



# GUIDELINES

**Before completing an application form, please submit a short EXPRESSION OF INTEREST (see below).**

Businesses in Cornwall can sometimes face obstacles to reaching customers because of our rural location. Emerging digital media has the potential to help businesses to overcome these barriers, reach a wider market and increase sales.

To find out how digital and interactive marketing using mobile phones and websites, digital TV and web advertising, viral marketing or film can help your business to grow, please visit our website or contact Project Manager Jessica Smalley for advice.

## What is DIGITAL MARKETS?

Cornish businesses *from any sector* who would like to take advantage of new technology to expand their marketing can apply to **Digital Markets** for up to 40% of the cost of producing the digital marketing tool they desire, using accredited local companies and freelancers to produce this.

Our maximum investment in any one business will be £10,000, although smaller awards are more likely. The Project Manager can provide advice to help you make the best possible application.

Digital media marketing tools that can be supported by the scheme include moving image streamed online; web and digital TV advertising; viral marketing; interactive marketing using mobile phones and/or websites; and in some cases, promotional DVDs.

We have developed a database of local companies and freelancers with the necessary skills and experience to deliver digital marketing tools: the **Digital Markets Accredited Suppliers**. These businesses have agreed to adhere to our best practice guidelines. A database of suppliers is available on our website.

## APPLICATION DEADLINES

**Expression of Interest:**

**Friday 19 January 2007**

**Full application:**

**Monday 29 January 2007**

## What should I include in my Expression of Interest?

Your Expression of Interest (no more than 500 words) should contain the following information. This will allow the Project Director to help you to complete the application as effectively as possible.

- A brief description of the marketing tool you require and any companies/freelancers you have approached to deliver this (you can submit an expression of interest before approaching providers if you wish)
- An outline of the target audience for the digital marketing, and an explanation of why this type of marketing would grow your business effectively

- The amount of investment you will provide, and the amount you would like to request from Cornwall Film.

### **What are the aims of Digital Markets?**

- To help overcome barriers faced by rural businesses in Cornwall by exploiting the potential of emerging digital media to market businesses effectively and to increase sales
- To grow Cornwall's corporate and digital media market
- To grow Cornwall's media, new media, and design sectors, developing partnerships that will increase capacity, providing 'umbrellas' of specialist training to develop entrepreneurship and skills, and seeding a commitment to capitalising on technological change.
- To drive competitiveness, innovation and enterprise; supporting the growth of the knowledge economy and ensuring that Cornwall continues its exploitation of Information and Communications Technology.

### **How will Cornwall Film assess my application?**

The project will be assessed against the following criteria:

- The project's ability to meet the aims outlined above
- The likely economic benefit to the applicant of the proposed project, including the potential for job creation and safeguarding.
- The appropriateness of the marketing tools to the product market
- An achievable budget and schedule that demonstrate value for money
- Appropriate expertise in the delivery team and potential opportunities for skills development

### **How do I apply?**

1. If you are interested in developing digital media marketing tools to grow your business, you first submit an expression of interest to the Project Manager, Jessica Smalley, who is based at DPN. The deadline for an expression of interest is Friday 19 January 2007. You can approach Jessica to discuss your expression of interest in advance if you wish.
2. Jessica will advise you on potential marketing tools and help you to complete the application form.

You must use Digital Markets Accredited Suppliers to deliver your project. Jessica can direct you to our database of accredited media businesses and provide you with the best practice guidelines under which the accredited media businesses have agreed to work.

3. You complete the application form, contacting Digital Markets Accredited Suppliers for a minimum of 3 quotations. The application form outlines the nature of your business, your current market environment, and how you will use the marketing tool to increase turnover. These documents are forwarded to Jessica for review.

Please note **you MUST apply in writing BEFORE you buy** (retrospective funding cannot be given, you must wait for approval before you make any purchases).

The deadline for submitting a full application is Monday 29 January 2007

4. Jessica will submit your application to the selection panel for funding consideration. She acts as advocate for the project and does not have a vote on this panel. Your application may also go for external independent assessment.

5. The 5-7 members of the Selection Panel will be drawn from the Digital Markets funders and partners and others with appropriate specialist expertise. Feedback will be given to unsuccessful applicants. The Panel may request further information or clarification of proposals prior to making their decision. They will meet on 19 February 2007.

