

Ontario's Regional Economic Development and Innovation Newsletter

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

[Events](#)

[Search the OREDI Newsletter](#)

[Subscriptions & Comments](#)

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ANNOUNCEMENTS
[Contents\]](#)

[\[Table of](#)

[Ontario To Back Promising Online Project Aimed At Finding Global Solutions To Global Problems](#)

The Government of Ontario is supporting an innovative online initiative at the Centre for International Governance Innovation (CIGI) in Waterloo, Ontario that will allow researchers and governments to find global solutions to global problems. CIGI will receive nearly \$7 million over the next five years to help develop IGLOO (International Governance Leadership Organizations Online), a web-based platform

for research on issues of global importance. The IGLOO initiative will put researchers in a unique position to collaborate with the World Economic Forum, the United Nations and other major academic and research institutions in Ontario, Canada and around the world. IGLOO will leverage proven technology developed by Open Text of Waterloo. This technology was used recently to help CARE International coordinate its tsunami relief efforts.

EDITOR'S PICK

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

[2005 Index of Silicon Valley](#)

Joint Venture: Silicon Valley

As a percentage, Silicon Valley has lost more jobs over the past four years than any U.S. metropolitan area since 1939, but evidence shows the region is stabilizing with a return to levels reminiscent of the late 1990s. Funding for venture capital is up, per capita income is increasing, and research and development funding has reached new highs. Yet, the region's most striking feature of late is, perhaps, the way it is growing. The index shows the state of the region's economy is a muddled picture depending on how far back one goes to measure it. Since 2004, the results are positive, but medium-term-and-beyond comparisons reveal sharp declines. If one benchmarks the region against pre-dot.com levels, then it would appear the Valley has "resumed an incremental pattern of growth".

INNOVATION & RELATED POLICY

[\[Table](#)

[of Contents\]](#)

[Realizing Canada's Prosperity Potential](#)

The Institute for Competitiveness and Prosperity

The Institute concludes that Canadians have created one of the most successful economies in the world. They have also achieved an enviable balance between prosperity and its equitable sharing among Canadians. In fact, the only country with a sizable population that outperforms Canada is the United States. Canada's GDP per capita trails the United States by \$7,200 (Canadian) - a 16 percent prosperity gap. The Institute found that Canada's prosperity gap with the US widened from \$6,000 thousand per capita in 2002 to \$7,200 in 2003. This gap translates into an unrealized potential of \$15,000 after tax disposable income for the average Canadian family and \$90 billion in lost tax revenues for federal and provincial governments. The report shows that Canada can close the prosperity gap and realize its full economic potential. The key to this is higher productivity – the

increased capability of Canadians to add more value to the country's physical, human, and capital resources.

My Precious. The Role of Appropriability Strategies in Shaping Innovative Performance

Keld Laursen and Ammon Salter, DRUID

The strategies firms use to protect their intellectual property and knowledge can strongly influence their ability to capture the benefits of their innovative efforts. In attempting to appropriate their innovations, firms can choose from a range of mechanisms, including patents, trade secrets and lead times. Yet, little is known about how the use of different appropriability mechanisms may shape innovative performance. Using a large-scale database of UK manufacturing firms, this paper examines how legal (such as patents) and first mover (such as secrecy) appropriability strategies shape performance. It finds that both strategies are curvilinearly (taking an inverted U-shape) related to innovative performance, indicating that some firms may suffer from a myopia of protectiveness, relying too heavily on appropriation to the detriment of other activities.

Who Trains? High-Tech Industries or High-Tech Workplaces?

James Chowhan, Statistics Canada

This study contributes to the expanding body of research in the area of information and communication technologies (ICT). Using data on business sector workplaces from the 1999 Workplace and Employee Survey (WES), the paper investigates factors related to the incidence and intensity of training. The study focuses on whether training incidence and training intensity are more closely associated with the technological competencies of specific workplaces than with membership in ICT and science-based industry environments. It finds that training incidence depends more on the technological competencies exhibited by individual workplaces. Among workplaces that decide to train, these technological competencies are also important determinants of the intensity of training.

COMMERCIALIZATION AND TECHNOLOGY TRANSFER [[Table ofContents](#)]

Analyzing the Effectiveness of University Technology Transfer: Implications for Entrepreneurship Education

Donald S. Siegel and Phillip H. Phan

This paper reviews and synthesizes the burgeoning literature on

institutions and agents engaged in the commercialization of university-based intellectual property. These studies indicate that institutional incentives and organizational practices both play an important role in enhancing the effectiveness of technology transfer.

CLUSTERS & REGIONS

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

Enhancing Competitiveness: A Review of Recent State Economic Development

Initiatives

National Governors Association

With no new money to spend on development grants, tax incentives, or infrastructure improvements that might spur short-term employment, governors turned to strategies to build the skills of the workforce, improve the innovative capacity of their regions, and enhance their states' ability to compete in the world marketplace over the long term. Most recent initiatives aim to stimulate local clusters with policies aimed at building the workforce, promoting R&D, supporting entrepreneurs, supporting tourism and cultural activities, and/or improving quality of life.

"Gatekeepers of Knowledge" in Industrial Districts: Who Are They, How They Interact

Andrea Morrison, CESPRI

A great amount of recent studies dealing with industrial clustering suggests that the innovative performance of industrial districts is strictly linked with their ability to absorb external knowledge.

This paper aims at identifying and analyzing the main actors involved in this process. It

investigates the extent to which leading firms located within a successful Italian furniture district behave as gatekeepers of knowledge. Empirical analysis has been carried out on a sample of technicians working within firms' knowledge intensive units. Adopting social network techniques paper traces linkages between technicians and external sources of knowledge and evaluates their relevance for innovative activities. The findings suggest that leading firms absorb external

knowledge and spread it only to their own network of clients and providers.

