



Ontario's Regional Economic Development and Innovation Newsletter

Issue #67

August 15, 2003

Studies & Publications: [Announcements](#) | [Editor's Pick](#) | [Innovation Policy](#) | [Regions & Clusters](#)

[Events](#)

[Search the OREDI Newsletter](#)

[Subscriptions & Comments](#)

This newsletter is published by [ONRIS](#) at the [Centre for International Studies](#), University of Toronto, and sponsored by the [Ministry of Enterprise, Opportunity & Innovation](#). The views and ideas expressed in this newsletter do not necessarily reflect the views and policies of the Ontario Government.

ANNOUNCEMENTS

[\[Table of Contents\]](#)

New book "Clusters Old and New" now available

The book "*Clusters Old and New The Transition to a Knowledge Economy in Canada's Regions*", featured in the June 16th issue of this newsletter with a link to its listing on the McGill-Queens University press website, is now available for ordering. Apologies to any of our readers who tried the link to find only a listing.

Special conference offer to SSTI's Canadian friends

In a friendly bid to have their northern neighbours attend SSTI's 7th annual conference, *Building Tech-based Economies: From Policy to Practice*, the organizer is offering a discounted rate for Canadians. The sponsor rate is \$495 US until September 30th (a savings of \$100 US off of the nonsponsor fee) and \$545 after. The conference takes place October 21-22, 2003, in beautiful Seattle, Washington. Three separate, optional pre-conference workshops are scheduled for Monday, October 20.

Kingston-based regional biotech consortium receives \$200,000 investment for innovation

As part of its effort to harness the innovation capacity of Ontario's regional biotechnology clusters, the provincial government has invested \$200,000 into Kingston and Central Eastern Ontario. This investment is the next part of the provincial government's strategy to ensure that Ontario meets its goal of becoming one of the top three biotechnology jurisdictions in North America.

EDITOR'S PICK

[\[Table of Contents\]](#)

Policies for Developing New Technologies

C. Freeman, SPRU

This paper begins by identifying a central feature of technology policies pursued during the second half of the twentieth century: the very widespread concentration on policies to promote the creation, dissemination and application of IT. The author then goes on to ask whether this heavy concentration on one technology is also likely to be a feature of technology policies in the next half century for some new general purpose technology, such as biotechnology. To the contrary, Freeman concludes that biotechnology does not in fact possess that special combination of characteristics that made IT such a uniquely strong candidate for supportive policies everywhere. Finally, the paper reviews the economic and social climate in which new technologies are likely to be further developed in the twenty-first century and concludes that this will probably not be so favourable to a renewal of high

growth.

INNOVATION & RELATED POLICY

[\[Table of Contents\]](#)

Financial Strategies in Small Firms

G. Gellatly et al., Statistics Canada

This paper explores the financial characteristics of successful Canadian SMEs asking whether the knowledge-intensity of the industry and early growth history play a role in shaping their financial characteristics. The study reveals a strong correlation between capital structure and knowledge intensity whereby firms that operate in high-knowledge sectors are less likely to maintain debt-intensive financial structures. In contrast, growth histories are not obvious determinants of financial structure. Results also suggest that leverage strategies are more apparent in low-knowledge industries, in firms with higher expectations of future performance and in businesses with more balanced financial structures.

The Process of Innovation

Keith Pavitt, SPRU

The paper offers an excellent understanding of just what the innovation process is. Innovation processes, according to the author, can be cognitive, organizational and/or economic and that they happen in conditions of both uncertainty and competition. Three broad, overlapping sub-processes of innovation are then identified: the production of knowledge; the transformation of knowledge into products, systems, processes and services; and the continuous matching of the latter to market needs and demands. The paper goes on to identify key trends in each of these areas including the increasing specialization in knowledge production; and the difficulties of matching technological opportunities with market needs and organizational practices. The author concludes with commentary on how the innovation processes remains unpredictable and difficult to manage, despite all the advances in scientific theory. Only two innovation processes remain generic: coordinating and integrating specialized knowledge, and learning in conditions of uncertainty.

REGIONAL INNOVATION & CLUSTERS

[\[Table of Contents\]](#)

America's Health Care Economy

R. DeVol and R. Koeppe, The Milken Institute

This study examines the potential impact of the growing health-care sector on regional economies. According to the authors, cities and regions with the greatest health-care resources could be big economic winners in the decades ahead due to the impact of an ageing population on demands for better health care and new innovations in medicine. The study ranks Boston, New York, Philadelphia, Chicago and Los Angeles at the top of the list, each having a major stake in health care, such as hospitals to pharmaceuticals and biotechnology, which add millions of dollars to their local economies and provide tens of thousands of jobs. More than 300 metropolitan areas are examined, along with all 50 states, to quantify the importance of this sector to regional, state and U.S. economies.

The Agrifood Biotech Cluster – Saskatchewan

Camille Ryan, University of Saskatchewan

Here is a short article summarizing the current state of Saskatoon's agricultural and food biotechnology cluster, which is noted as being one of the largest of its kind in the world. With more than 20 years of history within the province, the area has earned a reputation for introducing 'world firsts' into the market establishing itself as Canada's centre for plant and animal genome science.

EVENTS

[\[Table of Contents\]](#)

Clusters, Industrial Districts and Firms: The Challenge of Globalization

Modena, 12-13 September, 2003

Organized in memory of Professor Sebastiano Brusco, this conference focuses on the international competitiveness of industrial districts and clusters, and the effects that globalization has on SME's and their interactions with markets and institutions. Questions to

be raised relate to how clusters' internal networks, productive patterns and specializations are changing; how the cluster firms themselves are changing; what factors determine the competitive advantage of industrial districts; and finally, how their international competitiveness can be enhanced. Invited speakers include Charles Sabel, AnnaLee Saxenian and Frank Wilkinson.

