

RETURN BIDS TO:
RETOURNER LES SOUMISSIONS À:
Les détails de soumission de proposition sont inclus
dans le document de demande de propositions

SOLICITATION AMENDMENT
MODIFICATION DE L'INVITATION

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution
Scientific Commodities and Projects Division/Division
des services scientifiques et gestion de projets
11 Laurier Street/11, rue Laurier
Portage III 11C1 - 31
Gatineau
Québec
K1N 5Y1

Title - Sujet PCCI 003	
Solicitation No. - N° de l'invitation EN578-12CICP/A	Amendment No. - N° modif. 004
Client Reference No. - N° de référence du client EN578-12CICP	Date 2012-03-23
GETS Reference No. - N° de référence de SEAG PW-\$\$SC-003-23793	
File No. - N° de dossier 003sc.EN578-12CICP	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2012-04-11	
Time Zone Fuseau horaire Eastern Daylight Saving Time EDT	
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Cayer, Natalie	Buyer Id - Id de l'acheteur 003sc
Telephone No. - N° de téléphone (819) 956-7897 ()	FAX No. - N° de FAX (819) 956-2229
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: To be determined	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

Title: Canadian Innovation Commercialization Program (CICP) Call for Proposals, Call No. 003

Amendment No. 004

The purpose of this amendment No. 004 is to add questions and answers to Attachment A - Questions and Answers; and to add an Attachment B - Questions not read during the web-conference of March 14, 2012 and answers, to the Call for Proposals Document.

1. AT ATTACHMENT A, ADD THE FOLLOWING QUESTIONS AND ANSWERS:

Q10. I am unable to find the "Detailed Financial Cost Breakdown file (.doc or .pdf)" that is mentioned in the CICP application instructions. Are you able to direct me to this file?

A10. The Detailed Financial Cost Breakdown file form can be downloaded by clicking on the hyperlinked word within the online submission system which is where bidders should fill out and submit their proposals. If you are preparing your proposal using other means besides the online submission system, I would suggest that you refer to Part 3 - Proposal Preparation Instructions within the solicitation document.

Q11. Can a government agency use a private company to test the innovation?

A11. Testing departments are identified in Schedule I, I.1 and II of the Financial Administration Act. The testing could take place at a third party location if it falls within the mandate of the testing department, which would be determined on a case-by-case basis, but in general the program does not test with private companies unless it is associated with a federal government department.

Q12. Can we submit a proposal for an innovation even if the prototypes are not certified?

A12. Bidders are responsible for determining if their innovation has the required certifications to support a test. While not possessing a specific certification may not disqualify you from participating in CICP, it should be noted that if a product does not have basic certifications it may be unusable to government departments and therefore a contract will not be possible

Q13. If a software or an innovation is at TRL 9, but will be need to be updated as the requirements of the Testing Department are defined. This may include functional and technology upgrades, but without knowing the scope until the Testing Department is known, how to approach this, what is the preferred approach for CICP?

A13. Bidders should identify any modifications or customizations required in order to test in their proposal. A bidders test plan should outline how a test would occur in an ideal scenario. Should a bidder be pre-qualified the negotiations between the Bidder, the Test Department can identify these specific customizations.

Q14. How do we submit the certifications with the proposal ? Does checking the box at the bottom of the Mandatory Criteria & Certifications cover that?

A14. By checking the box at the end of the form titled "Mandatory Criteria and Certifications" and submitting the proposal, the bidder agrees to the Mandatory Criteria, Certifications and

Acknowledgements identified. At this point, no additional documentation needs to be attached to demonstrate compliance with the certifications however, these certifications may be subject to verification by Canada during the Call for Proposals evaluation period. At the Contracting stage, should your innovation make the list of pre-qualified proposals, the Contracting Authority will verify the Bidders' compliance with the certifications before award of a contract. The Proposal will be declared non-responsive if any certification made by the Bidder is untrue, whether made knowingly or unknowingly. Failure to comply with the Certifications or to comply with the request of the Contracting Authority for additional information will also render the proposal non-responsive.

2. ADD ATTACHMENT B - QUESTIONS NOT READ DURING THE WEB-CONFERENCE OF MARCH 14, 2012 AND ANSWERS, TO THE CALL FOR PROPOSALS.

3. AT ATTACHMENT B, INSERT THE FOLLOWING QUESTIONS AND ANSWERS:

Q1. We are developing a system. We believe testing is best conducted at an existing location over a long term, say one year. Is that possible or is all testing conducted in a lab?

A1. Testing location varies between each innovation. Both options are possible under CICP.