### **What happens if my project is selected?**

6. Approved projects will receive an offer letter and funding agreement from Cornwall Film setting out the terms and conditions and confirming the level of grant funding awarded.
7. Successful applicants then meet with Jessica to finalise details of their project, identify objectives and a project plan. This will include:

- Confirmation of suppliers and their contributions to the project
- Full description of the project to be developed
- Forecast spend/profile/cashflow
- Specific measurable outputs (what will be produced/achieved)
- An activity time-plan

8. You can then commission the digital media marketing tool as agreed.

Please note that Cornwall Film is only able to pay out retrospectively on evidence of spend. In some cases, our payment can be made in two instalments to aid cashflow – but always on evidence of original invoices and proof of payment.

9. Jessica will oversee the delivery of the project.
10. You will be required to provide regular updates on progress. You will need to ensure that the accredited media businesses delivering the project complete a simple timesheet detailing days worked. You will also need to deliver a short project evaluation/case study report on the completion of the project. Full payment of the funding will be subject to delivery of these reports.
11. All projects selected for this funding round must be completed and delivered to Cornwall Film by 25 May 2007.

### **What are Digital Markets Accredited Suppliers?**

Digital Markets Accredited Suppliers are Cornwall-resident businesses and freelancers who have the capacity to deliver digital media marketing tools. Digital Markets has been developed to develop the local media sector, and consequently we request that you use Digital Markets Accredited Suppliers to deliver your project.

To join the scheme, these suppliers have agreed to adhere to our best practice guidelines. They also provide two referees who have worked with them on previous projects so that you can find out more about them and their skills. Our online database provides details of these suppliers. You will need to source three quotes from these for the planned activity.

If you aren't sure about the skills you will need, Jessica is available to provide you with advice on the kind of suppliers you will need to deliver your project.

### **What are the Eligibility Criteria for businesses applying to the scheme?**

1. You must be an SME
2. You must be based in Cornwall
3. Your Digital Markets project must be delivered by a Digital Markets Accredited Supplier (or a group of these)

4. You must not have received other public funding/grants within the previous 3 years which, together with this grant, exceed €100,000 (approx £65,000)
5. Offers are subject to the terms and conditions of the Offer Letter and funding agreement and the Project will formally commence on signing a copy of the Offer Letter by each participant;
6. You must agree to contribute to progress reporting and a Project Evaluation/Case Study of the programme, project process and outcomes.

### **Notes on completing the application form:**

#### **A Applicant**

1. Please ensure that the name of the person we should contact about your application is listed under lead partner/project leader.
3. This should be your company's gross annual turnover for that financial year.

**4a/b.** In order to calculate the direct benefit to Cornwall of supporting your project, we need to know how many people based in Cornwall are already employed by you.

Please include all staff that you employ either full-time or part-time. Each member of full-time staff that you employ can be counted here as 1 job.

Part-time members of staff can be counted proportionally (i.e. someone who is employed for 2 days a week would be counted as 0.4; someone who is employed for 3 days a week would be counted as 0.6).

Freelancers: In order to calculate the equivalent total in full-time jobs, we need the total number of all days work that you provide to freelancers in the course of a year. (i.e. if over one year, you employ one freelancer for 10 days, another for 15 days, and another for 5 days, please enter a total of 30 days here).

“Cornwall-resident” is taken to mean that an individual’s home address is in Cornwall, that they are residing in Cornwall at the time of application and will continue to reside in Cornwall for the duration of the project for which funding is awarded (unless otherwise specifically agreed with the Fund).

**4c** Cornwall Film is committed to developing a culture in which individuals are treated openly and fairly with dignity and respect. To that end, we encourage all applicants to develop an Equal Opportunities Policy and can provide advice on doing so.

#### **B Business case document:**

Please attach a document outlining the business case for your application. This should include the following:

##### Business Details

- *The nature of your business – who you are and what you do as a business*

##### Introduction & Present Situation

- *Where you are now with your business*
- *Your use of technology including any digital media marketing to date*

##### Market Environment

- *Your market environment – who are your competitors, customers and suppliers?*

##### The Project

- *An outline of the project for which you are applying to Digital Markets*
- *What do you want this project to achieve for your business?*

- *Your chosen supplier(s) selected from the three quotes provided*

#### SWOT Analysis

- *Strengths - Of the business and the project as a solution to your current needs*
- *Weaknesses - Of the business and the project as a solution to your current needs*
- *Opportunities – To be generated for the business through delivery of the project*
- *Threats - Risks involved with the project, current market environment*

#### Strategy

- *Your strategy – how you plan to achieve your goals and timescales*

#### Supporting information

- *How this project will enable your business to grow (turnover/employment/efficiency)*
- *Basic business projections*
- *Why you need funding to deliver the project*
- *How you will publicise the fact that you have received EU funding*

### **C Quotations**

For all digital media marketing tools we would expect the following information to be provided by the supplier/developer/designer:

- A project outline – a summary of the project/services they will be providing
- The technology with which the project will be developed (i.e. programming languages; shooting format etc.)
- A full breakdown of costs, including any hosting and management costs
- Security risks and how they will be addressed
- A timeplan for the delivery of the project (as a minimum the number of days it will take to produce)

For websites we would require the following additional information to be provided:

- A structure diagram of the site (site map)
- A description of the administrative features of the site
- A description of any database or specific functionality of the site.

