



Digitalization Competence Centre



Info Session

Join the session to learn about the DCC technology adoption programs, BDC's interest-free loans, and Magnet's talent programs to help Ontario SMEs explore digital transformation.

Welcome!



Katherine Stacey
Program Engagement
Specialist
Magnet



Isabelle Landry
Director, Products and
Initiatives Management
BDC



Chris Ritchie
Business Development
Lead
Ontario Centre of
Innovation



Robert McMillan
Digital Adoption
Advisor
Ontario Centre of
Innovation



Digitalization Competence Centre

Information Session

Agenda

- Overview of Ontario Centre of Innovation
- Digitalization Competence Centre
- Additional Support available to support implementation of digital adoption plans via CDAP Fast Track process:
 - Loan available from Business Development Bank of Canada
 - Talent Support program - Magnet

Ontario Centre of Innovation

- A not-for profit organization established by the Government of Ontario in 1987.
- HQ in Toronto; 60 staff including 12+ Business Development Team
- Deliver innovation programs for the Province focused on SMEs
- Manage 2 investment funds, several R&D grant programs including the Ontario Vehicle Innovation Network (OVIN), and operate OneEleven Accelerator

Digitalization Competence Centre

- The DCC is an investment of \$10 million over the next two years by the Government of Ontario.
- The DCC is intended to:
 - Be a source of technical expertise for companies to access the latest knowledge and information on digital technologies;
 - Support businesses to adopt digital technologies
 - Provide small businesses with the training and support to use new equipment and processes;

Eligibility

- For-profit firms
- Incorporated federally or provincially
- 1-499 employees
- Permanent establishment in Ontario

Ineligible Firms

- Consumer facing retail
- E-Commerce sites
- Corporate chains, franchises, or registered charities
- Representatives of multi-level marketing companies
- Real estate brokerages
- Not-for-profit firms
- Firms who have received >\$500k OCI funding

Examples of Pain Points That Can be Addressed with Digital Technologies

- My systems are disconnected (accounting, customer info, shipping) and we use Excel sheets and perform double entry
- No real-time data
- Our on-premises servers are expensive and slow
- My processes are manual and I can't find people.
- How much inventory do I have? Where is it?
- How do I schedule production runs better?
- How do we optimize deliveries/shipping/returns?

Examples of Digital Technologies Supported

- Enterprise resource planning (ERP)
- Customer relationship management (CRM)
- RFID/barcode readers
- Cloud computing
- Sensor/ IoT technologies
- Automation of manual processes
- Building valuable new features or capabilities into your solution

Examples of Digital Technologies Not Supported

- Website build
- Search engine optimization (SEO)
- Landing page optimization
- Enhance website content
- Digital ads

Types of Grants

1. Digital Modernization and Adoption Plans (D-MAP)
2. Technology Demonstration Grant
 - Note: Applicants must conduct a DMAP project before being eligible to apply for a technology demonstration project