Q2. In the Mandatory Criteria and Certifications section, we are to explain in 100 words the total value of the costs. Could you clarify? Are we to describe the deliverables? Also, the device must not have been commercially available or sold. Until when does this condition apply? The submission date? The award date?

A2. For information concerning the details of the costs and deliverables description, please refer to the financial requirement section of the CICP Website under 1.2 Financial Proposal Breakdown, see link below:

<https://buyandsell.gc.ca/initiatives-and-programs/canadian-innovation-commercialization-program-cicp/submit-a-proposal/financial-requirements>

With regards to the commercial sales, bidders can commercialize their innovation after the closing date of the Call for Proposals, currently April 11, 2012.

Q3. What incentives are in place for senior federal bureaucratic officials of departments to participate in program and work with SME's?

A3. In addition to having access to new innovations, the program covers the direct costs of the innovation and manages the procurement process. This allows the department to focus solely on the benefits of the innovation and not the cost or process to procure it.

Q4. I know the maximum is \$500,000 per project. If our invention will cost more than that to build, erect and test, can this program allow other partners who will input money to make up the additional cost, as long as there is no more than the maximum contribution requested?

A4. The Bidder's financial proposal must not exceed \$500,000.00, GST or HST extra, and innovation shipping costs, from the Bidder's Canadian address to the testing department is extra, if applicable. In order to go beyond the funding limit a bidder can include in-kind contributions or contributions from other sources to make up the additional costs but these costs won't be reimbursed by CICP.

Q5. Our proposed innovation is in the form of a software product with a yearly licensing model. So how should we propose the cost? We were thinking of 5 yrs licensing contract.

A5. The testing period of an innovation is proposed by the Bidder in their proposal and is then negotiated between the testing department and the Bidder should it become pre-qualified; but Canada reserves the right to require that all work and deliveries be completed by March 31, 2013.

Q6. If a medical product is complete in development but has not yet been approved by Health Canada would it be considered to be commercially ready or not fit the CICP program ?

A6. CICP requires that a technology must have the necessary certifications to support a test. Required certifications must be available for testing as of the time of bid closing. The required certifications vary greatly between technologies and industries; therefore it may be beneficial to determine what level of certification would be required to test with a potential testing department.

Q7. Is rationale for prior decline available for disclosure to applicants?

A7. Bidders will be given their final scores. Evaluation comments may be provided.

Q8. Do you favour innovations that are complete game changers or innovation that fill a niche by doing a little better, a bit more?

A8. CICP evaluates the proposed innovations using the level of advancement of the state-of-the-art as the scale of technology advancement. Please review the questions and criteria on innovation and state-of-the-art to review in the electronic submission form the types of questions that reflect this.

Q9. What happens if we make a commercial sale after submitting our proposal but before the CICP has completed its analyses? Will we be disqualified?

A9. Bidders can commercialize their innovation after the closing date of the Call for Proposals, currently April 11, 2012 for this Call for Proposals. In the case where the Innovation has been commercialized or sold before the the closing date of the Call for Proposals, the proposal will be declared non-responsive.

Q10. In the CICP cycle, where are the non S&T (i.e. not NRC/IRAP area of activity) innovations assessed?

A10. All proposals are assigned to NRC-IRAP based on the background of evaluators. The organization has a broad range of expertise and proposals are assigned to the persons who have the most relevant experience.

Q11. Our innovation can range in scale, as does pricing. What is the thought on pricing the Innovation?

A11. Pricing should reflect the costs in an ideal testing scenario as proposed in the proposal. However, the maximum funding available is \$500,000.00 (customs duties and excise taxes included, Goods and Services Tax [GST] or the Harmonized Sales Tax [HST] extra, as applicable) per proposal. This does not include the shipping costs to bring the innovation from the Bidder's Canadian address to the testing department.

Q12. We have been working with a potential testing department. They want to test our product if we get CICP contract. How does this affect the bidding process?

A12. PWGSC is responsible for matching successful bidders with a testing department. The Bidder may wish to identify a potential testing department in its proposal, or describe the nature of federal operations

that in the bidder's opinion would be best suited to host the test. The Bidder may contact testing departments, but the Bidder must develop its proposal independently.

Q13. What type of oversight/reporting is involved with this project? Does it depend on the department you're doing business with?

A13. The CICP includes a standard feedback form and departments are free to provide informal feedback to the Innovator throughout the testing. Yes, the level of feedback will vary between departments and test plans.

