# Horizon AI
## Global Advantage Stream

Information Webinar / Aug 30th, 2023

# Agenda

About DIGITAL

Horizon AI and Global Advantage

Funding and Eligibility

Application Process

Q&A

**DIGITAL**

We unlock the potential of Canadians to lead and succeed in the digital world through a powerful combination of co-investment, cross-industry collaboration, IP creation and digital talent development
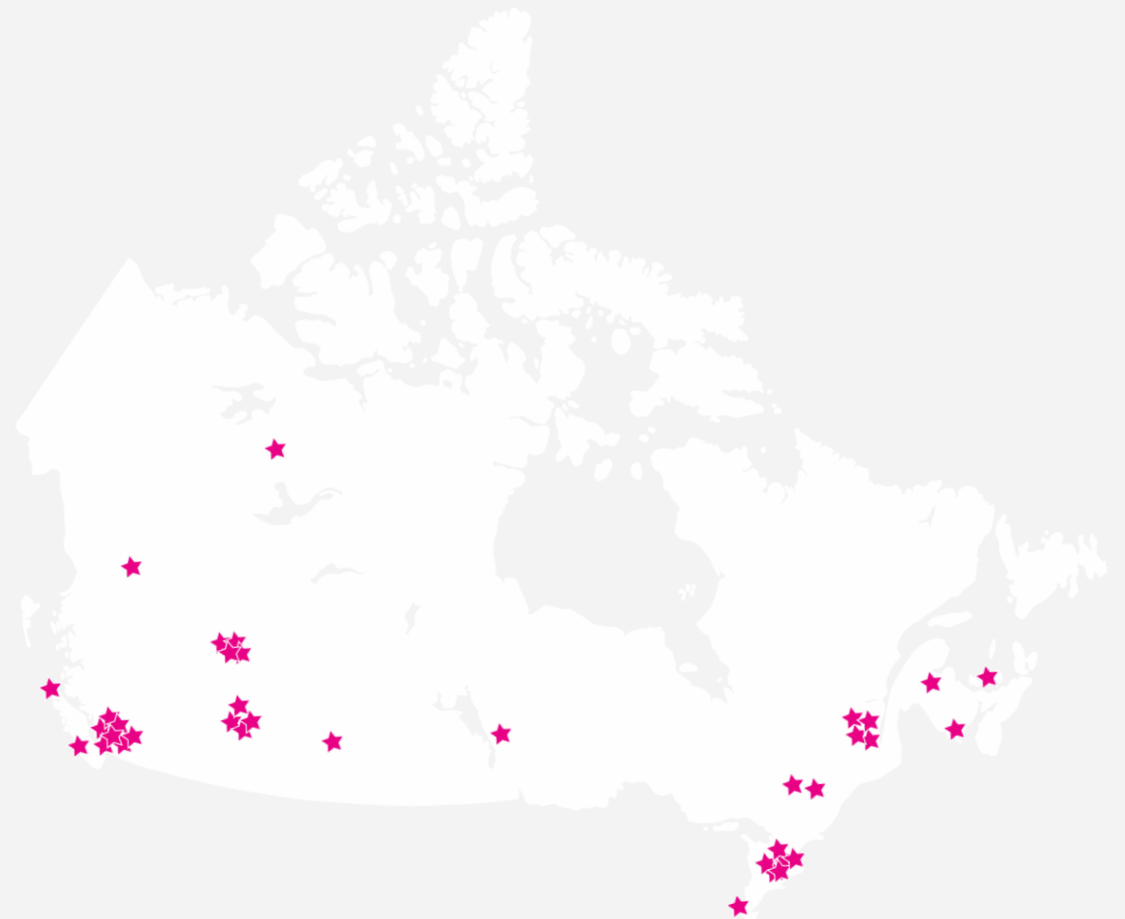
## 1200+ Organizations

