Innovation Saskatchewan

Agtech Commercialization Readiness (ACRE)

PROGRAM GUIDE

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Program Overview

The Agtech Commercialization Readiness (ACRE) program supports technology pilot projects between the agricultural industry and local agtech startups, fostering homegrown innovation and supporting growth of the technology sector.

Through the ACRE program, Innovation Saskatchewan (IS) provides non-repayable grants to agtech startups whose innovations may improve yield, sustainability, efficiency and profitability in the agricultural sector. Applications are accepted year-round.

Program Objectives

1. Provide Saskatchewan agtech startups with opportunities to pilot and validate their technologies in real-world agricultural environments.
2. Accelerate adoption of cutting edge, locally developed agtech in Saskatchewan's agricultural industry.
3. Help maintain the operations and competitiveness of Saskatchewan agriculture through the adoption and application of technological innovation.

Eligibility

Agtech Startups

Eligible agtech startups must meet the following criteria to be considered for participation in the program:

1. Be based in Saskatchewan, as defined by meeting the following criteria:
   - Has a Saskatchewan head office address;
   - Registered to carry business in the province; and,
   - At least 50 per cent of its employees reside in the province.
2. Has fewer than 50 employees, including full-time, part-time and contract workers.
3. Reported annual recurring revenue of under $2M in the latest year-end financial statements.
4. Has a novel technology with relevant applications in the agricultural sector that is ready to implement or is close to commercialization (at least Technology Readiness Level 6).
5. Has reasonable capacity to work with an enterprise-level customer (i.e. agricultural producer or agricultural product retailer).

Project Partners

Eligible project partners include Saskatchewan-based agricultural producers, agricultural input and equipment retailers, producer groups and industry associations. Project partners are subject to IS approval.

For further clarification on eligibility, please contact the program manager.

Funding Structure

Startups approved for the ACRE program can receive a lifetime maximum of $30,000 to support pilot projects. The ACRE grant must be matched 1:1 by the eligible project partner(s).

Examples

Scenario	Total Project Contribution	Project Partner Provides	ACRE Matches
Startup pilots its technology with one project partner	$60,000	$30,000 cash	$30,000 cash
Startup pilots its technology with two project partners	$60,000	Project Partner A: $15,000 cash Project Partner B: $15,000 cash	$30,000 cash
Startup pilots its technology with one project partner for less than $30,000	$10,000	$5,000 cash	$5,000 cash

The startup must have an executed contract or statement of work with the identified project partner(s) before an ACRE grant can be issued. The contract or statement of work should detail the total pilot project cost/ contribution, including a breakdown of the funding structure, which will be shared equally between ACRE and the project partner(s).

Prospective startups who have not already been engaging with potential project partners are advised to contact the ACRE program manager for pathfinding support.

There is no limit on the number of grants a company can receive from the program to support pilot projects, provided that the lifetime amount does not exceed $30,000.

In-Kind Contribution

A project partner is able to provide non-monetary services, such as specialized equipment, lab use, or agricultural inputs as part of their contribution to the pilot project. However, these in-kind services should not exceed 20% of their overall contribution to the project.

In-kind contributions should provide quantifiable value for the project and will be assessed on a case-by-case basis.

Scenario	Total Project Value	Project Partner Provides	ACRE Matches
Startup pilots its technology with one project partner with in-kind contribution	$20,000	$8,000 cash $2,000 in-kind	$10,000 cash

Stacking Policy

The $30,000 lifetime funding cap is shared between ACRE and the Made in Saskatchewan Technology (MIST) program. A startup may receive a combined maximum of $30,000 in funding through the two programs.

Startups cannot use ACRE grants to supplement project funding from other IS grant programs, such as the Saskatchewan Advantage Innovation Fund (SAIF). ACRE alumni startups who have exhausted its $30,000 lifetime cap are free to apply for other IS grant programs.

Conversely, startups who have benefited from other IS grant and incentive programs in the past are eligible for ACRE grants, provided they meet the eligibility criteria.

Project Costs

Eligible Pilot Project Costs

ACRE funding can only be used towards work items identified in the contract or statement of work between the startup and the project partner(s). These items may include:

- Consumables;
- Startup salaries for R&D and technical personnel;
- Contracted professional technical services or expertise (i.e. third-party software developer);
- Costs related to intellectual property (IP) protection, technology transfer, commercialization; and
- Travel and accommodation for project purposes.

Startups are responsible for tracking and accounting expenditures related to the project in the event IS conducts an audit on the approved ACRE grant.