According to our

theoretical framework we argue that leading firms cannot be interpreted as knowledge gatekeepers.

Industrial R&D Statistics by Region, 1994 to 2002

Rob Schellings, Statistics Canada

The purpose of this working paper is to provide regional data on business enterprise research and development (R&D) activity. The degree of details is strictly limited due to confidentiality restraints imposed by the Statistics Act. Data are presented on R&D expenditures and personnel, by country of control, data source, employment size and R&D size. Statistics Canada has collected data on R&D in Canadian industry for 48 years. Maintaining the continuity and comparability of these data over time is of considerable importance. This working paper is a summary of provincial industrial R&D activities. It presents historical and current statistical information on industrial research and development activities for the years 1994 to 2002.

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

Conference on Plant-Made Pharmaceuticals

Montreal, 30 January- 2 February, 2005

This conference will convene developer of biopharmaceuticals and the plant-factory community. The three themes emphasized this year are compounds (biologic drugs in development, pharma partnerships, markets), capacity (speed, cost, quality and reliability of production), and compliance (evolving regulations, biomass production in North America and Europe, progress in clinical trials).

Connect with 150 leading research experts on the issues that affect you

Ottawa, 17 February, 2005

Cities, environment, business ethics, intellectual property rights, language acquisition, privacy, the aging population, technology in Aboriginal communities, dispute resolution, childrens learning and health, corporations and sustainable development . . . The Knowledge Project presents Ottawas first ever ideas expo, featuring: exhibits from 80 research teams working on key social and cultural issues; panel discussions hosted by journalist Ann Medina; the opportunity to talk, one-on-one, with social science and humanities researchers whose ideas and energy could one day make Canada a knowledge superpower.

Workshop 2 for Medical Devices Manufacturing Special Interest Group **NEW!**

London, Ontario. 24 February, 2005

NRC's Integrated Manufacturing Technology Institute (IMTI) in London, Ontario will be hosting Workshop 2 to form a Medical Devices Manufacturing Special Interest Group (SIG). Based on the feedback from Workshop 1 in June 2004, participants will explore three topics with the help of medical experts, NRC research staff, and the input from knowledgeable industrial participants - like you! The goal of the workshop is to create pre-competitive research platforms to accelerate the technology transfer from NRC to industry and to create collaboration opportunities among the participants. For more information, or to register for the workshop, please contact researcher Daniel Johnston at IMTI at 519-430-7081 (telephone), 519-430-7140 (facsimile), or by email at: Daniel.Johnston@nrc.gc.ca.

OECD International Conference on City Competitiveness **NEW!**

Tenerife, Spain, 3-4 March, 2005

This conference will be a unique opportunity either to local or national government representatives, mayors and practitioners by giving them the occasion to discuss the topical issues faced by cities in their endeavours to develop the best economic and social conditions in order to attract skills and investment. This two-day event shall involve five thematic sessions, each of which shall be introduced by a distinguished expert speaker and followed by a panel discussion involving government leaders and practitioners. The sessions offered are: Globalization and City Competitiveness, Cluster-based Urban Development in Metropolitan Areas, Addressing Specialization and Networking in Medium-sized Cities, Impact of Tertiary Education on Urban Development and, Governance and City Competitiveness: The Role of Metropolitan Economic Development Agencies.

Regionalism and Local Government Reform in Europe

Tolo, Greece, 8-11 April, 2005

The objective of this conference is to explore comparative regionalism and regionalisation, together with comparative local government and governance. Plenary speakers include a welcome from Fofe Yenimata, President to the Greek National Union of Prefectural Local Authorities (ENAE), Prof. Charlie Jeffery, University of Edinburgh and Dr. Evie Christofilopoulo, Hellenic Open University and Member of the Greek Parliament. The major themes of the conference are: The impact of structural reorganisation on local governments and local governance; Local political and administrative leadership, including the impact of directly elected

mayors and other existing or new political leadership arrangements; Local economic development; The development of regional government and governance, including the influence of the European Union on regional development.

5th Triple Helix Conference - The Capitalization of Knowledge: Cognitive, Economic, Social and Cultural Aspects

Turin-Milan, 18-21 May, 2005

The 5th Triple Helix Conference will bring together researchers interested in the interaction between University, Government and Industry. The conference program will include 10 Track Sessions per day, made up of paper sessions dedicated to individual scientific contributions, workshops on selected specific themes and panels intended for industrial experts and policy makers. The organizers invite contributions on issues related to the conference theme: economics of innovation, organizational sociology, regional policy, business & management, cognitive economics, finance, law & economics, industrial economics, scientific and technology policy, and political science.

EECO Environment and Energy Conference **NEW!**

Toronto, 25-27 May, 2005

EECO is a biennial 'platform' where business leaders, elected officials, public policy makers and NGOs meet to examine priority business and environment risks/opportunities. This series fosters dialogue and debate on building a future of increased competitiveness coupled with environmental protection. The dynamic and strategically focused program, highly targeted and interactive exposition, and engaging social events deliver outstanding value to delegates, sponsors and partners. In addressing the region's critical business and competitiveness challenges head on, this conference will feature the EECO Forum and four informative and exciting tracks.

Dynamics of Industry and Innovation: Organizations, Networks and Systems

Copenhagen, Denmark, 27-29 June, 2005

The DRUID Ten Year Anniversary Summer Conference will be held at the Copenhagen Business School. The conference's scientific committee will consider all papers in the order in which they arrive with respect to novelty, academic quality and the proposed paper's relation to the theme of the conference.

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 at onris.progris@utoronto.ca.

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