

## Supporting Product Development for Dairy

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## Canadian Dairy Commission (CDC)

### □ The CDC:

- As national facilitator and chief administrator for the dairy industry, the CDC undertakes a number of activities and programs.

### □ Programs available for food processors:

- **Special Milk Class Permit Program:**  
Permits allowing further processors to have access to competitively-priced dairy ingredients
- **Dairy Marketing Program:**  
Marketing programs and services aimed at encouraging food manufacturers to maintain/increase their use of dairy ingredients in food products.

## Support for Innovation: Programs and Services

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- Objective:
  - To increase the visibility and utilization of Canadian dairy products and ingredients
- Market and Innovation Support Tools:
  - MILKingredients.ca
  - CDC-sponsored dairy seminar series
  - Food industry/science trade shows
  - Innovation Champion
  - Industry partners
  - Support for product development
    - *New: Matching Investment Fund*

## CDC Matching Investment Fund (MIF)

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- Launched on August 1<sup>st</sup>, 2009
- Objective to encourage **growth and innovation** in the manufacture and use of Canadian dairy products and ingredients
- Provides **non-repayable contributions** to Canadian companies and Food Technology Centres (FTC's) for **product development projects** on a **matching investment** basis

# CDC Matching Investment Fund (cont'd) (MIF)

## Key Features:

- Increased level of funding:
  - \$2 million per year dedicated by the CDC over 3 years
  - Up to \$300,000 per project:
    - \$50,000 for Consultation services
    - \$250,000 for Product development activities
  - Use of solids non fat ingredients may qualify for higher funding
- Product development can be done in-house or at a CDC recognized FTC's
- Expanded scope of eligible activities
- User friendly application process



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# CDC MIF: Activities and Funding Limits

	CONSULTATION <i>Access to advice from specialists/experts</i>	PRODUCT DEVELOPMENT <i>Support for product analysis, trials and technology transfer</i>
<b>AUTHORIZED ACTIVITIES:</b>	<p><b>Consultation services in management/marketing:</b></p> <ul style="list-style-type: none"> <li>• Company start-up/Business Plan</li> <li>• Identification of opportunities</li> <li>• Transversal/financial feasibility study</li> <li>• Marketing research</li> </ul> <p><b>Dairy/food sciences experts:</b></p> <ul style="list-style-type: none"> <li>• Problem-solving related to product formulation</li> <li>• Integration of dairy ingredients</li> <li>• Literature and search review</li> <li>• Legislation</li> </ul> <p><b>Engineering services consultant:</b></p> <ul style="list-style-type: none"> <li>• Technical feasibility study</li> <li>• Technologies and equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Adoption of new or existing technologies</li> <li>• Lab/Kitchen scale trials</li> <li>• Pilot tests</li> <li>• Industrial scale tests</li> <li>• Product and nutritional analysis</li> <li>• Clinical trials</li> <li>• Sensory/organoleptic analysis</li> <li>• Sample preparation</li> <li>• Focus group testing directly related to the sensory attributes of the product</li> <li>• Packaging methods/techniques</li> </ul>
<b>ELIGIBLE COSTS CATEGORIES*1:</b>	<ul style="list-style-type: none"> <li>• Consultants and sub-contractors costs</li> </ul>	<ul style="list-style-type: none"> <li>• Consultants and sub-contractors costs</li> <li>• Direct labour costs</li> <li>• Direct material costs</li> </ul>
<b>AVAILABLE FUNDING:</b>	<p>Maximum of \$50,000</p> <p>Small businesses (&lt; 25 employees) are eligible for a full refund on consultation services valued at \$5,000 dollars or less.</p>	<p>Maximum of \$250,000</p>

\* Some capital investment costs may also be deemed eligible under the Product Development feature of the MIF under specific circumstances.



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## CDC MIF: Eligibility Criteria

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- Project meets **at least one criteria**:
  - **Incorporate a Canadian dairy ingredient** in a product formulation where no dairy ingredient(s) had been previously used
  - **Replace a substitute** ingredient in a product formulation with a Canadian dairy ingredient
  - Develop and market a **new dairy product**
  - Develop and market a **new or innovative further processed product** containing Canadian dairy ingredients
  - **Technology/knowledge transfer** activities having a demonstrated benefit for a company or for the Canadian dairy industry as a whole

## CDC MIF: Eligibility Criteria (cont'd)

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- The product to be developed/reformulated must satisfy the following criteria:
  - A product not currently manufactured in Canada / A product to be reformulated with dairy
  - A product that will result in a net increase in the use of milk or Canadian dairy ingredients
  - Project involves a technical challenge associated with incorporating a Canadian dairy ingredient or developing an innovative dairy product
  - Dairy ingredients are made wholly or mainly from milk

## CDC MIF: Application

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### □ Who should apply?

- Any registered Canadian companies or FTCs having product development/reformulation projects involving technical challenges associated to the use of dairy
- Dairy ingredients deemed eligible under the CDC MIF include:
  - Butter, cheese, milk powders, milk protein concentrate/isolate, evaporated milk, sweetened & condensed milk, whole milk, liquid milks, cream, buttermilk and yogurt

### □ How to apply?

- Online MIF Application Form: [www.MILKingredients.ca](http://www.MILKingredients.ca)  
(also available in Appendix of the Program Guide)



[MILKingredients.ca](http://MILKingredients.ca)

9

## CDC MIF: Uptake of the program

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### □ 6 Projects approved:

- 0.5 million dollars of CDC funding committed
- 1.5 million dollars remains available for the current year

### □ Examples of projects approved/under review:

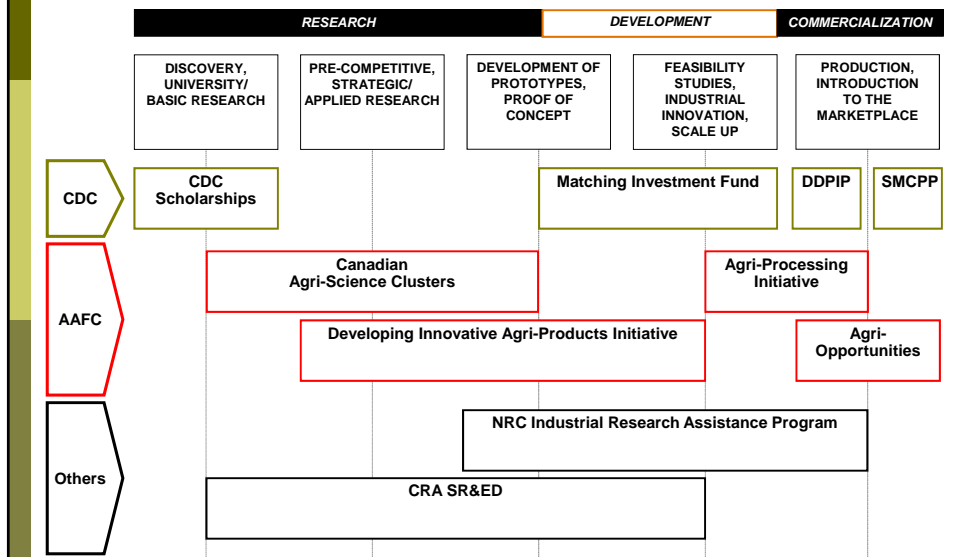
- Development of satiety products
- Development of dairy ingredients with improved functionality
- Development of new further processed products:
  - Asian bakery products
  - Nutraceuticals
  - Pet food
- Reformulation of ethnic prepared meals with Canadian dairy ingredients



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10

# CDC MIF: Positioning



# Thank you...

- Questions?



- For more information:

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