

Ontario's Regional Economic Development and Innovation Newsletter

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ANNOUNCEMENTS

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[A New Source for Life Science Expertise in Southwestern Ontario](#)

A new life science directory and website was launched to highlight strengths in SouthWestern Ontario. The partnership initiative draws together the communities of Canada's Technology Triangle (Waterloo Region, Cambridge, Kitchener and Waterloo), Guelph, Hamilton, London and Sarnia-Lambton, the latest of initiatives to demonstrate the global effectiveness and competitiveness of the Ontario life science industry. The new web site offers information on more than 400 firms in academic, research, business and various sectoral competencies, and contains contact information, corporate profiles, employment, export and additional market sector information.

[Network for Emerging Wireless Technologies \(NEWT\) Get Boost with Investment from Government of Canada](#)

The Honourable Anne McLellan, Deputy Prime Minister and Minister of Public

Safety and Emergency Preparedness, on behalf of the Honourable Dr. Rey D. Pagtakhan, Minister of Western Economic Diversification, recently announced an investment of \$2 million towards Phase II of Canada's first wireless technology centre – NEWT - located in Alberta. In two years of operation, NEWT, a division of TRILabs, has established itself as a world-class wireless development facility. NEWT provides technical assistance to help entrepreneurs developing novel wireless technology commercialize innovative devices, applications and services. The network currently has 37 members and an extensive network of companies and support organizations in the wireless industry. This investment in Phase II enables NEWT to continue to enhance the commercialization of wireless devices and applications. The funding will be used to upgrade equipment, and to expand the network's technology capacity with the addition of cellular network test capability.

Ottawa Plans to Scatter Seed Money for Startups

The federal government intends to step into the venture capital business, nurturing cash-starved startups that have prospects of building commercial successes on Canadian research. The broader goal is to improve Canada's ability to turn promising research into corporate sales. Ottawa has invested heavily in research in recent years, but officials now believe that many of those projects are "clogged up" on the path to commercialization because of a lack of seed capital. The Liberal government has been billing the commercialization of research a missing link in the development of successful Canadian companies, improving productivity and boosting economic growth. Details have yet to be worked out, but government representatives have suggested that a pool of about \$500-million over the next five years is under consideration.

The Canada Foundation for Innovation Provides Major Boost for Research in Canada

Canada's research community will receive a major boost thanks to a \$585.9 million investment from the CFI. This investment will help support cutting-edge research infrastructure in areas of strategic importance to Canada such as health, the environment, nanotechnology, sustainable communities, and the new knowledge economy. Earlier this month Prime Minister Paul Martin, the Minister of Industry and the CFI's President and CEO, Dr. David Strangway, announced infrastructure support for 126 projects at 57 Canadian universities, colleges, research hospitals, and other non-profit research institutions. The \$585.9 million investment has been awarded through two funds: \$450.7 million under the Innovation Fund enabling institutions to strengthen their research infrastructure in all areas of research, including the social sciences and humanities; and \$135.2 million under the Infrastructure Operating Fund which assists universities with the incremental operating and maintenance costs associated with new infrastructure projects. Of the 126 Innovation Fund projects announced, 9 projects are national and many are regional and multi-institutional.

The Canadian Steel Sector: Ten Questions

Peter Warrian, ONRIS

The past year and next have seen significant growth in the steel industry. Prices have increased significantly, first in 2002 then again in 2003. After decades of chronic global overcapacity, many commentators are actually speculating about a global steel shortage. However, the Canadian steel sector finds itself in the paradoxical situation where in the midst of a growing steel shortage world wide and escalating prices, the various segments of the industry will face near shakeout conditions over the next 3-5 years. This presentation tries to unpack how this situation has come about by asking, and answering, ten questions.

INNOVATION & RELATED POLICY

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Evaluation of Current Fiscal Incentives for Business R&D in Belgium

Bruno Van Pottelsberghe, Steve Nysten and Esmeralda Magally, Solvay Business School, ULB

The two primary strategies employed by governments to stimulate industrial research and development are direct financial support and fiscal incentives. This report focusses on the evolution and application of the latter policy option in the Netherlands and the UK in an effort to draw lessons for the Belgian context. The document provides an overview of design and implementation questions and concludes with a series of scenarios for a new R&D policy in Belgium.

