

The Launch Online Grant Program

Program Guide



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1. Intake Overview

The Launch Online Grant program (the Program) is a provincewide program funded by the B.C. government and administered by Alacrity Canada. Grant funding is available for at least 1,500 eligible BC-based businesses.

As part of StrongerBC, B.C.'s Economic Recovery Plan the Program has been provided \$12 million to help businesses get their operations online to spur business growth, drive economic development and provide support for small and medium sized businesses, including regional and Indigenous businesses.

This guide provides an overview of the application process and eligibility criteria and is intended for applicant's use.

1.1. Intake Objectives

To support B.C.'s economic recovery and small and medium sized business growth, the program will provide financial support to B.C.-based small and medium sized businesses that produce or manufacture goods and products in B.C. The funding is intended to help accelerate businesses to move to selling their products online as operating models and customer expectations are changing. With an online mode in place, businesses will be better positioned to gain access to local customers and reach markets otherwise out of reach.

1.2. Program Scope

Expenses to build an online shop, to improve existing e-commerce platforms and digital customer acquisition activities, are eligible for funding.

The grant will pay for up to 75% of eligible expenses, up to a maximum of \$7,500 per business. The grant recipient must cover 25% of the cost, which can be covered from other programs or directly by the businesses.

- Up-to 25% of funds will be reserved for Indigenous businesses and businesses operating outside of the lower mainland and greater Victoria.
- The funds must be used to hire B.C.-based company(ies) develop the online store.

The program supports a rapid response for businesses and is accepting applications from businesses ready to start and finish their online shop in 12-weeks.

One application per business may be submitted.

1.3. Application Process Overview

Grants will be awarded in the order received.

The application intake will stay open until all funds have been subscribed.

The application form must be submitted and approved by Alacrity Canada before funding can be awarded. Meeting the program intake criteria does not guarantee that application will be approved for funding. Applicants must ensure that the application form and all required information and attachments are completed and submitted. An incomplete application cannot be approved to receive a grant.

The program application has three steps:

Step 1: Develop a grant proposal that indicates how you plan to use the funds. The proposal should be broken out into the different costs fields as identified in section 3.2.1 of this document. Businesses need to show a cost estimate that includes how much funding you need and how the money will be spent for each cost grouping (online shop development, digital customer acquisition or training costs).

Step 2: Complete the online application demonstrating that you meet the eligibility criteria and submit your online shop proposal.

Step 3: Applicants will be contacted within three weeks with the outcome of their application.

For the projects to have an immediate benefit, the funds will be issued and provided to the grant recipient as soon as the application has been approved.

1.4. Program Timelines

Applicants that meet the eligibility criteria will be conditionally approved to the program. They will be contacted to provide copies of the documents demonstrating proof they meet all eligibility requirements. At final approval, the grant letter and payment will be issued to the applicant by Alacrity Canada.

The building of the online shop and all other activities related to the program must be completed within twelve weeks after approval. Following project completion, the business must submit to Alacrity Canada the expense summary report listing all expenses incurred in completing their online shop and improvements to the existing online shop.

2. Applicant Eligibility

Eligible applicants must meet the following General Conditions:

- Applicant must agree that the qualified expenses are used solely towards their own online shop development, enhancement and digital customer acquisition activities.

- Applicant must participate in an audit, if selected. The audit will require that receipts and invoices of the eligible expenses be submitted for review.
- Applicant must participate in a follow-up survey to demonstrate the outcomes resulted from the Program. Aggregate results only will be made public.

Eligible applicants:

Applicants must meet all of the following **eligibility criteria**:

- The business is owned by a B.C. resident or residents;
- The business's sole or primary operations are located in B.C.
- The business:
 - Is currently operating;¹
 - Is registered in BC;²
 - Employs³ less than 149 BC residents;
 - Pays taxes in B.C.
- Maintains a
 - Business number
 - GST number
 - PST and WorkSafeBC number (where applicable)
- Generated sales of more than \$30,000 in the past year (in 2019, or in the year preceding the application)
- Has repeatable products, or in the case of artists and jewellers, individual items that have slight differences (i.e. paintings or rings)
- Does not currently have an online store or has an online store that has no more than 3 of the 5 identified online store features.
 - *Customer registration and information security features*
 - *Shopping cart and order management capabilities*
 - *Payment processing options including application of appropriate taxes and shipping costs at time of ordering*

¹ Businesses not currently operating due to a public health order affecting their business or sector are not eligible for the program. Businesses that only operate seasonally, but are ready to open during the appropriate season (and that otherwise meet all other eligibility criteria) will be considered operating.

² Only BC-based businesses are eligible for the Launch Online Grant program. You must be registered and headquartered in B.C. and have a fixed place of business in B.C. The Program does not include B.C.-based subsidiaries of organizations that maintain a corporate headquarters outside B.C.

³ Employee is defined in Section 1 of the BC *Employment Standards Act*. The Launch Online Grant is available to businesses that are sole proprietors or directly employ between 2 and 149 B.C. residents for whom they deduct and remit payroll taxes, for at least 4 months of the calendar year. Where the business owner(s) work in the business without drawing wages and submit their Canada Pension Plan and other contributions through income tax returns, one business owner can count toward the employee requirements of this program.

- *Product catalogue, search and inventory status*
 - *Website analytics and reporting capabilities*
- Up-to 25% of funds will be reserved for Indigenous or regional businesses;
 - The funds must be used to hire a BC-based company(ies) to develop the online store;
 - The funds must be used within twelve weeks; and
 - Businesses will be asked to declare access to other programs funded by the provincial or federal government such as Buy BC Partnership Program E-commerce Funding Stream or Canada United Small Business Relief Fund. The funds received must be complementary and not used to cover the same expenses from different programs.

