REQUEST FOR INTEREST
Export Logistics Service – China Market

Request for Interest

Export Logistics Service – China Market

For
Nova Scotia Business Incorporated
Halifax, Nova Scotia

Request for Interest Issue Date: March 6, 2018

Responses to this Request for Interest must be received at the office of:

Nova Scotia Business Inc.
1800 Argyle Street
Suite 701
Halifax, Nova Scotia
B3J 3N8

No later than 4:00pm (ADT), April 3, 2018

Email submissions will be accepted for this Request for Interest

Facsimile submissions will not be accepted for this Request for Interest
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NSBI OVERVIEW

Nova Scotia Business Incorporated (NSBI) is a business development agency for the Province of Nova Scotia, led by a private sector board of directors. In order to strengthen and grow the Nova Scotia economy, NSBI’s primary efforts are focused on helping Nova Scotia businesses grow exports through access to business advisory services, skills development and training, market intelligence, access to financing, support in accessing global markets, and by attracting innovative, globally competitive companies to establish a business location in Nova Scotia. Learn more novascotiabusiness.com.

OBJECTIVE

NSBI is implementing a unique business development opportunity for export ready Nova Scotia food and beverage companies in Shanghai, China. This will be a one-year initiative to have products stored, promoted and sold in the Chinese market. The project will be done in collaboration with Direct Imported Goods (DIG) (the “Importer”), a large importer of food and beverage products in China.

1.0 PROJECT BACKGROUND

China continues to be the world’s largest consumer market for food and beverage (F&B) products, surpassing the United States in 2011. This makes the Chinese market increasingly appealing for foreign brands, especially as Chinese consumer behavior shifts. Despite a fragmented distribution infrastructure and growing local competition, opportunities for Canadian small and medium enterprises (“SMEs”) to sell products in China will likely grow further.

NSBI has designed an initiative called the China Export Logistics Initiative (the “Initiative”) to help a select group of Nova Scotia food and beverage companies (the “Companies” or the “Company”) achieve increased sales and market share in Shanghai, China. NSBI will be working with DIG, a large state-owned enterprise that specializes in importation of food and beverage products into China.

The Companies in the Initiative will be experienced exporters with the capacity to produce and ship up to ten pallets of product within a two-week timeline beginning in Fall 2017. They will possess sufficient financial resources and a keen commitment to support a long-term China presence.

2.0 PROJECT ELEMENTS AND DELIVERABLES

NSBI anticipates that the Importer fees will be $300 per month, per Company. NSBI will pay 100% of the fees for the services of the Importer for the first six months, and 50% of the fees for the following six (6) months, to a maximum of $2,700 CAD per Company. The Companies will be responsible for paying the remaining 50% of the fees during the latter six (6) month period. The Companies will be responsible to submit to NSBI such documentation as required by NSBI to establish the fees paid, and the services provided by the Importer.
The services of the Importer eligible for payment by NSBI are:

- Customs Clearance and Commodity Inspection
- Bonded/Unbonded Warehousing
- Promotion on Multiple Online Platforms
- On/offline Sales
- Pricing Strategy
- Logistics and Distribution
- Sales and Data Analysis

NSBI will coordinate the first shipment to be consolidated in Halifax to lower the shipping cost. The Companies will be responsible for the cost of their products and the shipping cost. They must be willing to have their products put in consignment until sold.

Requests for Interest that meet the mandatory criteria as set out in Section 5.2 will be sent to the Importer for consideration. The final decision for selection will be made by the Importer based on criteria including:

1. Number of SKUs available
2. Pricing
3. Fit for the Chinese market

Selected Companies will then enter into a contract directly with the Importer for a period of one year. Upon completion of the Initiative, the Company and the Importer may wish to enter into an agreement for the continuation of services, but NSBI will not be part of that agreement.

4.0 SCHEDULE

The Companies must be available to begin shipping product in May/June, 2018. The expected completion date is August, 2019.

5.0 REQUEST FOR INTEREST SUBMISSION

5.1 Submission Requirements / Consent
Submission procedures are to be followed by all Companies. Companies are cautioned to carefully read and follow the procedures required by this Request for Interest, as any deviation from these requirements may be cause for rejection of the submission. The Request for Interest must be signed by the person(s) authorized to sign on behalf of the Company and to bind the Company to statements made in response to this Request for Interest.

By submitting a Request for Interest, you are providing your consent, should it meet the mandatory criteria, for NSBI to forward your Request for Interest, in its entirety, to the Importer for the purposes of the final selection process.

5.2 Request for Interest Format and Required Content
The Request for Interest should include a company description, with primary contact information. The following criteria are mandatory in order to continue in the selection process.
The Company must clearly articulate how the criteria has been met:

1) You are required to be an agri-food producer. Please confirm so.

2) You are required to be an experienced exporter. Please confirm so and tell us about your Company’s current export activity outside of Nova Scotia.

3) You are required to be able to produce 10 pallets within a two-week timeframe for the products you wish to sell in China. Please confirm that your Company currently has the capacity do so. If not, tell us how you will have the ability to do so if chosen for participation in the Initiative.

