

Ontario's Regional Economic Development and Innovation Newsletter

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ANNOUNCEMENTS

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The Canadian Foundation for Innovation Invests Over \$24 Million at 38 Canadian Universities

Early in November Dr. David Strangway, President and CEO of the Canada Foundation for Innovation (CFI), joined by Allan Rock, Minister of Industry, announced an investment of \$24.3 million to support 124 infrastructure projects in 38 universities across Canada.

Prime Minister-Designate Receives CATA "Red Book"

Liberal leadership front-runner Paul Martin received CATA's "Red Book" of policy recommendations from CATA President John Reid at a recent meeting. CATA's Red Book ("[Turning Ideas into Prosperity](#)" presented below) contains cradle-to-growth policy advice on issues ranging from innovation start-up, through middle-stage expansion, to successful commercialization. Turning Ideas Into Prosperity makes a

number of recommendations to improve the marketing and sale of Canadian products.

SSHRC and HRDC launch new program to support research on essential workplace and life skills

Strategic Joint Initiative of SSHRC and the Human Resources Partnerships (HRP) Directorate of Human Resources Development Canada (HRDC). For over a decade, Canadian business, labour, government and educational stakeholders have emphasized the need to improve the essential skills of our workforce. Their common analysis is that the demographics of an aging workforce, together with economic, scientific and technological change and intensifying global competition, have combined to make skills development an urgent national priority. The call has gone out for a new, national approach to skills development-for a new, comprehensive perspective on the basic building blocks needed for productive participation in the workforce.

EDITOR'S PICK

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A Debate on Innovation Surveys

Monica Salazar & Adam Holbrook, INNOCOM

After over a decade of innovation surveys and several versions of innovation survey manuals around the globe, we think it is time to evaluate the whole process and ask whether or not the Oslo Manual based system of surveys really supports the overall objective of providing useful information on innovation for policy makers and academics. Do these surveys provide reliable and consistent data on systems of innovation? Do they provide adequate information on individual industrial or local clusters? Are they sufficiently comprehensive that they enable analysis of national or regional systems of innovation? Salazar and Holbrook identify inadequacies in current innovation surveys based on several dichotomies. Typically these surveys concentrate on one aspect of the dichotomy to the detriment of the other. Thus, there tends to be a focus on supply-side innovation inputs over networks and collaboration, on manufacturing but not resources and services, on the private sector to the exclusion of the public sector, on high-tech industries over low-tech industries, industrial classifications such as NAICS more often than clusters, winners rather than losers, managers vs line innovators, and on groundbreaking innovations within firms rather than within markets. Salazar and Holbrook argue that a more precise definition of innovation should be the first target of any research agenda regarding innovation studies.

INNOVATION & RELATED POLICY

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Incentives and Invention in Universities

Saul Lach & Mark Schankerman

Lach and Schankerman investigate what drives academic research and technology licensing activities. They ask whether it is purely an intellectual pursuit or if economic incentives play a role. They conclude that economic incentives do, in fact, affect the number and the commercial value of inventions generated in universities. Using panel data for 102 U.S. universities during the period 1991-9, Lach and Schankerman find that universities that grant higher royalty shares to academic scientists generate more inventions and higher levels of license income regardless of university size or quality, or the amount of research funding and technology licensing inputs. These findings imply that the design of intellectual property rights in academic institutions can have real effects and that private ownership appears to be important for effective technology transfer in the university sector.

Social Capital: Building on a Network-Based Approach

Policy Research Initiative

This discussion paper analyzes social capital in terms both its structural and functional dimensions with the aim to formulate a better understanding of the concept and establish it as a meaningful basis for public policy formation. This paper outlines some of the ways in which basic differences in conceptualization, between structure and function, matters to research agendas designed to study the productive potential of this capital resource. The paper concludes that the study of social capital should be multi-dimensional and dependent on the needs of the application in question, including analysis of the investments that individuals make in setting up and maintaining social networks, associated norms and values, institutional dimensions, as well as benefits received by individuals and society.

Turning Ideas into Prosperity

Commercialization: The Canadian Challenge

CATA Alliance

Public policy, with laudable goals, has thus far tended to reinforce the “invent and sell” syndrome. Focussing on our historic strength in invention, current public programs like the research tax credit program create a hothouse environment for invention. Today, Canada churns out ideas -- 21 per cent of corporate Canadian budgets are spent on research and development. In the U.S., only seven per cent of corporate budgets are allocated to R&D. Unfortunately, the reverse is true when it comes to commercializing those Canadian ideas and turning them into profits. This paper argues that the primary focus of technology-related public policy today should be on measures to stimulate commercialization. The goal should be to create a climate of investment balance, where a sizeable portion of corporate and public sector budgets are spend on commercialization. This shift should not be achieved by cutting down on our encouragement of R&D. It should be achieved by stimulating activities that successfully bring products to market, with the goal of enabling a higher percentage of companies to grow to become global leaders.

Strategies for Regional Innovation Systems: Learning Transfer and Applications

Philip Cook & Olga Memedovic, UNIDO

This paper examines four regional innovation systems from Asia, Europe and Latin America with respect to the key dimensions that characterize innovation such as education, knowledge transfer, linkages and communications. The authors find that for a regional innovation system to be successful a balance must be struck between private and public support. They find that such regions can be underdeveloped due to excessive dependence on public support, but equally, an over-reliance on private infrastructures will also cause regional underperformance in some areas. They advocate combination of public and private governance at the regional level to promote systemic innovation.