**Note:** All costs must be in £ sterling and excluding VAT. Please note that Cornwall Film cannot include the cost of reclaimable VAT in the project budget.

All payments for work carried out will be made retrospectively to an agreed budget.

Please be aware that funding availability is subject to change at any time. Please contact Project Manager Jessica Smalley for further information.

### **E FULFILLING THE CORNWALL FILM CRITERIA**

The criteria in this section are those contained in Cornwall Film's agreement with the European Regional Development Fund. These are preconditions against which we will measure each application. Applicants will need to address these criteria in their applications and we are here to assist you in making the best case.

#### **The proposed activity is eligible for structural fund support**

If your activity fits the criteria outlined above, it is eligible for structural fund support. The objectives of the Objective One measures under which this project falls are: To increase the

	<p>number of businesses and employment in new and high growth sectors through the provision of targeted business support; To facilitate company growth and expansion through the provision of appropriate financial support.</p>
	<p><b>The proposed activity is located within the Objective One area</b></p> <p>The Objective One area is Cornwall and the Isles of Scilly. This does not include Plymouth.</p>
	<p><b>The proposed activity would not be able to proceed without accessing the umbrella scheme monies</b></p> <p>We can only fund activities that would not proceed without our support.</p>
	<p><b>The applicant will identify all relevant match funding before money is released.</b></p> <p>While we can make a provisional award on the basis of anticipated match funding, we can only issue payments once we have received evidence of all of your match funding. We can only issue payments retrospectively.</p>
	<p><b>The applicant will provide evidence of eligible expenditure.</b></p> <p>Eligible expenditure will include local services, freelancers and facilities as detailed in the budget you will agree with the Project Manager if your application is successful. Expenditure cannot include repayable VAT, entertainment expenses or legal expenses in respect of litigation.</p>
	<p><b>The applicant will provide evidence of employment figures, including specific details of Cornish jobs created and/or safeguarded and turnover before and after funding request.</b></p> <p>Cornwall Film's investment is designed to create more work for the media sector. As a result we need to evidence this. Therefore we will require copies of invoices and a short completed timesheet that lists all Digital Markets Accredited Suppliers employed on the project. These will need to detail number of days employed. We will require a summary of all employment information before we can release your final payment.</p>
	<p><b>The applicant will inform all Digital Markets Accredited Suppliers employed by them of the need to provide annual updates on turnover to Cornwall Film</b></p> <p>We will provide you with information on this to give to all suppliers employed by you.</p>
	<p><b>The applicant will increase awareness of the environment through the proposal and ensure against any negative impact on the environment being caused by the proposed activity.</b></p> <p>Visual media increase our visual understanding of the environment. We encourage applicants to explicitly address environmental issues and opportunities in the development and production of their project. This doesn't mean that the project's subject matter must be environmental, but we do encourage awareness of how media can potentially have a negative impact on the environment by causing damage or disturbance. There are many ways in which we can take care to ensure our actions are positive and that we leave locations as when we arrived. We can also use resources (water, materials, energy, transport etc.) efficiently and protect the environment. Free advice on these matters is available from the Objective One Partnership Office on 01872 241379.</p>
	<p><b>The applicant has a viable marketing strategy that involves the use of ICT</b></p> <p>Projects applying to this scheme will of course be extremely likely to utilise Information and</p>

	Communication Technology in their delivery.
	<p><b>The applicant has an equal opportunities policy and will ensure that any employment opportunity resulting from Cornwall Film’s investment would be open to all.</b></p> <p>Cornwall Film believes in equality of opportunity regardless of ethnicity, gender, belief, disability, age, sexual orientation or marital status. The Cornwall Film project has been designed to address the barriers to survival that may have previously excluded people from areas of multiple disadvantage. We will do this by enabling easy access to all our services including to advice, investment funding, and facilities for trade shows and export.</p>

## STATE AID

An element of the funding offered under this programme may be registered as *de minimis* aid under EC Regulation 69/2001 (“*de minimis*” aid regulation). This regulation sets a ceiling of €100,000 (approximately £65,000) for such aid which can be received by any one firm over a three year period.

