



Ontario's Regional Economic Development and Innovation Newsletter

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[Global interest in Canada's Technology Triangle's High Tech Industry](#)

Known for high tech, Canada's Technology Triangle became the focus of international attention as leaders from the Austrian IT sector visited the region as part of a look at major metropolitan high tech communities in Canada. As one of the three hot spots of high tech in the province, Waterloo Region - Canada's Technology Triangle, is home to an estimated 400 high technology companies and technology services companies.

[Commission unveils Growth Initiative](#)

On October 1st, President Romano Prodi presented his road map to boost economic growth in the EU. The initiative for growth aims at mobilising investment in two key areas of the Lisbon strategy: networks and knowledge. Without adequate investment, the President warned, the EU will not meet its objective to become the most competitive economy in the world by 2010. The initiative prompts Member States to boost investment in Research and Development (R&D) to 3% of their gross domestic product (GDP), and to contribute to Trans-European Transport projects throughout Europe. The development of transport networks at the EU level will allow for enhanced cross-border cooperation in

many domains, such as trade for instance, whereas investment in Research and Development will stimulate competitiveness and innovation. Funding for these projects will come from a mixture of private funds, and loans from the European Investment Bank (EIB) on the one hand, and EU and national budgets on the other hand.

EDITOR'S PICKS

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Smart Growth and the Regional Economy

Meric Gertler, Neptis

In this paper Gertler describes the current structure of the Central Zone (Southern Ontario) economy, including important economic clusters, and recent trends that have affected economic development. He identifies "locationally flexible" businesses and the kinds of locations they might be attracted to in this region. The paper also examines the extent to which the location of business might be influenced by planning policies and growth management tools. Finally, Gertler suggests approaches to attracting new economic activity to the region and makes five recommendations for a smart growth strategy designed to strengthen the region's economy.

INNOVATION & RELATED POLICY

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Can the Private Sector Get Canada into the Top Five Innovative Economies of the World by 2010?

ITAC

The idea of defining a new category of "innovation-intensive" company based on R&D intensity emerged from the federal government's 2001 Throne Speech. That goal is for Canada to move into the top five innovative economies of the world by 2010. This paper examines the extent to which the private sector was involved in the formulation of Canada's Innovation Strategy and how willing private sector actors are to commit to a framework to achieve its goals. The paper concludes that while most of the players are committed to growth through innovation, they are also torn by economic imperatives that tend to take their enterprises out of Canada. It presents a list of specific actions the federal government could take that would be helpful to the continued growth of innovative business in Canada in the areas of culture, education and SME support.

Firm Size and Openness: The Driving Forces of University-Industry Collaboration

Roberto Fontana, Aldo Geuna and Mireille Matt, SPRU

A large number of works have studied university-industry relationships either from a qualitative point of view or relying on a case study of a single university. The aim of this paper is to provide some statistical evidence at the cross-country, cross-industry level to verify some of the hypotheses put forward in the qualitative literature. On the basis of the

results of the KNOW survey carried out in seven EU countries in 2000, this paper provides an analysis of the contribution made by Public Research Organisations (PROs) to the innovative process of firms and examines the existence and the extent of co-operative R&D projects between firms and PROs. The analysis in this paper provides a better understanding of the firm and industry characteristics that affect the contribution of PROs to firms' innovative activities and to their involvement in R&D collaborations with firms. The estimations produce some evidence to highlight how the size of the firm and its openness to the external environment have a significant and important effect on both the extent of and propensity of PRO-firm collaboration.

REGIONAL INNOVATION & CLUSTERS

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Co-Development of Firm Foundings and Regional Clusters

Dick Fornahl and Max-Peter Menzel

Firm foundings and the formation of regional clusters are two processes that have separately attracted a lot of scientific attention during recent years but not much research has been conducted to analyze the relationship between these two processes. Fornahl and Menzel argue that policy must consider what stage a cluster is presently in. For instance, when moving between emerging and growing clusters, foundings must be focused around a few technological opportunities. Policy can be influential through the creation of focused incubators or supporting the formation of necessary infrastructure. The authors suggest it is very difficult to change the course of a declining cluster, even through policy intervention. Instead of supporting the declining cluster, policymakers should focus on the formation of a new one that could build upon the assets of the old. The paper also discusses additional policy recommendations for clusters at other stages.

The Cluster Initiative Greenbook

Orjan Solvell, Goran Lindqvist and Christian Ketels

The Cluster Initiative Greenbook was presented at the TCI conference in Gothenburg. Among other things, it presents the outcome of a survey of more than 250 cluster initiatives across the world. The Greenbook describes where cluster initiatives stand today, and what factors seem to influence their success or failure. The findings suggest, for example, that many factors in the business environment surrounding the cluster are important. Cluster initiatives in societies where the level of trust is high between companies or companies and government seem to be more successful than in societies where the level of trust is lower. Cluster initiatives also seem to be more successful in places where there are important government decision makers on the local/regional level, not just the national level.

EVENTS

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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

Toronto (Ontario), 17-18 October, 2003

Creative Spaces and Places is a conference designed to inform and stimulate a forward-moving 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.

Measuring Innovation NEW!

Calgary, 21 October, 2003

This THECIS Innovation Club Workshop brings together some of Canada's leading experts on measuring innovation. This topic is relevant for businesses, governments and universities, mindful of the adage "what you measure is what you get." Panalists include Adam Holbrook (CPROST), Peter Josty (THECIS), Ron Freedman (Impact Group) and Benoit Godin (INRS).

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.

The 9th Executive Forum on Microelectronics: Excelling in Changing Times NEW!

Ottawa 3-4 November, 2003

This conference, put on by the Strategic Microelectronics Council of ITAC, in partnership with the Fabless Semiconductor Association of the United States, offers an opportunity to network with leaders of industry, government and academia in a dialogue on strategies that will guide corporate success. This year's Program features experts from

government and industry, such as the Honourable Allan Rock, Jodi Shelton of the Fabless Semiconductor Association, Fred Shlapak of Motorola Inc., Brian Matas of IC Insights and Bill Bergen of ITAC.

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.

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 in the 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 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 Abstracts*: October 15, 2003.

Regionalization of Innovation Policy - Options and Experiences NEW!

Berlin 4-5 June, 2004

Globalization leads to a greater relevance of regional factors for innovation processes. There is a growing consensus in the academic field, as well as among politicians, that innovation policy should include this regional dimension, i.e. regional innovation systems. But it is still not quite clear how this could or should be done in practice. In general, there are two approaches to the regionalization of innovation policy. One strategy is attempting to improve the quality of the innovation system in certain regions. The main questions here concern appropriate instruments for such a strategy and the selection of regions. A second strategy that may be complementary to the above-mentioned one is to scale down national innovation policies in such a way that they take into account the various regions (for example, by focusing measures on certain clusters). In some countries, interesting attempts at such a policy that are worthy of investigation have been made (for example, the BioRegio or the InnoRegio program in Germany). This conference will bring together scholars working in the field of innovation systems and policy at the national and regional level.

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.

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