Q14. Do different evaluators score different sections? If so, should a lot of things be repeated to fully explain and not assume the evaluator has read the previous answers?

A14. No, all proposals are reviewed as a whole. Evaluators may use any section to support their scoring.

Q15. What is the government paying for? We understand the funds cannot go towards commercialization or development.

A15. The government is paying for direct costs to procure the innovation, including any supporting costs. This information is provided in detail in the financial proposal section of the submission system and on the CICP website under financial requirement at: <https://buyandsell.gc.ca/initiatives-and-programs/canadian-innovation-commercialization-program-cicp/submit-a-proposal/financial-requirements>

Q16. Do we include pricing for Travel, Meals and Accommodation?

A16. Travel and living costs may be included in the Other Direct Costs section in your financial proposal. These costs are subject to negotiation and may not be paid should they not fall under the scope of this program. These cost may only be an estimate as the Bidder may not know in advance where the Testing Department will be located. If the region of the Contractor's place of business and the Testing Department region is the same, then no travel and living expenses will be paid for services provided within the Region. Any travel and living expenses beyond this will be in accordance with Treasury Board Travel and Living Guidelines.

Q17. Do we get to demonstrate the product during the evaluation and screening period?

A17. No. Excluding light research conducted by evaluators, proposals are evaluated on the information enclosed and provided in the submission form only.

Q18. In the calculation of Financial Proposal breakdown, could you use an example of an energy drink that costs \$2.00/bottle, with respect to installation, training costs, support services, etc.

A18. A bidder's financial proposal should include all of the costs that would be required in an ideal test scenario that would provide the benefits of the proposed innovation. Not all innovations will require installation, training costs or supports services. If these are not required bidders should include a zero dollar value for their response.

Q19. What if our product is useful to Cities and the private sector but not the federal govt?

A19. CICP is a program that matches pre-qualified innovations with federal government departments. The program can not match or provide innovations to private sector or municipal entities. Testing departments are identified in Schedule I, I.1 and II of the Financial Administration Act.

Q20. Is it possible to offer financial options based on the evolution of a product?

A20. The Bidder's proposal should include all of the quantities and time period required to perform an ideal test scenario that would demonstrate the benefits of the proposed innovation. Additional quantities of the Innovation are beyond the scope of the program. If options are required for a special reason, or if a phased approach to the test is required, this will be subject to negotiation and will be based on the needs of the Testing Department.

Q21. We currently have prototypes in the hands of a federal agency. We have identified to the agency our requirements for the final product. This agency is attempting to provide funding for this development, but the budget uncertainties have stalled this project. Can we present this agency as a customer? Will they get the product as a result of an accepted proposal to CICP?

A21. If the federal agency has tested a prior version of an innovation it does not disqualify them from being a tester on the final version. PWGSC is responsible for matching successful bidders with a testing department. The Bidder may wish to identify a potential testing department in its proposal, or describe the nature of federal operations that in the bidder's opinion would be best suited to host the test. The Bidder may contact testing departments, but the Bidder must develop its proposal independently.

Q22. Can you provide an example of how a company shows IP ownership or rights if it has no patents?

A22. CICP evaluates the IP strategy of a business in relation to the proposed good or service to determine if the strategy is appropriate. Businesses that do not have an appropriate IP strategy to protect their good or service will be screened out. Bidders have an opportunity to select a response that best reflects their IP strategy and then have an opportunity to justify this strategy. If a business has no patents they would select the appropriate response, for example trade secrets or no IP, and then justify why this is the most appropriate strategy.

Q23. Assuming I want to propose a medical device for life science research labs, should I choose Health-Medical Device as the category or enabling technology? I got the impression from reading the documents that the Health category is for regulatory-approved only devices? Many medical device companies provide "for research use only" products when targeting research labs.

A23. Bidders should select the appropriate priority area to their technology. Health is a complex area, but bidders will not be screened out based on their selection. Bidders will need to determine whether an innovation can be tested under the CICP in the federal government as testing may not be possible without the appropriate certifications.

Q24. In the application form, the reasons for rejecting an application are provided (e.g. "Inadequate financial resources or an inaccurate financial plan"). Could you please provide a table of which questions are used to inform each reason for rejecting a proposal?

