

## PRODUCT AND MARKET DEVELOPMENT

### PROGRAM OBJECTIVE

This program is designed to assist agricultural producers, agri-businesses and agri-processors seeking to expand their product base or markets. The program is focused on increasing competitiveness of Prince Edward Island's agriculture and agrifood sector by assisting with market intelligence, market exploratory activities, market delivery logistics, new product development and market readiness in new and emerging markets.

### ELIGIBLE APPLICANTS

Eligible Applicants include:

- Agricultural producers
- Small to medium-sized Agri-businesses
- Small to medium-sized Agri-processors (after the Innovation PEI Marketing Support Program has been exhausted and subject to resource availability)
- Provincial agricultural industry organizations, clubs, and associations
- Others may be considered upon special request

See DEFINITIONS section for more information.

### ELIGIBLE ACTIVITIES

Eligible Activities include, but are not limited to:

- Attending (but not exhibiting) a trade show once for the purpose of exploring new markets;
- Investigative travel to new or emerging markets;
- Incoming buyer missions of new buyers from export markets for the purpose of gathering market intelligence;
- Research for the purpose of exploring new and emerging markets;
- Feasibility studies related to delivery of products to new and emerging markets;
- Translation and legal consultation;
- Consulting or business coaching on applied market research and value chain development;
- Understanding the logistics of delivery of Prince Edward Island products from the farm gate to the client, including hands-on mentoring and training.
- Development of new products
- Professional services
- Process development
- Recipe development; (If work is completed at the PEI Food Technology Center, funding is available after Innovation PEI funding is exhausted)
- Purchase of equipment to process, package and label new products (including nutritional labeling);

- Brand development
- Focus groups for the purposes of developing attributes for a product line;
- Analytical and quality testing;
- Design and printing of first packaging production;
- Travel to the point of sale;
- Design and printing of promotional items to maximum number of units (e.g. 1000 brochures).

Capital equipment costs are at discretion of the PEI Department of Agriculture and Fisheries provided they meet criteria within the bilateral agreement.

### **Ineligible Expenses**

- Meal expenses
- Replacement of old equipment
- Freight
- In-kind services (including wages) and supplies.

## **ASSISTANCE PROVIDED**

**Investigative travel** (including trade shows and buyers missions) are eligible for up to 50% of eligible expenses to a maximum of \$5,000 for agricultural producers, agri-businesses, and agri-processors over the life of the program and 75% of eligible expenses to a maximum of \$10,000 for provincial agricultural industry organizations, clubs and associations over the life of the program. The maximums for investigative travel expenses are per project and multiple projects are possible.

**All other eligible expenses** may receive up to 50% of the expense to a maximum of \$30,000 for farmers, agri-businesses, and agri-processors over the life of the program, and up to 75% of the expenses to a maximum of \$30,000 for provincial agricultural industry organizations, clubs and associations over the life of the program. The maximums are per project and multiple projects are possible.

## **APPLICATION AND APPROVAL PROCESS**

Applicants must meet the eligibility criteria and submit a completed application form to the Department of Agriculture and Fisheries. Incomplete applications will not be accepted. Projects may require a business/marketing plan.

Funding may be available to assist with the completion of a business / marketing plan. Please contact the Product and Marketing Development Program lead for details.

Costs incurred between the time of submission of a fully completed application and notification of project approval are eligible for reimbursement. If the project is not approved, all incurred costs are the responsibility of the applicant. Expenditures made prior to submission of a complete application are not eligible for reimbursement.

Applicants applying for travel assistance must submit with their application a travel itinerary including details on market investigation or trade mission activities.

Applicants applying for market and/or product development assistance may submit with their application a business plan and/or a marketing plan that demonstrates how the new market will increase profitability for the business; and provide detail on how product from Prince Edward Island will be sourced and presented to the market.

A detailed application form is available from the program lead and at [www.gov.pe.ca/gf2](http://www.gov.pe.ca/gf2)

### **APPROVAL PROCESS**

All applications will be reviewed by the program lead. Eligible projects will be reviewed by an internal committee which will determine approval or denial. The decision of this committee will be conveyed in writing to the applicant. Project approval is at the discretion of the committee. Applicants requesting funding for multiple projects may be evaluated based on the success of previous projects.