Business Innovation and Growth from the Exploitation of Academic Research (BIGEAR) Open Conference

Vienna, 18-19 September 2003

This conference will be an open meeting to present and discuss good practice and issues on Business Innovation and Growth from Exploitation of Academic Research. Supported by the European Commission's Directorate-General for Enterprise as part of the Innovation and SMEs program, BIGEAR aims to understand and disseminate best practice in the effective exploitation of academic research to stimulate business growth in Europe.

Communities and Technologies (C&T 2003)

Amsterdam or Bonn, 19-21 September, 2003

This international conference is a forum for stimulating and disseminating research into all facets of communities and information technology. Attendees represent multidisciplinary research efforts from applied computer science and social science. The 2003 conference will focus on presentations and discussion of empirical and conceptual research on a wide range of topics including (Virtual) Community formation and development; Virtual communities vs. location-based communities; Digital cities, and Design methods for communityware.

The Knowledge-based Economy and Regional Economic Development: An International Perspective

St. John's (Newfoundland), 3-5 October, 2003

This conference offers an opportunity for European and North American researchers and policy-makers to meet and debate the issues pertaining to regional economic development as these areas become increasingly exposed to the forces of the new economy. Sub themes include: the role of the education sector in facilitating economic development in the knowledge economy R&D; innovation and productivity; connectivity, ICT and economic development; e-governance and the role of government in facilitating economic development in a knowledge economy; and economic development and economic clusters in the knowledge economy.

SSTI's 7th Annual Conference: Building Tech-based Economies: From Policy to Practice

Seattle, 21-22 October, 2003

This year's highly regarded SSTI conference on technology-based economic development features a range of topics, two of which - technology entrepreneurship and research universities' contribution to local and state economic growth –involve multiple sessions that will explore the topics in depth. Other sessions will focus on the right tools to improve program performance and expand reach, financing life science firms, the future of manufacturing, and rural tech-based economic development.

Information Technology in Regional Areas Conference (Itira)

Caloundra (Australia) 5-7 November, 2003

This conference will focus on strategies that link ICT-enhanced economic, social and cultural development efforts and opportunities in such areas as electronic commerce, community and civic networks, tele-centres, electronic democracy, on-line participation, self-help and virtual health communities, advocacy, and cultural enhancement. This event, geared to practitioners, and policy makers in developed and developing countries, will provide a platform for sharing ideas across practice, research and policy.

The New Rural Community: Problems and Prospects

Guelph (Ontario), 7 November, 2003

In the context of the challenges faced by rural communities as a result of the social, political and economic restructuring now underway, this conference addresses four sub-themes. These are the new rural landscape (how do we reconcile the built and ecological landscapes of our rural communities to achieve environmental sustainability); the new rural government (what impact does the restructuring of the nation state have on power relations and public accountability?); the new rural economy (what are the repercussions of re-defining economic

relationships for rural communities); and the new rural resident (how do we build inclusive rural communities?).

Clusters 2003 Conference

Montreal, November 7-8, 2003

The Conference will bring together university and industrial decision makers and their municipal counterparts with a view to fostering debate and discussion about best practices with respect to the creation, management and development of technology clusters. Clusters 2003 will focus on municipalities: municipal or regional representatives will second the academics and business representatives in attendance. Clusters being by their very nature regional entities, the conference will afford an excellent opportunity to raise the interest of cities in the scientific and technological issues at stake.

What Do We Know About Innovation? A Conference in Honour of Keith Pavitt

Brighton, 13-15 November, 2003

This conference is in recognition of the lifetime contribution of Professor Keith Pavitt to the study of innovation. Keith's work was based on a deep empirical understanding of innovation and firm behaviour, and he placed particular emphasis on the development of new data, methods, and taxonomies. His contributions spanned economics, management and science and technology policy. The conference is organized around the major themes of his work, including the structure, dynamics and management of innovation processes, the relationship between basic research and technical change, knowledge and the theory of the firm, the globalization of R&D, and science and technology policy.

New Directions in Technology Management: Changing Collaboration Between Government, Industry and University

Washington D.C. 3-7 April, 2004

This Conference of the International Association for Management of Technology will discuss new directions in technology management and their influence on innovation and the creation of economic growth and prosperity. Special attention will be given to the necessary mechanisms of knowledge generation, science and technology policy, and the collaboration required to accomplish national and organizational objectives. Best practices in technology development and utilization will be presented. The academic institution's role in preparing the needed human resources for the technological environment of the 21st century will also be addressed. *Submission of Abstract:* October 15, 2003.

The 4th Congress on Proximity Economics Proximity, Networks and Co-ordination

Marseilles, 17-18 June, 2004

This conference is geared towards all of the scientific community interested in the proximity concept, as it relates to everything from industrial organization to networks of public health. The call for proposals, which is open until October 31st, 2003, will give priority to either theoretical or empirical communications likely to produce a better understanding of the conceptual links between proximity, networks and co-ordination.

SEARCH THE OREDI NEWSLETTER

[\[Table of Contents\]](#)

To search for past items in the OREDI Newsletter, simply add the term 'ORED' to your keywords when using a search engine such as www.google.com.

SUBSCRIPTIONS & COMMENTS

[\[Table of Contents\]](#)

Please forward this newsletter to anyone you think will find it of value. We look forward to collaborating with you on this initiative. If you would like to comment on, or contribute to, the content, subscribe or unsubscribe, please contact us as onris.progris@utoronto.ca.

This newsletter is prepared by [Tijs Creutzberg](#).
Project manager is [David A. Wolfe](#).