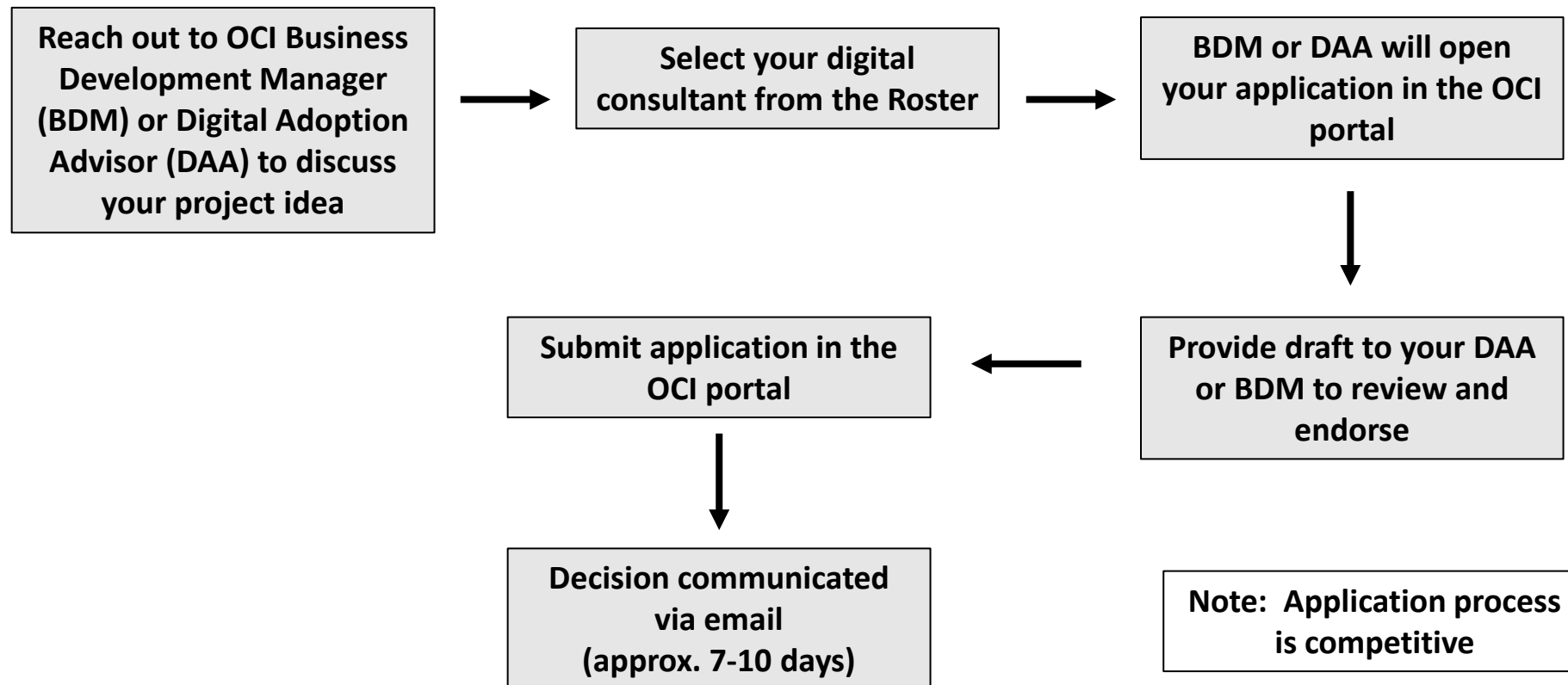
DMAP Grant

- Grant of up to \$15k toward expenses of a Digital Adoption Consultant (DAC) to develop the technology adoption plan.
- Plan should be unbiased advice that identifies 3 potential options that could be pursued
- 50% reimbursement of consultant fees
- Project duration: 3 months

Technology Demonstration Grant

- Grant of up to \$150k toward expenses associated with implementing the digital adoption plan
- 50% reimbursement of implementation expenses (e.g., software subscription, equipment, internal and external wages)
- Project duration: 6 months
- Open to firms that reported \$500k in revenues in one of last three tax years.

DMAP Application Process



DMAP Expenses, Reporting, and Flow of Funds

Eligible expenses

- Consultant fees only
- Expenses of applicant firm are not eligible

Reimbursement

- Project Final Report required at project end (3 months)
- Expense claim completed as part of Final Report
- Consultant's DMAP must be attached in report to OCI as proof of work completed

Demonstration Project Eligibility

- Firms may consider applying for a demonstration project provided:
 - DMAP project reporting obligations have been fully met and report approved by OCI
 - Can demonstrate at least \$500,000 of annual revenue in one of the last three tax years
 - Project has potential for significant economic impacts

Demonstration Project Expenses and Reimbursement

Eligible expenses

- Expenses to build, integrate, or acquire digital technologies
- Internal and external wages eligible (internal wages cannot account for more than 50% of budget)
- Equipment (max of 20% of the budget)
- Please refer to the website for full list of eligible expenses

Reimbursement

- Final report and claim

Choosing Your Vendor (demonstration projects)

- Preference for Ontario vendors
- Reasoning must be provided for sourcing out-of-province vendors
- Consultants who completed a client's DMAP cannot serve as the vendor on the ensuing demonstration project

Timelines

- All projects must be completed by September 2024
- Technology Demonstration grant applications must be submitted by January 2024
- Please note that DMAP projects will need to be completed before firms can apply for a Technology Demonstration grant.