A24. All questions used to evaluate a proposal are included in the web submission form in the pass and fail bullets. Bidders must provide proposal content that clearly addresses in sufficient depth the points that are subject to the evaluation criteria against which the proposal will be evaluated. Each complete proposal received will be screened and evaluated in accordance with the Call For Proposals solicitation document. Evaluators will comprise of the National Research Council - Industrial Research Assistance Program (NRC-IRAP), PWGSC and/or other subject matter evaluators from government departments. NRC-IRAP evaluators are selected based on their relevant experience to the proposal subject matter such as knowledge of innovation, commercialization trends, knowledge of business practices, knowledge of the program's priority areas, or specific knowledge in the technological field of the proposal. In addition, as

part of the evaluation process, evaluators may perform independent research to verify/validate the information provided in the proposal. This strategy is designed to ensure a fair, expert and independent review of the proposal being evaluated.

Q25. For health products that require Health Canada regulatory approval before commercialization, how can the product be tested by government?

A25. Bidders will need to determine whether an innovation can be tested under the CICP in the federal government as testing may not be possible without specific certifications.

Q26. With regards to the Management Team Overview and keeping in mind that we are a startup company. We cannot afford a full management team at this time, but we have people who are ready to start as soon as the company grows. Just to be clear, we have previous successful experience in growing a company and know how to manage growth. So is it acceptable to present a management team that includes some members that will be hired at a later date?

A26. Bidders should identify their specific challenges and forward looking strategies regarding their management team. For example, it is common that small businesses use part-time Chief Financial Officers. Bidders would be responsible for explaining this situation and how they intend to manage going forward in a manner that would fulfill the screening criteria requirements.

Q27. There is a set-up period required before we can run our test in a region. In that way, it may not be "ready for testing" by April 11th UNLESS it happens in our own City, which is Edmonton. So the "technology is ready", but there is information that must be entered into the system particular to that City that must be entered in order for testing to proceed. Is that a problem?

A27. The innovation must be ready for testing as of the closing date for the Call for Proposals. If it would be ready to be tested in one scenario but would need adjustments for another scenario, this would be acceptable. Please note that bidders are required to clearly explain the state of readiness of their technology to prove to evaluators that it is ready for testing and clearly define the test plan.

Q28. What is the procedure when dealing with proprietary ideas/concepts for testing? Do small/medium size businesses have to have all of their patents in place or can you have it developed and see if it is a viable product before investing large funds to protect it.

A28. CICP includes a screening criterion that requires the bidder to identify their IP status and to explain why their IP strategy is appropriate. Evaluators will determine if the strategy is appropriate for the industry area, including whether the business has the appropriate IP strategy for their current state of readiness.

Q29. I noticed that none of the pre-selected innovations from the first 2 rounds were for services (as opposed to a product). Any reason for that? Are services judged by a different standard than products?

A29. Goods and services are treated in the same manner under CICP. Some of the current pre-qualified businesses under CICP are services based on innovative technologies. For businesses submitting proposals for services, it should be noted that areas like "state-of-the-art" advancement and intellectual property will require the bidder to be clear what is being proposed, and what is advanced. For example, is the core technology behind the service the innovation or is it the delivery methods that are innovative.

Q30. If the innovation is part of a larger currently commercial product, would the "innovation-part" qualify assuming the innovation falls under the CICP definition of innovation?

A30. Depending on the scenario, it is acceptable that a bidder propose a technology component that is integrated into a commercial product as long as the innovative component and its application in the existing technology are not commercial. For example, many energy technologies involve integration with existing vehicles or engines to make them more efficient. Selling the vehicle or engine, including the component, as a whole is acceptable as you will be evaluated on the core innovation of the product.

Q31. SC 4.1 what is meant by "environments"?

A31. The environment(s) could be anything ranging from a simulation based testing facility to a national park grounds or even an office etc. If a bidder is unable to select a specific government testing department, they can provide overall requirements for a suitable test environment which CICP may use later on to help determine a test department that will have the capacity to carry out the test.

Q32. I am not clear how to respond to SC 3.1 d - do we need a separate statement for each certification?

A32. Yes, brief descriptions should suffice.

Q33. Is a product at TRL9 awarded more points than a product at TRL7?

A33. All goods and services are evaluated equally, but it should be noted that areas that evaluate the level of testing conducted and intellectual property would consider the status of the innovation. For example, in questions that request the level of testing conducted to date, it would be expected that a TRL9 innovation would have more testing than a TRL7 innovation.

Q34. I am not sure about the feedback, doesn't the company get to interact directly with the department in requesting feedback?

A34. The level of involvement will vary between testing departments as some tests will require significant involvement and others will be more observatory. This will also depend on the technology and the expertise of the testing department. Some tests will include technical experts, whereas others will have testers who do not possess expertise but are interested in the outcome or benefits of the test.

THERE ARE NO OTHER CHANGES TO THE SOLICITATION