### **CLAIMING PROCESS**

To be reimbursed, applicants must submit a claim form to the Prince Edward Island Department of Agriculture and Fisheries with invoices and proof of payment, project report and a program evaluation.

For multi-year projects, an payment may be processed once per year following the submission of a claim form, a detailed progress report along with proof of payment documenting expenditures.

A claim form, along with details of required supporting documentation, is available from the program lead and at [www.gov.pe.ca/gf2](http://www.gov.pe.ca/gf2)

### **TERMS AND CONDITIONS**

- The business plans, marketing plans and report details submitted under this program will be confidential and will not be shared outside of staff directly involved with the Product and Marketing Development Program.
- Program guidelines and application forms may be revised at any time throughout the life of the program, at the discretion of the Department of Agriculture and Fisheries.
- Project approval will be based on available funding and will be at the Province's discretion. As such, not all eligible projects will be approved.
- Eligibility of all expenses is at the discretion of the internal body of the Product and Marketing Development Program.
- Recipients of funding under this program are consenting to the public release of their name, the amount of funding received, and the general nature of the project.

## **TERMINATION**

This program is effective April 1, 2013 and will terminate on March 31, 2018.

This program may be altered or discontinued without notice by the Minister of Agriculture and Fisheries.

## **ADMINISTRATION**

This program is administered by the Prince Edward Island Department of Agriculture and Fisheries.

## **CONTACT**

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5th Floor Jones  
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Charlottetown PE C1A 7N8  
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### **General Inquiries:**

Agriculture Information Desk  
PEI Department of Agriculture and Fisheries  
Toll-free: 1-800-734-3276  
Tel: (902) 368-4145  
E-mail: [peiextension@gov.pe.ca](mailto:peiextension@gov.pe.ca)

Effective date: April 1, 2017

## DEFINITIONS:

### **Agricultural Producer**

- An individual who is farming as a sole proprietor in Prince Edward Island is eligible to participate provided the individual is actively engaged in commercial agricultural production and has a minimum of \$15,000 in annual gross farm sales.
- An individual who is farming in a partnership, a corporation, or a cooperative in Prince Edward Island is eligible to participate provided:
  - The farming entity has (or in the case of beginning farmers, will have within three years of start-up) annual gross farm sales of at least \$15,000.
  - The applicant is (or in the case of a beginning farmer, plans to become within three years) a partner/common shareholder (at any level of ownership) in the farm entity.
  - The applicant is actively engaged in the farming entity at the time of application (that is, participates in the day-to-day operations of the farm). In these cases, it is the farm entity that will be considered to be the applicant.
- An individual who is a beginning farmer in Prince Edward Island is eligible. A beginning farmer is an individual who is new to farming or to a farming enterprise, or who intends to establish a farm business, or who has owned and operated a farm business for less than six years. In all cases, it must be demonstrated that the farm business will have within three years, or already has, annual gross farm sales of \$15,000 or more.

*Individuals who intend to establish a farm business must provide proof of ownership or control of (owns/rents/leases) productive agricultural assets to generate farm income, and a farm budgetary forecast.*

**Annual Gross Farm Sales** are defined as sales eligible for coverage under AgriStability and AgriInvest Programs. They include sales of farm commodities including crop insurance and all livestock and crop sales; but do not include income from custom work, riding lessons, boarding horses, land and facilities rent, sales of forestry products, most government program payments, or any other non-commodity income. For more details on allowable sales, see the Farming Income and the AgriStability and AgriInvest Programs Guide (Publication RC4060 from the Canada Revenue Agency).

### **Agri-business**

An Agri-business is a small to medium-sized enterprise (defined as having fewer than 250 employees), which maintains a significant business interest in Prince Edward Island, buys and sells agriculturally-produced products. This includes groups of farmers who have formed an entity specifically to market and/or process their agricultural products and businesses that market agriculturally-produced products.

### **Agri-processor**

An Agri-processor is a small to medium-sized enterprise (defined as having fewer than 250 employees), which maintains a significant business interest in Prince Edward Island and which:

- is active in the business of changing a raw agricultural commodity into a value-added product through physical, chemical, or thermal means, including packaging; or
- operates one or more processing facilities that are formally registered by federal or provincial inspection authorities and which markets products through wholesale distribution channels (eg. retail, foodservice) but does not sell exclusively through an on-premise or single company owned retail outlet.