Canada Digital Adoption Program (CDAP)

- DCC and CDAP have entered into a partnership
- DCC clients have a fast-track process to access CDAP BDC loans and talent support via Magnet
- CDAP recipients cannot skip the DMAP and apply for a technology demonstration grant
- CDAP recipients may apply for a DMAP – must be an entirely different subject

CONTACT A PROGRAM LEAD



Chris Ritchie

Business Development Lead
critchie@oc-innovation.ca



Robert McMillan

Digital Adoption Advisor
rmcmillan@oc-innovation.ca



Rohit Sharma

Digital Adoption Advisor
rsharma@oc-innovation.ca



Vahid Sadr

Program Manager
vsadr@oc-innovation.ca

For more Information



Visit our website at:

oc-innovation.ca/programs/digitalization-competence-centre/

Visitez notre site Web à l'adresse suivante:

oc-innovation.ca/fr/programmes/le-centre-de-competences-en-numerisation/

E-mail

dccevents@oc-innovation.ca



**Digitalization Competence
Centre (DCC)**



CDAP Program

Agenda



- 1. Digital Technologies: what are we talking about**
- 2. CDAP Program**
- 3. Loan: amount, terms and conditions & process**



Digital technologies: What are we talking about?

Digital technologies: What are we talking about?



Customer-facing activities

- Websites
- Online video
- Mobile apps
- Email
- Inventory tracking tools
- E-commerce

Digital technologies: What are we talking about?



Back-office activities

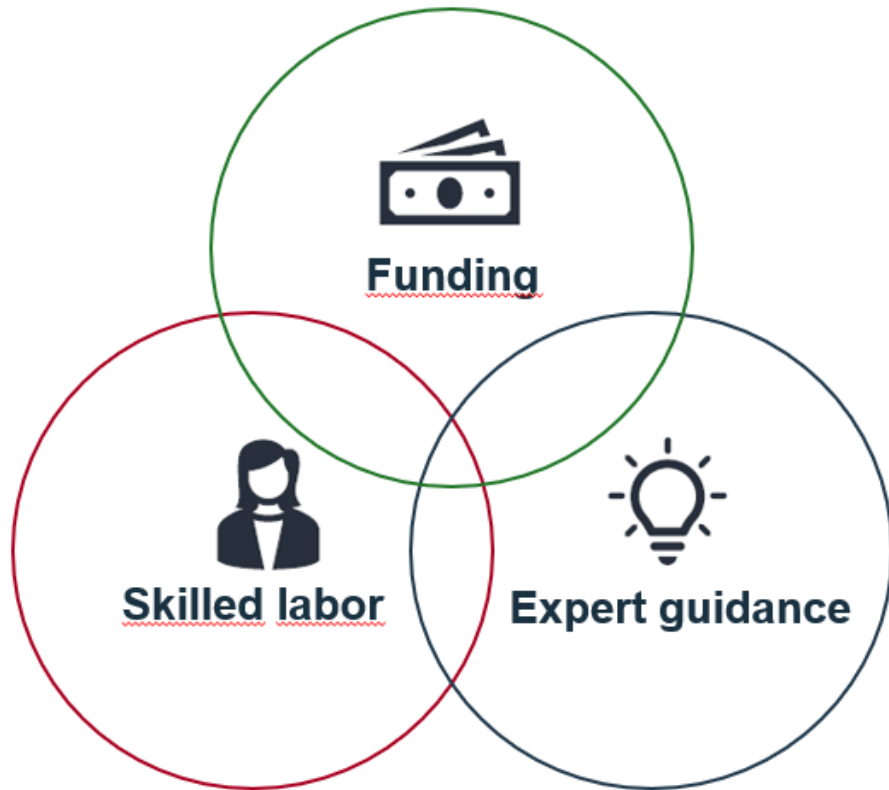
- 3D printing
- Automation
- IoT
- ERP, CRM
- Cloud computing
- Invoicing software
- Analytics
- Accounting software

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CDAP Program

What is Canada Digital Adoption Program (CDAP)?



