



cycle — from research, development and design through production and marketing — the department can assist with information and funds.

Enterprise development

17.2.1

In April 1977 the Enterprise Development Program (EDP) replaced several innovative and adjustment assistance programs of the department to facilitate co-ordination among various forms of help, and make the programs more accessible, particularly to smaller and medium-sized Canadian businesses. The overall objective was to enhance growth in the manufacturing and processing sectors of the Canadian economy by providing assistance to selected firms to make them more productive and internationally competitive. The focus was on firms prepared to undertake, in relation to their resources, relatively high risk projects which were viable and promised attractive rates of return on the total investment.

EDP adopts a corporate approach to analysis of applicant firms to identify present and future requirements and to tailor a financing package that combines one or more forms of EDP assistance with other government assistance and private sector financing. This merchant banking flexibility has been described as investing in firms, not just supporting projects. A merchant bank is defined as a financial institution which endeavours to serve its clients by identifying, structuring and providing, or arranging for, all types of financing, and financial and management services required by a firm to realize its full potential.

The corporate/merchant banking approach is to examine the human, financial, physical and technological resources of a firm, the market opportunities and constraints and the firm's plans to exploit its market opportunities.