**Diverse Expertise**
**Industry:** Startups, SMEs, Large, Multinational
**Research:** Universities, colleges, institutes, Not-for-profits
**Governments**: Federal, Provincial, Municipal, Agencies
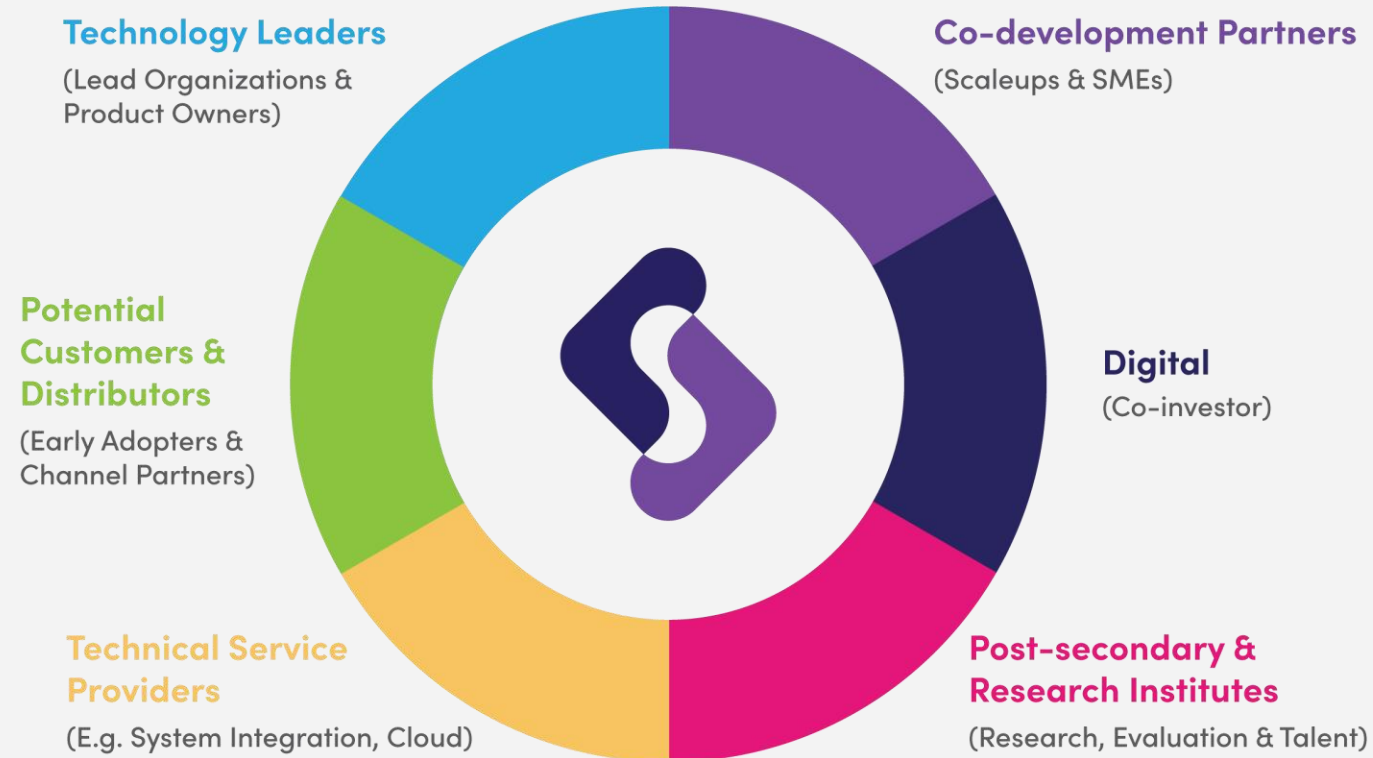**Funders**: Venture Capitalists, Banks, Govt-funded Agencies

# Snapshot of our Impact*

Catalyzed by our co-investments in 95 projects, our community of 1,200+ organizations

**$390M**
INVESTED IN CANADIAN SOLUTIONS

**160+**
DEVELOPING PRODUCTS & SERVICES

**450+**
GENERATED IP TO DATE

**7,000**
SUPPORTED LEARNING & DEVELOPMENT PLACEMENTS

**$828M**
RAISED NEW FUNDS FOR CANADIAN ORGANIZATIONS

*As of April, 2023

# Collaborative Framework for Innovation

We invest in digital innovations executed by consortiums led by industry.
This collaborative framework connects industry, academia and customers to commercialize research.