What is the objective of CDAP:

Enable more small and medium sized entrepreneurs (SMEs) to accelerate digital adoption and transformation, which is a key lever towards increased productivity and competitiveness

What does CDAP include:

4-year government program with \$2.6B available for **advisory grants, financing and student placements**

- access to \$25k to \$100K **zero-interest loan** support their digital transformation
- **advisory grant** to develop a **digital plan** (covers 90% up to a max of \$15,000)
- student placement **wage subsidy** for up to \$7,300



Stream 1:

**Grow Your Business Online
(revenue under \$500K)**

- ➔ Micro-grants of up to \$2,400
- ➔ Grant funds applied towards cost of e-commerce or digital marketing tools
- ➔ Provided by local and regional delivery partners across Canada
- ➔ Expert guidance and services included in the program

Stream 2:

**Boost Your Business Technology
(revenue \$500K+)**

- ➔ Grants of up to \$15,000
- ➔ Funds applied toward professional digital advisory services
- ➔ Access to a network of Canadian digital advisors from the private sector and vetted by the GoC
- ➔ Up to \$100,000, interest-free loan with BDC to spend on new technologies
- ➔ Up to \$7,300 in subsidized work placement



What's in Stream 2: Boost Your Business Technology?

The Government of Canada can provide you with

A funded work placement of up to \$7,300

Covers the wage of a university student or recent graduate

A grant of up to \$15,000

Covers up to 90% of the cost of making a digital adoption plan

A 0% interest loan of up to \$100,000

To be used for implementing the digital adoption plan

Who is eligible for Stream 2?



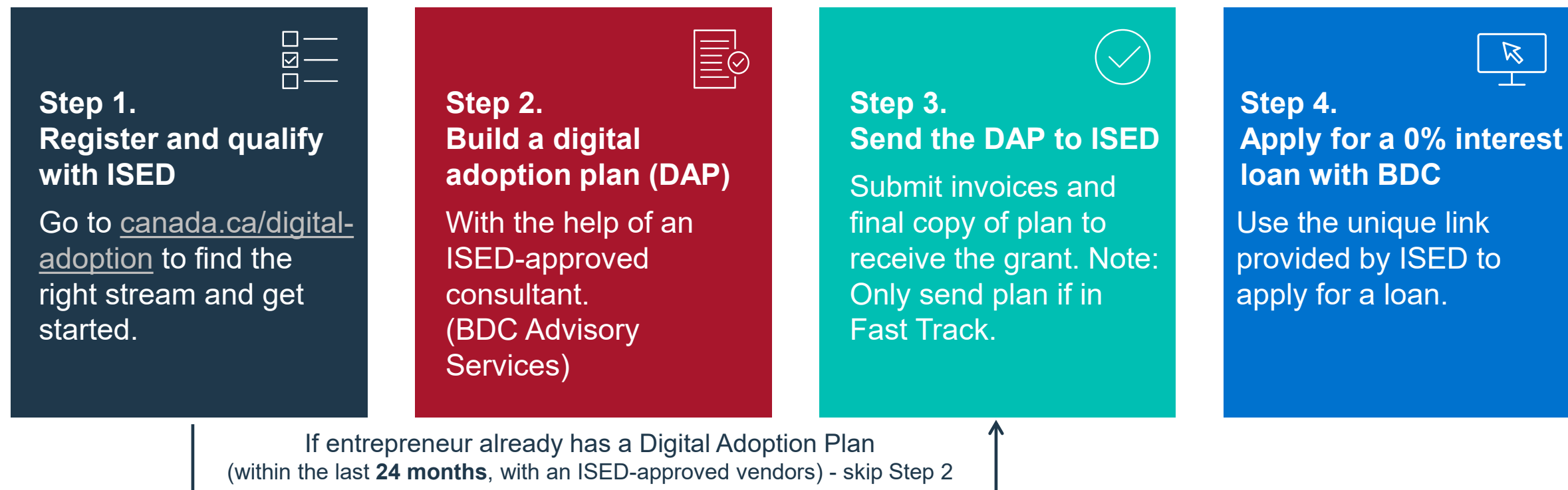
You must meet **all** of the following criteria:

- Be incorporated federally or provincially, or be a Canadian resident sole proprietor
- Be a for-profit
- Privately owned business
- Have between 1 – 499 full time equivalent employees
- Have at least \$500,000 of annual revenues in one of the previous three tax years
- Meet all requirements to be deemed a Canadian-controlled Private Corporation (CCPC)

High level CDAP process



How it works: SMEs' must first apply online to ISED (Innovation Science, and Economic Development Canada) in order to get pre-approved for a grant, then complete a Digital Plan before proceeding with financing application.



What if I already have a Digital Adoption Plan?



If your plan was created by one of the programs below within the last 24 months, you may be eligible for the fast-track option.

- Digitalization Competence Center (DCC)
- Programme Audit Industrie 4.0
- Digital Boost 2.0
- Atlantic Canada Opportunities Agency: Digital Acceleration Pilot
- Prince Edward Island: Digital Acceleration Fund
- BDC Advisory Services

If eligible, go directly to the loan application.

Select the “I want to fast-track my application” option after registration

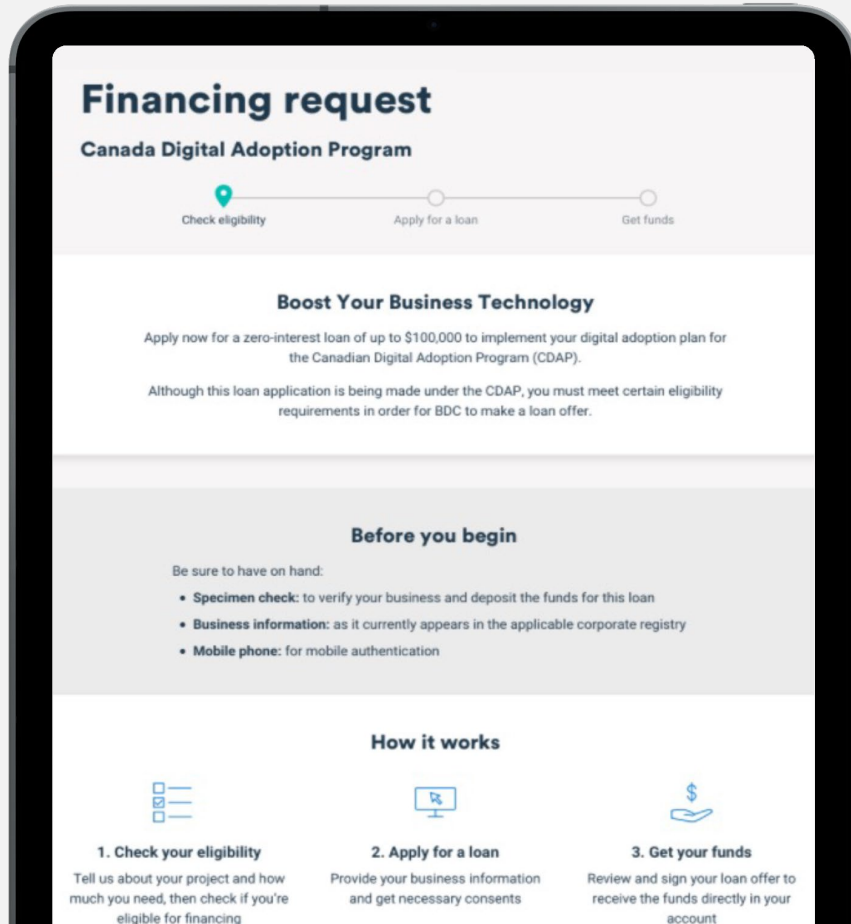
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CDAP Loan



CDAP Loan: Terms and conditions



CDAP loan terms and conditions:

- ➔ 100% online application
- ➔ 0% interest loan
- ➔ No guarantees (no personal guaranty or security agreement)
- ➔ No fees
- ➔ Amortization period: 6 years (5 years plus an initial postponement of 12 months)

How much can you request? It depends on your annual gross revenues...

