow-up report will also be required six months to one year after the conclusion of the program that summarizes the results of your company's business development activities. This report is not tied to a payment but failure to respond to requests for this report will have an impact on a company's eligibility to receive further support from New Media Manitoba programs. Incomplete final reports will not be accepted in any program. If New Media Manitoba has not received a complete final report within 30 days of completion of the project, New Media Manitoba cannot guarantee that the full awarded amount will be available.
- **Cost Reports and Receipts:** A cost report is required as part of the final report. New Media Manitoba reserves the right to request receipts to demonstrate actual expenses incurred by participating companies. Please maintain appropriate records.
- **Strategic Support:** In certain situations, New Media Manitoba may provide strategic support related to key industry events to supplement the funding provided through this program. Strategic support may take the form of access to an industry consultant to provide targeted advice to participating companies, pre-event briefing sessions, networking opportunities during an event, etc. The decision to provide strategic support will be made by New Media Manitoba and will be based on the need for strategic support and the level of interest in these activities.

Contact Information

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New Media Manitoba

New Media Manitoba is the sector council lead and industry association serving Manitoba's Interactive Digital Media (IDM) industry.