**Technology Leaders**
(Lead Organizations & Product Owners)

**Co-development Partners**
(Scaleups & SMEs)

**Potential Customers & Distributors**
(Early Adopters & Channel Partners)

**Digital**
(Co-investor)

**Technical Service Providers**
(E.g. System Integration, Cloud)

**Post-secondary & Research Institutes**
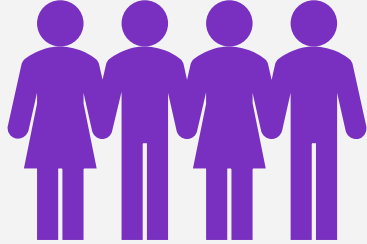(Research, Evaluation & Talent)

**DIGITAL**

5

# Co-Investment Model



- Co-investment is based on a **cost recovery** model of eligible expenses:
  - Project partners incur the costs and then claim DIGITAL funds.
  - DIGITAL's payments are made on actual project costs incurred following project team confirmation that it has fulfilled its commitments.
  - **Project-based Membership Fees** @ 5% of eligible costs claimed will be deducted from the payment
  - All organizations are expected to fund their work and support their cash flow throughout the project.
  - Project Lead Organization is expected to consolidate all project claims and submit them to DIGITAL. DIGITAL will direct all funds through the Lead Organization.

- Co-investment is provided to **eligible organizations that are DIGITAL Members:**
  - For-profit (industry)
  - Not-for-profits Members with funding primarily sourced from private-sector organizations
  - Non-federal Crown corporations whose funding is derived from commercial activities
  - Community Organizations that directly benefit their communities in the corresponding projects
  - Non-for-profit organizations, post-secondary and research institutions if the project budget meets minimal industry funding requirements

Horizon AI Co-Investment Guidelines include more information about DIGITAL co-investment model.

# DIGITAL Associates & Members



**Associate** organizations can explore the DIGITAL ecosystem and have the potential to be invited by Members to collaborate in projects. Associates are not eligible for funding.

**No Membership Fees**



**Member** organizations make a commitment to co-invest in projects alongside DIGITAL and gain access to our funding.

| Membership Fee Structure | |
|---|---|
| **Project-based Membership Fees** | *5% of eligible costs claimed. Amount is deducted at time of claim payment.* |
| **Annual Membership Fee** | $5,000 |

# Agenda

About DIGITAL

Horizon AI and Global Advantage

Funding and Eligibility

Application Process

Q&A

**DIGITAL**

# Horizon AI

**Horizon AI is DIGITAL's specialized, national program focused on capturing economic potential from Applied AI. We build an Applied AI network focused on commercial success.**

**We started with co-investment from the Government of Canada through the Global Innovation Cluster program and the Pan-Canadian Artificial Intelligence Strategy. Initially, Horizon AI consists of 3 streams:**

- **Technology Commercialization Stream ($20M in funding)** – accelerating the development and adoption of AI products. Launched on June 15th, 2023.

- **AI Talent Stream ($5M)** – building the Applied AI talent pool. Will be launched soon.

- **Global Advantage Stream ($5M)** – Launched on Aug 16th, 2023.

# Global Advantage Stream

**Global Advantage Stream aims to build Canada's presence in emerging market opportunities.**

**We will be looking into two types of projects:**

1) **Use Case projects in emerging opportunity of Digital Service Agents –** such projects aim to demonstrate the scale and commercial potential of the emerging opportunity for potential industry and government customers.

2) **Consortium Development Projects in Applied AI** – such projects aim to explore the development and creation of a consortiums that will pursue leadership of "flagship" emerging market opportunities in Applied AI.

# Types of projects

## Use Case Projects with Digital Service Agents

Digital Service Agents (DSA) span a wide spectrum of intelligent support tools ranging from relatively simple chatbots to fully interactive digital humans. They may also be referred to as digital assistants or virtual beings. Projects will leverage Canadian leadership in AI/ML, VR/AR and animation to kick-start the emerging industry of Digital Service Agents.