Ineligible Pilot Project Costs

IS reserves full discretion to declare expenditures ineligible. Ineligible costs include, but are not limited to:

- Capital expenditures (i.e. equipment);
- Land/building purchases;
- Non-R&D/technical personnel salaries;
- Professional/association membership fees and dues;
- Business development; and
- Hospitality and entertainment.

For further clarification on project costs, please contact the program manager.

Application Process

Startups that meet the program's *Eligibility Criteria* are welcome to apply at any time through the Application Portal.

Once IS receives an application, an internal assessment is conducted to ensure that the company meets the program's *Eligibility Criteria*. During this process, the program manager may reach out to the company to request additional information if necessary.

If the company passes the internal assessment, the application will be forwarded to an external advisory committee to assess the following:

1. **Innovation:** Demonstrate how the technology being developed is novel and innovative. Differentiate the technology from existing solutions available in the market to the Saskatchewan agricultural sector.

2. **Value Proposition/Relevance to Saskatchewan's Agricultural Sector:** Demonstrate how the technology being developed is relevant to the agriculture industry in Saskatchewan. Highlight value propositions such as provincially relevant agricultural activities, crops, or supply chains that the technology could be valuable for. Explain how the technology can be implemented to address challenges in agriculture.

3. **Technology Readiness:** Describe the technology's readiness level. ACRE requires the technology to be at least TRL 6. Startups are encouraged to refer to Technology Readiness Levels as defined by Innovation, Science and Economic Development Canada. Discuss any testing and validation that has been conducted on the technology to date.

4. **Team Capacity and Enterprise Readiness:** Describe your capacity to execute on the proposed pilot project with an eligible agricultural project partner. Provide a list of personnel that will be involved in the project along with brief biographies. Describe the company and technology's readiness to work with an enterprise-level client.

5. **Current Level of Engagement with Clients and Partners:** Describe your current level of engagement with potential end-users in the agricultural sector such as producers, industry organizations and/or retailers regarding the concerning technology.

IS makes the final determination on applications based on the results of the external advisory committee review and their recommendation.

ACRE Application Review Periods

Applications are accepted year-round, with applications being assessed twice per year. Applications will be assessed in the next scheduled review period following each intake deadline.

Important Dates

Intake Period 1

March 31	Deadline for ACRE applications
April 30	Target application response date

Intake Period 2

October 31	Deadline for ACRE applications
November 30	Target application response date

Pilot Project Contracting Process

Once the startup has received approval to participate in the ACRE program, it is eligible to receive ACRE grants to support the pilot project with an eligible partner. All ACRE pilot projects are subject to IS approval based on project partner eligibility, agreement suitability and eligible use of funds.

If the startup has already identified a pilot project with an eligible partner, it can submit the contract or statement of work to IS for matching funds from the program.

Once IS receives proof that a pilot project is agreed upon between the startup and project partner(s) via a signed contract or statement of work, IS will issue a separate funding agreement between the startup and IS. ACRE grant funding is disbursed after the IS funding agreement has been signed and an invoice has been issued.

If the startup has yet to identify a pilot project and/or potential partner, IS can provide support with pathfinding, project readiness and connections. Once introductions have been made to potential partner(s), the startup is solely responsible for collaborating with partners in setting up meetings, follow-ups, contract/statement of work, etc.

Important Information

Intellectual Property

IS will not assume ownership of any IP that results from funded pilot projects. If necessary, the startup is responsible for entering into an IP agreement with the project partner.

The startup is responsible for ensuring it has the freedom to operate. IS will not assume any costs or damages related to potential IP disputes with a third party. IS retains the right to terminate funding if a project becomes stalled due to IP issues.

Confidentiality

IS will not release personal, technical and/or financial details of a project to any party without explicit consent from the company. Funding contract details will remain confidential between IS, the startup and project partner(s). Information may be shared between IS and the project partner(s). Consultants contracted by IS to evaluate applications are bound by non-disclosure agreements.

Media Releases

From time to time, IS will make public media releases on funding decisions and projects. The startup will be notified and consulted with prior to any releases being made. IS will not disseminate any personal or commercially sensitive information referenced in *Confidentiality* without explicit consent from the company.

Reporting Requirements

Both the startup and the project partner(s) will be required to submit a final report at the end of the pilot project. A final report template will be provided to the startup, which clarifies information expected to be included in the report. IS will reach out to the project partner directly to arrange their final report.

The startup is obligated under the funding contract to report on specific metrics for up to one year after the project funding period has expired. The program manager will reach out to the startup for these metrics on an annual basis.

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