- \$500k to \$5M: loan between \$25k and \$50k
- \$5M and more: loan between \$25k and \$100k

CDAP Loan: Amount



To qualify for the program, the minimal thresholds of \$500k annual sales must have been met at least once in the last 3 years.



To determine the maximum eligible amount, BDC look at the last year end financial statement



BDC application for 0% interest loan process

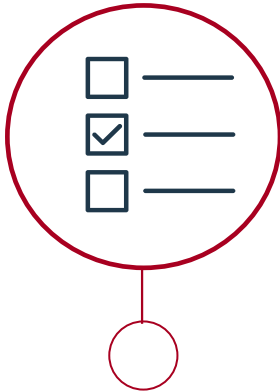
Apply for a 0% interest loan with BDC

Use the unique link provided by ISED to apply for a loan (up to 6 months after receiving the link)

Step 1
Client completes loan application



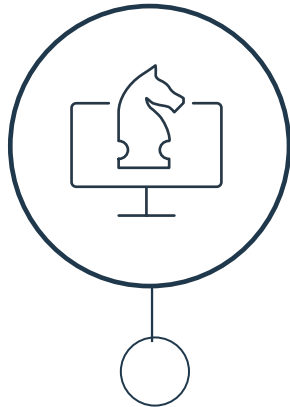
Step 2
OLF CDAP team evaluates loan request



Step 3
OLF CDAP team authorizes or declines the loan



Step 4
Client implements digital adoption plan



Legend:



Client's action



BDC's action

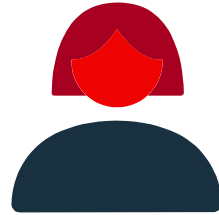
Use of the loan



The loan must be used for the implementation of the digital plan.



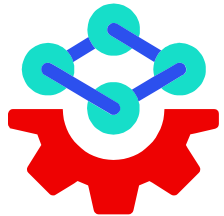
IT Equipment



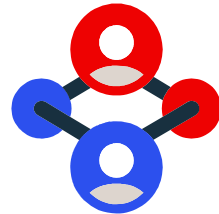
Training staff /
hiring



Materials and
support
services



Installation of
new technologies



Additional
advisory services



Updates /
new CRM



Proceed of the loan can be used to implement, deploy, improve anything that has been identified in the digital plan



Disbursement and audit

- ➔ No validation of the digital plan by BDC
- ➔ No proof of expenditure
- ➔ Disbursement directly into the client's account
- ➔ Audit right given to ISED within the letter of offer

Thank you



BDC



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BDC



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CANADA DIGITAL
ADOPTION PROGRAM

POWERED BY MAGNET

Supporting Businesses with CDAP

Boost Your Business Wage Subsidy



Innovation, Science and
Economic Development Canada

Canada

Agenda

- Introductions
- Boost Your Business Technology Grant & Magnet's Role
- Funded Work Placement
 - Overview
 - Supporting Businesses
 - Details & Examples
- Next Steps & Questions

Introductions

Magnet is Canada's only digital community workforce system. Our mission is to lead the creation of a digital infrastructure that connects organizations and individuals of all backgrounds to opportunities and support.

Together with our community of government, businesses and job-seekers, Magnet is driving positive, inclusive economic growth.

Magnet is the official wage subsidy provider for the Canada Digital Adoptions Program - Boost Your Business Technology Grant.

Magnet is available to support Digital Advisors and businesses participating in the Boost Your Business Technology Grant. Together, our goal is to ensure that CDAP recipients maximize all the benefits that the program offers.