The Regulations require that the *de minimis* aid awarded to you under this offer must be aggregated with any other such aid received from any other public body over the same period. This includes aid from all public sources, eg Central Government Departments, Local Authorities, Learning & Skills Councils and includes financing from Community sources such as through Structural Funds. It also includes all types of aid such as loans, guarantees, grants, rent rebates or sale of land at less than best price. You should have been informed by the awarding bodies if any such finance or support was or is *de minimis* aid.

You will need to provide us with details, including a scheme title if known, of all the public financial assistance your firm has received over the past three years, identifying the *de minimis* aid from any other aid received under a notified and approved aid scheme, such as SMART, RSA.

You will also need to provide Cornwall Film with updated information of any additional public sector aid which you receive over the next four years.

We will be relying on the information you provide to judge whether the *de minimis* aid to be awarded to you under this offer is within the threshold allowed, and it is important that you understand that you will carry the risk of clawback of the grant if incomplete or inaccurate information is given. You may be liable to repay with interest any *de minimis* aid identified as over the limit of €100,000 in any rolling three-year period.

The European Union requires that applicants fall within the *de minimis* exemption criteria and also meet the EU’s definition of “SME” (“small to medium size enterprise”).

Applicants must therefore be able to answer “YES” to each of the questions in this section (and be able to demonstrate their compliance if required). We will not be able to make any investment if you cannot fulfil all of the listed criteria as they are Objective One requirements.

13. Can you prove that no enterprise or enterprises which themselves do not meet the definition of an SME owns more than 24% of your share capital or voting rights?

There are exceptions to this rule and we can supply more detail on request.

14. Have you received less than EUR 100,000 in grant aid in the past 3 years and will you undertake not to exceed this figure during any three-year period in which the Fund's award (if made) falls?

See above. In some cases, grant aid may be deemed to be the notional interest on a repayable loan rather than the entire sum of the loan itself - we will advise you.

### **IF AT FIRST YOU DON'T SUCCEED...**

Cornwall Film has a fixed amount of funding to award via Digital Markets. There will never be enough money to fund all the projects we would like to fund. Sadly, some applicants will not be successful.

We envisage that sometimes an application may be referred back for more information or for further specified work but normally a "no" will mean that there can be no further application to us for funding for that project. There is no appeal procedure against decisions made by Cornwall Film. However, you are free to apply to Cornwall Film for funding for another project if this or other funding streams are in operation.

### **WE CAN BE WRONG TOO!**

This is the second version of Cornwall Film's application guidelines for Digital Markets. We know that we won't have covered everything and we also know that some elements are bound to need revision. We must reserve the right to change these guidelines at any time (within the parameters of the approved scheme). We welcome comments not only from applicants but from anyone who shares our goal. We will do all we can, within the agreed structure, to tailor the operation of Cornwall Film to the needs of Cornwall.

### **ANY OTHER QUESTIONS?**

Cornwall Film has appointed Digital Peninsula Network to project manage Digital Markets. Please contact Jessica Smalley, Project Manager if you would like any further advice on completing your application – we appreciate that completing these forms can be an arduous task. If you have any queries, please call Jessica on 07876 022 434 or 01736 333700 or email on [Jessica@digitalpeninsula.com](mailto:Jessica@digitalpeninsula.com)

**PLEASE NOTE: You should send your expression of interest and application form to DPN, NOT to Cornwall Film.**

Jessica Smalley  
Project Manager: Digital Markets - Cornwall Film  
c/o Digital Peninsula Network  
1 & 2 Old Brewery Yard  
Penzance  
Cornwall TR18 2SL

Many thanks for your time – with your support, we have a great opportunity to build the economy in Cornwall and market our successes to the world.

## **Sources of funding for Digital Markets:**

Digital Markets is a strand of Innovation in Digital Media, supported by the Rural Cornwall and Isles of Scilly Partnership and the South West Regional Development Agency. The project has been developed as a partnership of Cornwall Film, Cornwall Media Focus, Digital Peninsula Network, The Design Forum, University College Falmouth, Act Now and Business Link.

These guidelines are based in part on the application for funding under the Objective One programme of the European Union. These form part of Cornwall Film's contractual arrangement with the EU and Cornwall Film is bound by them. Funding is drawn from the European Regional Development Fund and Cornwall Film's partners.

Cornwall Film is working in partnership with Cornwall Media Focus, Digital Peninsula Network, Business Link, actnow and University College Falmouth.