Knowledge Intensive Service Activities and Innovation in the Norwegian Software Industry

Marianne Broch and Arne Isaksen, STEP

This report is the first of three studies of the use of knowledge intensive service activities (KISA) in innovation in specific industries. The report consists of the Norwegian part of an OECD study which includes several other countries. One of the main objectives of the study is to provide insights into how software firms maintain and develop productive and innovative capabilities through utilisation of KISA, provided by internal and / or external sources. However, the ultimate objective of the KISA project is to inform government policy and programs on how to use KISA in building innovation capability of firms and organisations across various industries and sectors in the economy. This report reveals that Norwegian software firms consider research and development activities as the most important KISA, and that these activities are mostly provided internally. However, some firms use external KISA in areas outside the core software business.

Licensing of University Innovations: The Role of a Technology Transfer Office

Ines Macho-Stadler, David Perez-Castrillo, and Reinhilde Veugelers

This paper provides a theoretical model helping to explain the specific role TTOs. Using an asymmetric information framework, where firms have incomplete information on the quality of inventions, it develops a reputation argument for the TTO to reduce the asymmetric information problem. The results indicate that a TTO is often able to benefit from its capacity to pool the innovations across research units (and to build a reputation) within universities. It will have an incentive to “shelve” some of the projects, thus raising the buyer’s beliefs on expected quality, which results in less but more valuable innovations being sold at higher prices. The reputation model for a TTO is able to explain the importance of a critical size for the TTO in order to be successful as well as the stylized fact that TTOs may lead to less licensing agreements, but higher income from innovation transfers.

REGIONAL INNOVATION & CLUSTERS

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Clusters as a Driver of Innovation at the Regional Level

Innovation Relay Center -Innovating Regions in Europe Network

The presentations from the IRC-IRE workshop that took place in February are now available online. Presentations cover cluster development in Yorkshire, the aerospace cluster in the Basque Country, networking and clustering in the West of Ireland, the Alpine Wellness Cluster, the hosiery industrial district in Castel Goffredo (Italy), Flemish cluster policies, and several studies on clustering and European initiatives.

Europe in the Creative Age

Richard Florida and Irene Tinagli, Carnegie Mellon

This report takes Florida's analysis across the Atlantic to examine how Western Europe fares in its ability to attract, nurture and support the creative class. The report examines 14 European nations and compares their performance in terms of technology development, diversity, and talent to previous data developed for the US. The authors find that the US continues to excel in developing technology and attracting talent, but that a cluster of northern European countries--Belgium, Denmark, Finland, the Netherlands, and Sweden--is becoming increasingly competitive. Sweden tops the report's Euro-Creativity Index. Meanwhile, several of the southern European countries, especially Portugal and Italy, have a long way to go in terms of developing a strong creative economy.

Regional Science Policy and Instruments: An Overview of British Developments

This paper looks at the mix of policy instruments that have been used in UK regions in relation to specific knowledge transfer problems. The relative novelty of regional science policy means that there are huge gaps in knowledge around 'regional science', especially in the relationship between instruments, policies, and outcomes. This paper examines the challenges different regions face in adopting a science policy, their differing approaches and goals and common trends.

BIOTECHNOLOGY

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Bioproducts Development by Canadian Biotechnology Firms: Findings from the 2001 Biotechnology Use and Development Survey

Statistics Canada

This paper is an attempt to provide some information on biotechnology firms engaged in the development of bioproducts (new products developed from living organisms and their constituent parts that may replace or augment products derived from non-renewable resources). Of the 375 innovative biotechnology firms in 2001, some 133, or 35% of the total, used biotechnologies to develop or make bioproducts. Together, these 133 firms had a portfolio of 805 bioproducts in such areas as fuels, lubricants, chemical feedstocks and cosmetics. Other areas are air cleaning and decontamination, and soil cleaning and decontamination products. 49 of the 133 companies, the largest number, were involved in bioprocessing, which is the manufacturing of products developed or made using enzymes and bacteria culture. Three provinces - Quebec, Ontario and British Columbia - were home to 81% of the 133 firms. Bioproduct development is principally in the hands of young private Canadian "home-grown" firms, a third of which were spun-off from various sources.

EVENTS

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CITO InnoTalk: Finding Government Support for Industry R&D

Ottawa, 30 March, 2004

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 available to assist R&D efforts. The federal Scientific Research and Experimental Development (SR&ED) Tax Credit Program is one of many programs and topics that will be covered.