Areas of interest include, **but are not limited to**:

1. Career coaching, learning and development
2. Health and wellbeing, including AI companions
3. Customer and technical support services

Detailed description of the DSA opportunity will be provided in the Digital Service Agent Mission Brief (to be released shortly)

## Consortium Development Projects

Consortium development projects enable a team of industry and associated partners to explore the development and creation of a consortium that will pursue leadership of a "flagship" emerging market opportunity. Consortium projects define the opportunity, outline an ecosystem strategy with a defined project pipeline and the capacity to pursue investment at scale.

Areas of interest include, **but are not limited to**:

1. Embodied AI in general-purpose robotics applications.
2. AI models that integrate into service delivery infrastructures such as self-driving vehicles, intelligent energy management grids and smart-city platforms.
3. Generative AI that augments transmedia storytelling, immersive experiences, 3D modelling and automation.

# Partnerships



**One of the Horizon AI goals is to expand Applied AI investments, including attracting strategic industry and government partners.**

DIGITAL is looking for strategically aligned partners willing to commit knowledge, tools, funds, time or other resources to build the emerging market opportunity of Digital Service Agents:

1) **Industry and government partners** who want to use DSAs.

2) **AI and Agents' infrastructure (SW or HW) providers** to create, train, test and deploy DSAs.

3) **Capital Holders and Investors** in the space of DSAs.

4) **Others** whose strategic interests are aligned with the goals of the Horizon AI Global Advantage Stream (for example, **Academia partners** who work on various DSAs elements).

Please email if you want to become DIGITAL strategic partner: **advantage@digitalsupercluster.ca**

# Agenda

About DIGITAL

Horizon AI and Global Advantage

Funding and Eligibility

Application Process

Q&A

**DIGITAL**

# Funding

☑ DIGITAL will co-invest up to $250K per project. Teams need to co-invest at least the same $$ amount (industry co-investment). There is no maximum project size limit.

☑ For most promising projects, DIGITAL will do follow up investments up to $1M per project.

☑ To be considered for DIGITAL follow-up investment, the project should create a business plan and secure key strategic partners for an expansion project of at least $3M.

☑ All funding for Use Case Projects and Consortium Development Projects will be provided to the Project Lead. For the follow-up investment, a multi-party consortium agreement can also be used.

☑ All projects should be completed before December 31, 2025.

# Eligibility Criteria

☑ Any organization can submit an idea or Expression of Interest (EOI) for consideration.

☑ If moved to proposal stage, the lead organization should become DIGITAL's Associate.

☑ Lead organization should have substantial Canadian business operations.

☑ Foreign organization without a registered business presence in Canada can be a project participant, but not the Project Lead.

☑ Committed collaborative team that demonstrates high potential for execution and scale:
  • AI technology product company
  • At least one target customer
  • Academic/research partner

☑ All eligibility requirements are defined in the Horizon AI Global Advantage Stream Program Guide
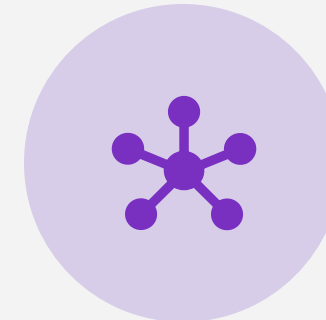
# Evaluation Criteria

An Attractive Emerging Market Opportunity | **20%**

Solution Excellence | **25%**

Team & Execution | **25%**

A High Impact, Innovative Project | **30%**

# Agenda

About DIGITAL

Horizon AI and Global Advantage

Funding and Eligibility

Application Process

Q&A

**DIGITAL**

# Application Process

## EOI — Expression of Interest

Assessment of eligibility, fit, quality of the opportunity, impact of the solution and readiness of the team to deliver