4) You are required to be willing to put your products in consignment in a warehouse in China. Please confirm so.

5) You are required to be willing to translate your marketing material to Mandarin at your own cost. Please confirm so.

6) You are required to be willing to share your sales data with NSBI through the Importer, and to provide NSBI with a copy of any contract between you and the Importer if requested by NSBI. Please confirm your willingness to have the Importer share this information with NSBI, and to provide a copy of your contract(s) with the Importer if requested by NSBI.

7) You are required to attend a mandatory information session on this initiative. Please confirm so.

The following must also be included as part of your Request for Interest.

a) Wholesale price list for the products you will be exporting. Prices should be quoted Cost, Insurance, Freight (CIF) to Shanghai.

b) A description of the products / SKUs you will be exporting to China with specifications.

c) Marketing materials including any unique selling points in English and in Mandarin, if the latter currently exists.

You may add any additional details on your Company’s exporting success in other markets, if you feel relevant and not addressed elsewhere in your Request for Interest.

Requests for Interest that meet the mandatory criteria will be forwarded to the Importer in China for the final selection process.

5.3 Copies Required
If submitting paper Requests for Interest, the original and two copies of all documents are required. The original shall be left unbound, and clearly marked ORIGINAL on the title page and all copies shall be clearly marked COPY on the title page. One of the copies must be left unbound. The original will be retained by NSBI as the official record of submissions received.
5.4 Enquiry Contacts/Project Management
Companies requiring further information on this Request for Interest should contact:

**Julie Houde, Export Development Executive, NSBI**
Telephone: (902) 424-5397
Mobile: (902) 266-2219
Email: jhoude@nsbi.ca

This person will be the main contact to ensure consistent access to all information required to respond to the Request for Interest. Any information obtained from other sources, unless agreed upon by this individual, is not official and may be inaccurate.

5.5 Request for Interest Changes and Amendments
Any changes made to the Request for Interest or any appendixes or any change in the closing date or time will be posted and it is the sole responsibility of any Company to monitor and check for changes. When these changes occur within five (5) business days of the close of the Request for Interest, the scheduled closing date may be extended to allow for a suitable number of Request for Interest preparation days between the closing date and the issuance of the change.

5.6 Closing Date
All Requests for Interest and required copies of the Request for Interest must be received by 4:00PM ADT on April 3, 2018.

**Mailing Address:**
Nova Scotia Business Inc.
P.O. Box 2374
Halifax, NS
B3J 3E4
Attention: Julie Houde

**Street Address:**
Nova Scotia Business Inc.
1800 Argyle Street, Suite 701
Halifax, NS
B3J 3N8
Attention: Julie Houde

Requests for Interest and their envelopes should be clearly marked with the name and address of the Company, and the project or program title. Requests for Interest should be submitted in English.

Requests for Interest may also be submitted by email only in pdf format to jhoude@nsbi.ca. Requests for Interest should be submitted electronically as one document that includes all annexes and appendixes.

5.7 Late Requests for Interest
Late Requests for Interest will not be accepted.

5.8 Changes to Request for Interest Wording
The Company will not change the wording of its Request for Interest after closing and no words or comments will be added to the general conditions or detailed specifications unless requested by NSBI for purposes of clarification.
The Company may change a previously submitted Request for Interest by withdrawal, amendment or submission of a replacement if done prior to the tender closing date and time. This information or request should be submitted in writing by email and contain the signature of the individual submitting the original submission.

Companies must indicate in the email header that the Request for Interest contained within replaces and takes the place of a previously submitted Request for Interest or part thereof.

6.0 GENERAL INSTRUCTIONS

6.1 Eligibility
Prospective Companies are not eligible to submit a Request for Interest if current or past corporate and/or other interests may, in the opinion of NSBI, give rise to a conflict of interest in connection with the project. Companies are to submit with their Request for Interest documents any issue that may constitute a conflict of interest violation for review by NSBI.

NSBI’s decision on this matter will be final. If there is a deemed conflict of interest, proponents will be disqualified.

6.2 Company’s Expenses
Companies are solely responsible for their own expenses in preparing, delivering or presenting a Request for Interest and for subsequent negotiations with NSBI, if any.

6.3 Grounds for Disqualification
The Company shall direct all questions regarding this Request for Interest to individuals identified in the Enquiry Contacts/Project Management section of this document. Any attempt on the part of the Company or any of its employees, agents, contractors or representatives to contact any of the following persons with respect to this Request for Interest may lead to disqualification:
   a) any NSBI board member;
   b) any member of NSBI staff other than those specified;
   c) any employee of the Nova Scotia provincial government.

6.4 Obligation
NSBI will not be obligated in any manner to any Company whatsoever until a written agreement is mutually reached with the successful Company regarding the execution of the project.

6.8 Definition of Contract
“A written agreement between NSBI and the chosen Company to undertake the project according to defined terms, conditions, deliverables, and price.”