Low-Tech Industries and the Knowledge Economy: State of the Art and Research Challenges

Hartmut Hirsch-Kreinsen et al. STEP

This paper addresses a central problem for economic analysis and public policy in Europe. Should Europe focus on so-called high-technology or science-based industries in attempting to solve growth and employment problems? Or should it look to the growth prospects within the industries on which the European economy is actually based: low-technology and medium-technology industries (LMT industries) in manufacturing and services? The authors claim that in the future the European economy, especially in the context of enlargement, will continue to rest on LMT activities because of their prominent role in the European regional economy. This implies that growth, competitiveness, cohesion and employment in Europe will depend on the performance of LMT industries.

EVENTS

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Broadband for Connected Communities in Ontario: Approaches for Success

Hamilton, 16-18 November, 2003

The Connect Hamilton - Create Community Team and Program Organizing Committee in partnership with the Ministry of Enterprise Opportunity and Innovation (MEOI) and ITAC Ontario are present the fifth annual Broadband Conference. The conference theme, Approaches for Success, highlights the following streams: New, Innovative and Future Technologies, Project Management and Due Diligence (Tips,

Tools and Techniques), and Connected Communities in Ontario: Best Practices and Lessons Learned.

A Foundation For Innovation: Collaboration between Education, Enterprise and Government **NEW!**

Dublin, 20 November, 2003

Innovation is the heartbeat of modern economies. Without it firms cannot introduce new products, services or processes. In today's globally competitive environment no firm, large or small can survive without innovating. However, the paradox of innovation is that while it is driven by competition, it cannot flourish without co-operation, sometimes even between competing firms. Innovation no longer depends only on how firms, universities, research institutes and regulators perform, but on how they work together. This year the National Innovation Conference explores the need for co-operation and partnership between Education, Enterprise and Government to ensure that innovation will flourish and for the knowledge-based economy to grow and prosper. Delegates will have an opportunity to listen to guest speakers Ms. Claire Nauwelaers Research Director, Maastricht Economic Research Institute on Innovation & Technology (MERIT) and Mr. Richard Riley, former US Secretary of Education, develop the theme of the conference.

Investing in Urban Communities: Collaborating to Compete in the Knowledge Economy

Toronto, 25 November, 2003

Collaboration - the coming together of key decision-makers to achieve a common goal - is a critical practice for the development of regional economies in today's knowledge economy. By bringing together leaders from universities and colleges, the private sector and local government, communities across Ontario are identifying new strategies for transforming their regions into leaders in research, innovation and the development of human capital. Drawing from the experiences of local and international learning communities, this one-day conference will bring together experts from Canada, the US and Ireland to share best practices for effective collaboration.

CITO Innotalk: Finding Government Support for Industry R&D **NEW!**

Toronto, 3 December, 2003

Research and development are the lifeblood of any technology company. But, for companies large and small, finding the resources to properly fund R&D efforts can be a challenge. In the search for funding, too many companies overlook the array of programs supporting R&D offered by the federal and provincial governments. This InnoTalk features Renato Bernardo, president of the RnD Team and former R&D cost auditor with Canadian Customs and Revenue Agency, who will provide a detailed overview of the government programs (SR&ED Tax Credit and IRAP) available to assist your R&D efforts. At the provincial level, Mr. Bernardo will explore options that include tax credits, tax exemptions and enhanced deductions. Finally, the program

examines benefits to industry from government contributions to universities and other research organizations.

Urban Impacts of the Information society: Facts, Fiction and Policies Telecities and MUTEIS conference

The Hague, 17-19 March, 2004

The "information revolution" and the emerging Information Society entail fundamental changes in social interaction and relationships, and modifications in the socio-economic and spatial organization of activities. The main driver in this process is the rapid development and application of Information Society Technologies (ISTs). The main inhibitors are the fictions that emerged from the discussion of the New Economy. Better knowing the drivers and inhibitors is crucial for contemporary urban management. This conference will explore the urban economic and social impacts of information society technologies (ISTs), as well as the way new technologies urge local governance in cities to change their policies. Academics and senior city managers, planners and researchers will discuss practical case studies, experiences and state of the art research under the following themes: urban policies for and patterns of IST adoption, spatial behaviour in the context of global IST developments, patterns of digital infrastructure and use, and the relationship between IST, productivity and competitiveness.

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 Europe of Knowledge 2020: A Vision for University-based Research and Innovation

Liege (Belgium), 25-28 April, 2004

This conference will explore the issues raised by the Commission's communication published in February 2003 on "the role of universities in the Europe of Knowledge". The conference will address in a series of parallel sessions that address the following issues: the creation and certification of knowledge, the changing nature of research teaching, P3s, the role of universities for research in the regions and the challenge of inter-disciplinary research. This conference aims to produce an agreed roadmap to help European universities to realize fully their ambitions in the 21st century.

Smart City Summit 2004 NEW!

Ottawa, 27-28 April, 2004

The Smart City Summit combines Ottawa's Business and Technology Trade Show with a major business and technology conference that draws international attention from business and government. It is also Ottawa's premier mega-networking and business development event, catering to technology and business decision-makers and federal, provincial and municipal government attendees from across Canada. In just three short years, the Summit has evolved into a dynamic local and international marketplace for business innovators encompassing a major conference, trade show, keynotes, networking, and innovation awards.

Regionalization of Innovation Policy - Options and Experiences

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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