\$7,300 Wage Subsidy for Businesses

Funded Youth Work Placement



- Eligible SMEs/fast-tracked SMEs are redirected to Magnet's platform through their ISED account email.

- Wage subsidy applications are completed online via Magnet's **dedicated platform**.



- Employers have access to **1-on-1 support** from Magnet team for their application completion and accessing our unique pool of candidates (optional).
- Near the end of the placement, employers will share a few additional documents to receive the **payment from Magnet**.

Funded Youth Work Placement

Hiring Criteria

✓ CDAP Businesses can hire a youth to help them implement their Digital Plan.

Youth must be:

- ✓ Ages 18-30
- ✓ Canadian citizens, permanent residents, or refugees with the right to work in Canada.
- ✓ Recent graduates (within 2 years) from college, university, CEGEP, Polytechnic institute, or private training institution (digital skills programs).

OR

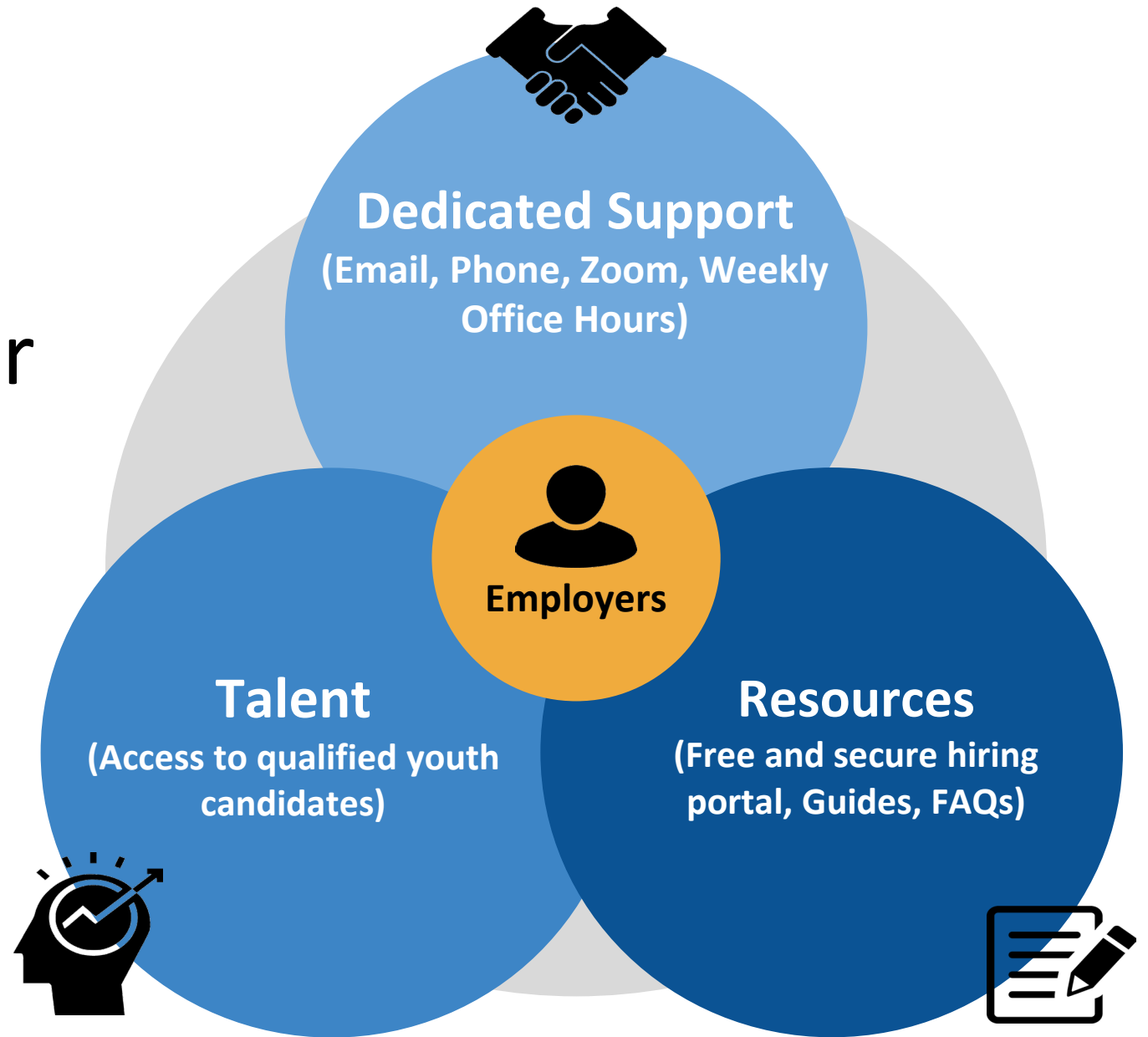
- ✓ Currently enrolled in post-secondary program of study in college, university, CEGEP, Polytechnic institute or private training institution in relevant fields