6.5 Liability for Errors
While NSBI has used considerable efforts to ensure an accurate representation of information in this Request for Interest, the information contained is supplied solely as a guideline. The information is not guaranteed or warranted to be accurate by NSBI, nor is it necessarily comprehensive or exhaustive. Nothing in this Request for Interest is intended to relieve Companies from forming their own opinions and conclusions with respect to the matters addressed in this Request for Interest.
6.6 Acceptance of Terms
All the terms and conditions of this Request for Interest are assumed to be accepted by the Company and incorporated in their Request for Interest. Companies who have obtained the Request for Interest electronically must not alter any portion of the document.

6.11 Special Conditions
The agreement can be terminated at any time for service levels not acceptable to NSBI. The agreement can be terminated by either party, with or without cause and at its sole discretion, by giving 30 days prior written notice to the other party, without further obligation or penalty.

6.12 Financial Stability
Successful Companies may be required to demonstrate financial stability and must be registered to conduct business in Nova Scotia.

6.13 Ownership of Requests for Interest and Freedom of Information
All materials submitted in response to this RFP will become the property of NSBI. RFP respondents shall not retain any rights, including, but not limited to, intellectual property rights, to the information and/or ideas contained within or accompanying the response to this RFP. All documents submitted by the Company shall become the property of NSBI and are subject to disclosure under the Nova Scotia Freedom of Information and Protection of Privacy Act.

Further information about this Act may be found on http://foipop.ns.ca/legislation. By submitting a Request for Interest, the Company thereby agrees to public disclosure of its contents. Any information the Company considers ‘personal information’ because of its proprietary nature should be marked as “confidential”, and will be subject to appropriate consideration as defined within the Nova Scotia Freedom of Information and Protection of Privacy Act.

6.14 Use of Request for Interest
This document, or any portion thereof, may not be used for any purpose other than the submission of Requests for Interest.

6.15 Confidentiality of Information
NSBI is required to comply with the Personal Information International Disclosure Protection Act (S.N.S 2006, c.3). This Act creates obligations for NSBI and its service providers when personal information is collected, used or disclosed. Requirements include limiting storage, access, and disclosure of personal information to within Canada, except as permitted by the Act, and as provided for under Section 5.1. Further information about this Act may be found at http://nslegislature.ca/legc/statutes/persinfo.htm.

Information pertaining to this Request for Interest obtained by the Company as a result of participation in this project is confidential and must not be disclosed without written authorization from NSBI.

6.17 Governing Laws
This RFI and any contract entered into between the Company and NSBI arising therefrom shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein, and shall be treated in all respects as a Nova Scotia contract.
The Company agrees that any suit, action or proceeding arising from or in relation to this RFI and any contract entered into between the Company and NSBI arising therefrom, shall be brought to the Supreme Court of Nova Scotia, the Federal Court of Canada or any other Court in which, at its sole discretion, NSBI chooses to bring such suit, action or proceeding, and the Company hereby generally, irrevocably and unconditionally submits to the jurisdiction of any or all such Courts over any such suit, action or proceeding. The Company further agrees that all judgments in such suits, actions or proceedings shall be conclusive and binding upon it and that such judgments may, at the sole election of NSBI, be enforced in any jurisdiction or jurisdictions selected by NSBI.

7.0 CONTRACT CLAUSES

7.1 Indemnity
The Company shall indemnify and save harmless NSBI, its employees and agents from and against all claims, demands, losses, damages, liens, awards, charges, actions, costs and expenses made against or incurred, suffered or sustained by the corporation at any time or times (either before or after the expiration or sooner termination of a contract for a specific and defined project) where the same or any of them are based upon or arise out of or from anything done or omitted to be done by the Company or by any servant employee, officer, director or subcontractor of the Company pursuant to the contract.

7.2 Insurance
The contract may contain a provision that the Company shall without limiting its obligation or liabilities and at its own expense, provide and maintain throughout the contract term, Comprehensive General Liability in an amount not less than $1,000,000 inclusive per occurrence insuring against bodily injury, personal injury and property damage and including liability assumed under contract with insurers licenses in the province of Nova Scotia and in the forms and amounts acceptable to NSBI. All required insurance will be endorsed to provide NSBI with 30-days advance written notice of cancellation or material change. The Company will, on demand, provide NSBI with evidence of the required insurance.

7.3 Contract Administrator
The successful Company will be expected to name a project lead to be responsible for the engagement.

7.4 Compliance with Laws
The Company shall give all the notices and obtain all the licenses and permits required to perform the work. The Company will comply with all laws applicable to the work or performance of the contract.

8.0 EVALUATION PROCESS

8.1 Selection Criteria
In the Request for Interest, Companies that clearly exhibit all the mandatory criteria outlined in Section 5.2 will move forward in the selection process. The selection committee for determination of mandatory criteria items 1 to 6 in Section 5.2 will consist of representatives from NSBI.
The Final Selection process is based on the criteria items (a) to (e) in Section 5.2. and will be made by the Importer. NSBI does not participate in the final decision.

Companies that have not met the mandatory criteria will be notified. An Export Development Executive will follow-up to discuss alternative market/capacity development activities that may be a better fit.

NSBI reserves the right not to accept any Requests for Interest for any reason including determination of a deemed conflict of interest.