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.

Financing Innovation in the Regions

Ostersund, Sweden, 25-26 March, 2004

The conference will present speakers from several European regions, covering a critical mass of experience and background in financing innovation at the regional level. The objective of the conference is to bring together key European agents and stakeholders in financing innovation and share knowledge from the Innovative Actions. The conference will focus on financing innovation and on exchanging knowledge and experience from the Innovative Actions in Europe. One important aim is to initiate processes to develop European cooperation between bottom-up regional initiatives for the promotion of integrated systems and increased access to private seed capital in the regions.

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.

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

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.

MERIT Workshop on Information Technology, New Industry and Labour Market Dynamics

Maastricht, 3-4 June, 2004

The aim of the workshop is twofold. First, to develop a perspective on the changing way in which goods are being produced, production processes are being organised and jobs are being occupied as a result of the adoption of IT. Second, it aims to investigate the consequences of IT diffusion and the determinants of adoption empirically at the firm level, its impact in the labour market both from a theoretical and empirical point of view and its macroeconomic consequences.

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.

DRUID Summer Conference on Industrial Dynamics, Innovation and Development

Copenhagen, Denmark, 14-16 June, 2004

This conference aims to promote the general understanding of the interplay between industrial dynamics, innovation and development; investigate arrangements organized at various scales to enhance and utilize knowledge geared towards economic development; examine the role of entrepreneurship and innovation at various stages of economic development; the geographical reach and development consequences of knowledge spillovers; and to consider the implications for managerial strategy and public policy. Participation in the conference is restricted. Potential participants must supply a detailed abstract of at least 2 pages to *summer2004@druid.dk* no later than January 30, 2004.

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.

ISPIM 2004 Conference - Successfully Creating Innovative Products and Services: Integrating Academia, Business and Consulting

Oslo, 20-24 June, 2004

This conference features academic papers and presentations from industry plus workshops elaborating on the conference theme. Delegates will have the opportunity to submit a poster on the conference theme as part of their conference fee. Important deadlines are 25 February 2004 (extended from 11 February) for abstracts, 19 April 2004 for full papers, presentations and posters.

Patent Policy: Using, Abusing and Reforming

Duke University, 17-19 September, 2004

It has long been recognized that the patent system provides a unique means for trading off ex ante

innovation incentives against the ex post inefficiencies of monopoly power. The current system of patent acquisition and protection is now frequently criticized on numerous grounds, including its manipulability, its susceptibility to abuse and holdup, its regional specificity, its differential treatment of leaders and laggards, and the agency costs that are present not only among business competitors, but among the very bureaucrats and judges who administer the system itself. The proposed conference intends to explore these ideas further, bringing together leading scholars

from law schools, business schools, and economics departments. Submission deadline: May 1, 2004.

Hydrogen & Fuel Cells 2004 Conference and Trade Show

Toronto, 25-28 September, 2004

As society shifts towards the Greener World, it is increasingly important that the team-work necessary to achieve and meet our challenges and objectives be effectively integrated, shared and understood across disciplinary and business boundaries. In planning for the September 2004 Meeting in Toronto seven such inter-related themes have been identified: Hydrogen technology progress, fuel cells, economics & policy, renewable hydrogen, demonstrations, investment & marketing options, and climate change. We invite you to submit abstracts for oral and/or poster presentations to be presented to an international audience of hydrogen and fuel cell industry leaders. Submission deadline: March 17, 2004.

Photonics North 2004

Ottawa, 27-29 September, 2004

Building on the success of OptoCanada, held in Ottawa in May 2002, the Canadian Photonics Consortium and the Ottawa Photonics Cluster are collaborating to sponsor Photonics North 2004. The Conference is chaired by the CEO of Siemens Canada, Dr. Albert Maringer, and is being managed by SPIE. Leading photonics experts from around the world will be participating. Suggested topics for papers range from Biophotonics to Telecommunications Networking. Among the special features of the Conference will be a parallel program on the first day focusing on doing business with Germany, with a variety of speakers from Germany, as well as a student program organized by Photonics Research Ontario on the second day. The deadline for submission of abstracts is March 15, 2004.

Commercialization: What's Working, What's Not NEW!

Ottawa, 9 November, 2004

Research Money once again shines the spotlight on the federal government's innovation agenda. Join key players from business, government and academia to examine what's working and what's not with research commercialization.

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