**Internal evaluation by DIGITAL team**

## FPP — Full Project Proposal

Full assessment against Evaluation Criteria

**Independent Project Selection Committee**

Register interest via **EOI online intake form**
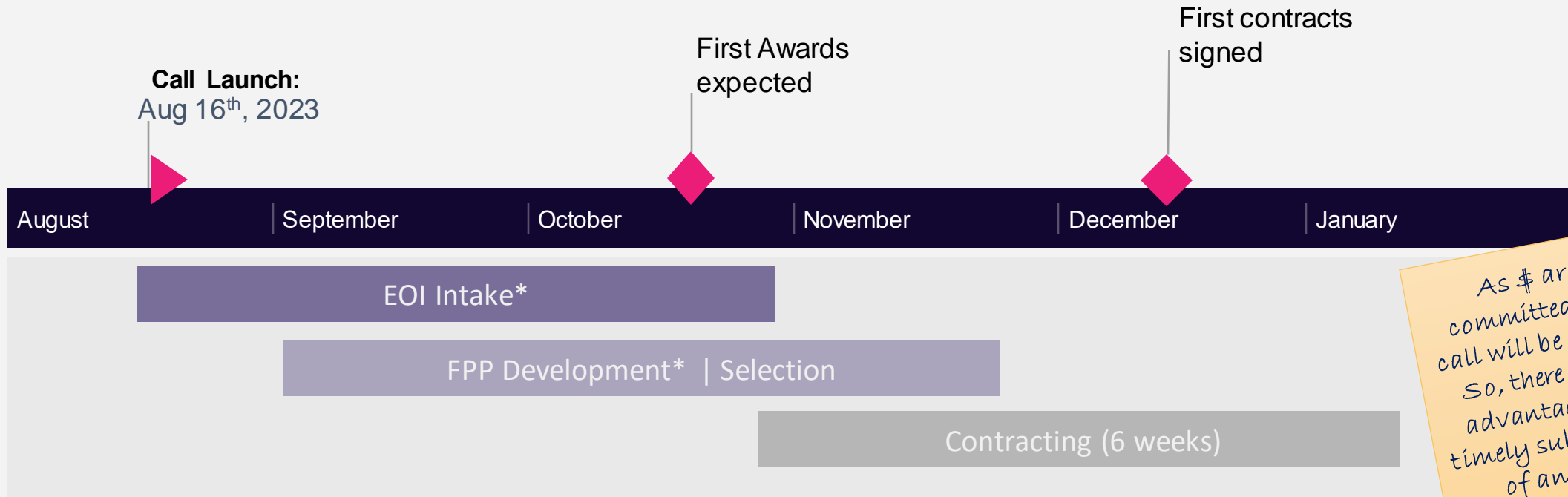
**Contracting** (Master Project Agreement)

Lead Organization should sign **Participation Agreement** (=become DIGITAL **Associate**) to submit FPP

Lead Organization should sign **Membership Agreement** (=become DIGITAL **Member**) to sign MPA

# Estimated Call Timelines

**No Deadlines | Continuous Intake until all funds are committed.
Submissions evaluated based on first completed submission, first evaluated.**

First Awards
expected

First contracts
signed

**Call Launch:**
Aug 16th, 2023

| August | | September | October | | November | December | January |
|---|---|---|---|---|---|---|---|

EOI Intake*

FPP Development* | Selection

Contracting (6 weeks)

As $ are committed, the call will be closed. So, there is an advantage to a timely submission of an EOI.

*The EOI and FPP timelines are an estimation and might be shorter or longer depending on the # and quality of the proposals submitted.*

# Next Steps

- Review the Program Guide and Co-investment Guidelines

- Formulate project concept

- Submit your project concept via our EOI online intake form

- Each applicant team will receive a response from DIGITAL within 3 weeks of the EOI submission

- DIGITAL Innovation Advisor will be assigned to eligible proposal teams at FPP stage and will provide guidance through the proposal process and beyond

- If you have any questions, reach out to DIGITAL: advantage@digitalsupercluster.ca

# Agenda

About DIGITAL

Horizon AI and Global Advantage

Funding and Eligibility

Application Process

Q&A

**DIGITAL**