

# Ontario's Regional Economic Development and Innovation Newsletter

Issue #70

October 1, 2003

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# ANNOUNCEMENTS

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# Ottawa Plans Revamp of Technology Partnership Canada (TPC)

The federal government plans to overhaul Technology Partnership Canada (TPC), expanding its controversial fund for corporate investments to include more sectors . Ottawa is rewriting the TPC mandate so that the fund can play a role in sectors beyond technology, advanced manufacturing and materials processing, aerospace and defence. The overhaul is based on the premise that, since advanced technology is driving most sectors, Ottawa shouldn't discriminate against businesses not normally associated with advanced technology.

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Innovative Hot Spots in Europe: Policies to Promote Trans-border Clusters of Creative Activity

#### Claire Nauwelaers, MERIT

This paper was presented at the conference of the same name held in Luxembourg in May of this year (see Regional Innovation and Policy section of this newsletter for the link to other conference papers). The author acknowledges the significance of cluster policy and the rich set of experiences from which to benchmark regional successes but notes that some fundamental questions underlying these policies and experiences have yet to be fully answered. Nauwelaers asks what role policy can play in clusters as well as what role clusters can play in industrial policy. She also extends the scope of cluster analysis past sub-national boundaries to ask what the European dimension of clusters and cluster policies is. She concludes in an examination of typologies of clusters and cluster policies that there is no established model of cluster policy and ends by highlighting some important challenges faced by European, national and regional industrial policy makers.

#### Methods for Assessing the Economic Impacts of Government R&D

#### Gregory Tassey, National Institute of Standards and Technology (NIST)

Analyses of the actual or potential economic impacts of government R&D programs have used a number of distinctly different methodologies, which has led to considerable confusion and controversy. With increased emphasis on government efficiency, the current state of methodology for strategic planning and retrospective impact analyses is unacceptable. Based on the NIST experience, this report describes methodologies appropriate for economic impact assessments of Government R&D programs, gives numerous examples of their application to specific studies and provides guidelines for the interpretation of both qualitative and quantitative results. Issues addressed in this paper include how to determine the selection and method of economic impact assessment - all of which will vary depending on the context and goal of the impact analysis.

# **INNOVATION & RELATED POLICY**

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# Policies to Promote Trans-border Clusters of Creative Activity: Conference Papers

#### MERIT

On 5 and 6 May 2003, a policy workshop was held in Luxembourg, with the aim of investigating new trends in national and regional "cluster" policies, how these are linked to innovation and how they take into account the European dimension. The conference focussed primarily on methodological issues in cluster benchmarking, the state and scope of European cluster policies and the extent to which these cluster policies have a trans-border or European dimension. The workshop delivered several messages for policy-makers highlighting the usefulness of policies that are intrinsically horizontal. This supports a move towards more coordinated innovation policies. One very strong message that emerged from this workshop is the need to consider clusters as "local nodes in global networks", and pay increased attention to the combination of internal and external forces to sustain clusters' success.

# Pilot Action of Excellence for Innovative Startups (PAXIS): Results and Policy Recommendations

#### CORDIS

Launched in 1999 the PAXIS project aimed to provide a practical approach to identify, analyze, validate and disseminate best local practices in innovative enterprise creation. This report contains the results and recommendation of the project. Through various initiatives PAXIS has succeeded in providing a European showcase of best practices, contributed to a collective learning process with respect to local models of innovative practices in "hot spots", and helped integrate regional development resources by fostering joint activities between regions and cities. The report concludes that evidence to date demonstrates that PAXIS is a valuable instrument in support of the definition of Community innovation policy.

# **REGIONAL INNOVATION & CLUSTERS**

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# Entry by Spinoff in a High-tech Cluster

#### Michael S Dahl et al., DRUID

Recently empirical studies have focused on how capabilities of new entering firms are important

for the evolution of industries over time. The performance of new entrants appears to be significantly influenced by their pre-entry background. The general impression of the literature is that firms founded by former employees of successful incumbents have shown larger propensities to survive than other categories of new entrants. This paper applies this approach in an analysis of the evolution of a Danish telecommunications cluster. The authors show that the technological successes of firms in the region have powered a spinoff process, which can account for the majority of the growth in number of firms and employment in the cluster.

#### **Building the Next Silicon Valley**

#### Joint Venture: Silicon Valley Network

The Valley is clearly in a wrenching transition. Since the Internet bubble burst in 2000, more than 190,000 jobs have disappeared, most in the software industry. In light of new economic realities the report points out that the Valley's regional prosperity depends on the success of its driving industries serving worldwide markets. This renewal must take place in a highly competitive context as other regions have ascended to significance in areas where Silicon Valley has traditionally dominated. The way forward lies in finding new ways to add value and in retaining and supporting existing driving industries. The report suggests that if the Valley resists change, it could slip into the sort of economic decline that other regions, such as Detroit (automobiles) and Pittsburgh (steel), have experienced.

# 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.

# Service Industries and the Knowledge Based Economy

#### Winnipeg (Manitoba), 16-12 October, 2003

To better understand the economics of the opportunities and challenges in the service sector in Canada and provide sound foundations for policy development work, Industry Canada is organizing this major policy research conference. A large number of internationally renowned experts will actively contribute to in-depth discussions on important policy research issues of service industries and the knowledge-based economy.

#### Creative Spaces and Places Conference NEW!

# Toronto (Ontario), 17-18 October, 2003

Creative Spaces and Places is a conference designed to inform and stimulate a forwardmoving discourse on the relationship between arts and cultural development, economic competitiveness and community building. Presenters will include visionaries and experts from the non-profit, private and public sectors; including practitioners and policy makers from Canada, the United States, Europe and Australia. The keynote address will be given by Dr Richard Florida. The conference also features Jane Jacobs in dialogue.

# SSTI's 7<sup>th</sup> 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 subthemes. 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.

# The European City in Transition: The City and the Region (Third Euroconference)

# Bauhaus-Universität Weimar (Germany) November 14-15, 2003

The relation between the city and the region has been challenged inthe run of new patterns of urbanization. It seems that the distinction between the "inside" and the "outside" of the city has become unclear. A "city region" is developing challenging our concepts of what urbanity might mean. Urban functions are placed outside the core of the traditional city where a new social life is developing. Some important questions to be addressed at this conference include: How can we conceptualise, comprehend and analyse the new spatial, functional and social structures of the region and the city? What role do regions play in the world economy and how does globalization influence the forming of metropolitan regions? What are the new opportunities for regional and urban governance?

# 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 give 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 Coordination

#### 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 31<sup>st</sup>, 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.

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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 <u>onris.progris@utoronto.ca</u>.

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