Youth must be paid for a minimum of 450 hours of work.

Note: The youth hire can stay on permanently. A current employee can be transitioned to a new role and qualify if they also meet the criteria above.

Magnet's Support for Businesses

Maximizing CDAP benefits



Funded Work Placement

More Clarity

MISCONCEPTION	FACT
Youth candidates with the CDAP wage subsidy must be current students	Youth hires must be recent graduates (within 2 years) and aged 18-30 OR currently enrolled in post-secondary program of study in college, university, CEGEP, Polytechnic institute or private training institution in relevant fields
Youth candidates don’t have work experience	Many youth candidates have work experience, particularly in the field of technology
Youth hires have to implement the full Digital Adoption Plan	Youth hires can take on any aspect of the Digital Adoption Plan
Employers have to bring their own candidate	Employers can bring their own candidates but Magnet’s technology and team can also help access a diverse youth talent pool

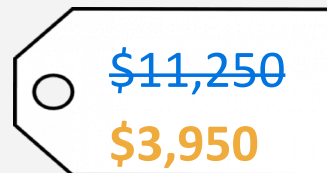
Funded Work Placement

Example

Employer: *Green Action Centre*

As per their digital transformation plan,
Green Action Centre (GAC) is hiring a
Systems Analyst for the Summer

Actual Cost of the Placement



- The Systems Analyst earns \$25/hour
- They will need to work at least 450 hours in order for GAC to qualify for the full wage subsidy
- $450 \text{ hours} \times \$25 / \text{hour} = \$11,250$ (Approx. 3 months)
- GAC will receive a reimbursement of \$7,300

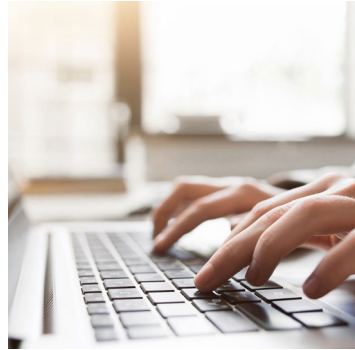
Funded Work Placement

Success Story

“The amount of wage subsidy from the funded work placement is just perfect for our small business in hiring entry level youth with technical skills. They assisted with our back end social media, digital marketing and online business build up. The youth was knowledgeable in the field, and this process also provided them a learning opportunity to build on what they already knew. With the funded work placement and subsidy, we were able to add a person to help implement the plan and boost our business. Having this subsidy helped accelerate the implementation of our digital adoption plan”

-CDAP Business Owner

Youth Candidates on Magnet are Ready to Work



Computer Science
Software engineer, CRM Developer, UX Designer



Arts & Science, Humanities
Project coordinator, Digital transformation coordinator



Data Analytics
Data analyst, research specialist



Marketing & Communications
Digital marketing specialist, social media coordinator

Next Steps for Businesses



Dedicated Support:

Email: boostyourbusiness@magnet.today

- Any questions?
- Need assistance in getting the wage subsidy or finding a youth candidate?

[Office Hours](#): Weekly sessions for Digital Advisors and CDAP Businesses to learn more, ask questions and get help with their application.



Resources:

- cdap.magnet.today



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