

**Vehicle Technology Centre Inc.
Accepting Letters of Interest to its OEM-Supplier Development Program**

Winnipeg, April 20, 2017

The Vehicle Technology Centre Inc. (VTC) is accepting letters of interest to its OEM-Supplier Development Program, from Manitoba manufacturers undertaking technology development projects supporting heavy vehicle manufacturing in Manitoba.

The VTC is a non-profit organization that supports technological advancement within Manitoba's heavy vehicle manufacturing industry. The sector includes manufacturers of urban and intercity buses, fire trucks, motor homes, recreational vehicles, trailers, agricultural and mining equipment and related parts and components suppliers. Heavy vehicle manufacturing represents about 10% of Manitoba's manufacturing workforce and accounts for about \$1.5 billion in annual exports.

Through its OEM-Supplier Development Program (OSDP), the VTC supports joint projects by original equipment manufacturers (OEMs) and their Manitoba suppliers. Under the OSDP, the VTC may reimburse up to 33% of eligible and approved costs, up to a maximum of \$250,000 subject to available funds, for approved projects that explore technological problems related to heavy vehicle manufacturing in Manitoba. More information on the program is available at the VTC website (www.vtci.ca).

Application to the OSDP is in two stages:

1. submission of a letter of interest
2. projects whose letters of interest are approved in principle will be invited to submit additional information to complete a full project proposal

At this time, the VTC is accepting Letters of Interest from eligible companies. Letters of interest should be a maximum of 3 pages, and should include:

- the project team: lead firm and partner firm(s), brief company backgrounds, contact information
- a brief description of the project, the technological problem being explored and the project's technological impact to the participating firms
- a preliminary schedule and budget including all potential sources of funding to support the project
- an estimate of the anticipated economic impact of the project

Projects approved in principle will be invited to provide, within six weeks of approval, additional detail to complete a full project proposal. This will include a detailed budget, a comprehensive statement of work identifying tasks and timelines and a list of project personnel.

1. Program criteria

Eligible projects should explore technological solutions in any of the following areas:

- new product designs - with emphasis on emissions reduction, clean technologies, vehicle light-weighting, or smart systems
- advanced processes - with emphasis on design, modeling & simulation and on advanced manufacturing (advanced materials, structures and systems).

Projects must demonstrate a reasonable and manageable level of technical risk or uncertainty.

Eligible applicants will be Manitoba-based manufacturers within the heavy vehicle manufacturing industry with sufficient resources to undertake the proposed project and commercialize the result.

Eligible projects will partner at least two eligible Manitoba companies, where at least one of the partners is an OEM or a tier-one supplier to the sector. While non-Manitoba participation is welcomed, costs associated with non-Manitoba partners are not eligible for program support.

For approved projects, the OSDP may contribute up to 33% of eligible and approved costs, up to a maximum of \$250,000 subject to available funds. Project costs eligible for support include:

- project direct labour and benefits
- project-specific materials
- project-specific overhead
- sub-contracts and consultant costs to non-team members
- specialized project equipment

Note that costs for equipment, tooling and overhead related to production are not eligible for support. Costs arising from business loss projections are also not eligible for support.

Projects in a range of sizes will be considered. The OSDP will consider projects with budgets of a minimum of \$30,000. While there is no maximum project size, the maximum support from the OSDP to any single project is \$250,000, subject to available funds.

Letters of interest should estimate the project's anticipated economic impact (e.g. increase in sales and/or exports, import replacement, job creation, new manufacturing investment)

Approved projects will be required to submit periodic progress reports during the project (when submitting claims for reimbursement) and a final report on completion, as well as follow-on reports with respect to economic impact. Approved projects must be completed and expenses paid by February 14, 2018. Phased projects may be considered, however the phase undertaken must be complete by February 14, 2018.

2. Submission deadline

Deadline for submission of letters of interest is 4:30 pm, June 16, 2017. Projects approved in principle will be notified in early July.

NOTE: Submission of a letter of interest does not guarantee nor imply approval or support of a project. Only projects approved in principle will be invited to submit full proposals. **Final project approval and support is subject to availability of OSDP funds.**

All letters of interest, project proposals and other information received from applicants will be kept confidential by VTC.

3. Transmittal instructions

Letters of interest may be sent to:

Vehicle Technology Centre Inc.
Attn: Nestor Dudych
1050 – 259 Portage Avenue
Winnipeg, Manitoba, Canada R3B 3P4

or emailed to:

Nestor.Dudych@gov.mb.ca

(Emailed submissions should have the words "OSDP Letter of Interest" in the subject line.)

For questions or additional information, please visit the VTC website www.vtci.ca or call 204-945-8467.