Ineligible applicants:

Applicants who do not meet the eligible criteria are unable to apply for the Program.

3. Funding

The maximum grant amount is \$7,500 per business, which can be used to cover up-to 75% of eligible expenses.

General Conditions:

- All funding decisions are final.

3.1. Awarding of Funding

Approval of funding to successful applicants will be conditional upon the terms and conditions set out in the grant letter. The program reserves a right to award partial contributions towards the total funding request.

General Conditions:

- Funding agreements will require the applicant to follow program guidelines and requirements, including submitting progress and final reports and financial reporting documents.
- Failure to meet the requirements of the grant agreement could result in the requirement for the repayment of funding to the Program and disqualify the applicant from further applications.

3.2. Eligible/Ineligible Expenses

Alacrity Canada will assess the eligibility of costs.

3.2.1. Eligible Expenses (Costs)

Funding recipients MUST use local B.C. service providers to complete contract work to build or improve their online store. The only exception to this rule is when a service is provided entirely online, such as:

- Platform subscription
- Purchase of online photos and graphics
- Purchase of online promotional space such as Facebook ads

Expenses related to the development, management and improvement of an online shop and must support e-commerce (website only with and email and/or phone number is not an eligible expense), such as:

- Service provider costs:
 - Development time for the platform (create new or substantially enhance)
 - Pictures (including photographer), stock photos or related graphics required for site
 - Copy and online content writing
 - Online inventory of goods and products development
- Digital customer acquisition costs:
 - Subscription costs of e-commerce platform (up to 1 year)
 - Online advertising costs (up to 1 year)
 - Search Engine Optimization (SEO)
- Banner and other embedded advertising creation (e.g., social media sites, gaming, etc.)
- Staff training to manage own online shop and/or gain digital marketing skills

3.2.2. Online Shop Completion Checklist

Online shops created with the funding should include the following components:

- Customer registration and information security features
- Shopping cart and order management capabilities
- Payment processing options including application of appropriate taxes and shipping costs at time of ordering
- Product catalogue, search and inventory status
- Website analytics and reporting capabilities

Businesses producing and selling cannabis products will need to ensure compliance with laws and regulations. As it is illegal for private cannabis retail stores to accept payment for product online or to deliver products to customers, an online shop created with the program funding will require adjustments accordingly to develop a “click and collect” e-commerce site that will require customers to come in person to the business’s physical location to pay for and collect their order.

3.2.3. Ineligible Expenses

The grant funding cannot be used towards expenses that are not related to businesses own e-commerce; cannot be used for e-commerce activities that have already started before the project start date; and cannot be used for general website or IT upgrades. Further, funding cannot be used for:

- Starting an e-commerce business which intends to sell products on behalf of other companies
- Adding non e-commerce web pages to existing websites
- Hosting an existing site
- Credit card processing fees
- Packaging materials for product shipping and related shipping costs

4. Application Process

Applicants must submit an online application form that can be accessed at launchonline.ca. The application must demonstrate that the applying business meets the eligibility criteria set out in section 2 of this document. Applications must be submitted in English.

4.1. Grant Proposal

Businesses are to develop a grant proposal that indicates how they plan to use the funds. Businesses must show a cost estimate that includes how much funding they need and how the money will be spent as outlined in section 3.2.1 of this document

5. Application Assessment

Applications will be assessed based on the criteria set out in section 2 of this document.

Up-to 25% of funds will be reserved for Indigenous businesses and businesses operating outside of the lower mainland and greater Victoria.

6. Successful Applicant Information

Successful applicants must review and comply with the criteria outlined in this section.

- Applicant will receive a grant letter that will outline the terms and conditions for the agreement and eligible expenses under the Program.
- Once the applicant has accepted the terms and conditions, the grant payment can be issued.
- Funds must be used to hire B.C.-based companies to develop website and provide other eligible services.

6.1. Expenses Report Assessment and Audits

Once applicants have worked with a service provider to create an online store, applicants will be required to submit the link to their new online store along with an Expense Summary Report that lists all expenses related to the project and provide the service providers' B.C. business registration number and B.C. address. The applicant must keep invoices and receipts related to project expenses, and proof of payment, in case of audit.

- The reports will be reviewed, and the online store created will be assessed against a set of criteria.

A percentage of applicants' reports will be audited, and expenses will be reviewed in detail, by an independent auditor.

6.2. Final Reporting Requirements

Six months following project completion, applicants are required to complete a short follow up survey to demonstrate the outcomes they have experienced as a direct result of the grant funding. The survey will assess sales and customer acquisition intel related to the Program outcomes.

Only aggregate information will be included in the final report, which may be made available to the public.

6.3. Events and Communications

Throughout the project there may be a number of occasions that require communication support for events and/or publications. As such, the following is required:

- Funding recipients must keep Alacrity Canada informed in advance (with a minimum notice period) of any promotional activities or events related to the project.
- The Program funder (the Province of British Columbia) and Alacrity Canada must be acknowledged in project communications, events and signage.
- The Province is required to provide consent to publish project details in reports and in promotion of the Program.

6.4. Freedom of Information

Applications submitted under the Program are subject to the *Freedom of Information and Protection of Privacy Act*. The information being collected is for the purpose of administering the Program and evaluating eligibility of the proposal.

7. Application Support/Contact Information

If you have a question support is available from Alacrity Canada. Support is provided in English. Please contact Alacrity Canada at:

844-487-1266

info@launchonline.ca

The Launch Online Grant Program

프로그램 가이드