

# Ontario's Regional Economic Development and Innovation Newsletter

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**Events** 

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#### **ANNOUNCEMENTS**

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### Toronto Among Top Seven Intelligent Communities of 2005

The City of Toronto was named one of the Top Seven Intelligent Communities of 2005 at a ceremony last month during the annual conference of the Pacific Telecommunications Council. The award is given by the Intelligent Community Forum (ICF), a special interest group within the World Teleport Association. Its focus is on the use of broadband technology for economic development in communities in both industrialized and developing nations. The City of Toronto was recognized for projects launched in the 1990s that had as their aim to "broaden and deepen the local impact of the

broadband revolution", and for the launch in 2002 of its e-city program "to improve

both the internal workings of government and the delivery of services to citizens". The Top Seven Intelligent Communities are selected because they excel in at least one of the indicators identified by ICF:

broadband communications, knowledge work, digital democracy, innovation, and marketing.

#### **An Opportunity to Contribute to Cluster Research**

The Swedish Green Book (VINNOVA, 2003) and White Book (TCI, 2004) were two of the main outputs that resulted from international surveys of business clusters, each offering information on international best practices in this field. This year another major global study of clusters is being conducted, covering clusters in many nations around the world. Though the deadline is fast approaching the Global Cluster Initiative Survey (GCIS) is looking for the participation of cluster leaders in this survey research. Participation will enable access to the final report which should prove interesting to government departments and economic development officials dealing with business clusters and related areas, and for cluster leaders and enterprises. The deadline is March 7, 2005, (although it may be extended).

### 7th Annual Innovation Systems Research Network National Conference

This year's annual conference returns to Toronto 5 - 7 May, 2005 as a full three day event for ISRN members. The highlight this year will be the two-day National Meeting taking place at the Renaissance Hotel Toronto at Skydome, in the heart of downtown Toronto. This year's meeting will highlight the results of ISRNs seven years of innovation systems studies - the work of the ISRN National Research team from across Canada. Public registrations are limited but the network will accommodate as many of our interested partners as possible.

EDITOR'S PICK [Table of Contents]

#### **European Innovation Performance by Sector**

European Trend Chart on Innovation

The strong effect on a firm's sector of activity on its innovative performance has been well understood for decades. These differences by sector in innovative performance create two main issues for policy. First, to what extent are aggregate innovation indicators, such as the ones used in the European Innovation Survey, influenced by the sectoral structure of the economy? Secondly, whare the EU's most innovative firms in each sector and what factors encourage their innovative excellence? The answers to these two questions are of value because they can help deflect an overemphasis on the activities of the "high-tech" sectors whose role in economic activity is often exaggerated. Modern economies are primarily

dominated by service and many low and medium tech manufacturing sectors. Overall productivity gains within an economy are strongly dependent on innovative capabilities in these sectors. This paper explores this finding through the analysis of indicators to determine the most innovative sectors of the European economy.

#### **INNOVATION & RELATED POLICY**

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# Losing the Competitive Advantage? The Challenge for Science and Technology in the United States

AeA

This report examines how and where other countries such as China and India are catching up to the U.S. in critical areas. These countries have restructured their economies to benefit from the free market system they once resisted. They are increasing the skill sets of their workforce, investing in R&D, and adopting advanced technologies, all to create wealth and spur economic growth. The report analyzes how R&D funding supports innovation by investing in the technologies that advance society, increase productivity and ultimately improve standards of living. While funding for science and technology in the U.S. is still available, it has decreased from its peak in 1987 and has declined substantially as a percentage of the economy. The report also comments on the failing state of American K-12 education in math and science and the implications for sustained competitiveness in the knoweldge economy. The report includes a list of recommendations and priorities to address these challenges.

### The Knowledge Economy: Is the United States Losing its Competitive Edge?

Task Force on the Future of American Innovation

The Task Force on the Future of American Innovation has developed a set of benchmarks to assess the international standing of the United States in science and technology. These benchmarks in education, the science and engineering (S&E) workforce, scientific knowledge, innovation, investment and high-tech economic output reveal troubling trends across the research and development (R&D) spectrum. The United States still leads the world in research and discovery, but its advantage is rapidly eroding. Research, education, the technical workforce, scientific discovery, innovation and economic growth are intertwined. To remain competitive on the global stage, it is vital to ensure that each remains vigorous and healthy. That requires sustained investments and informed policies outlined in this report.

# Pennsylvania TechFormation: A Status Report and Growth Strategies for Technology-Based Economic Development

Pennsylvania Department of Community and Economic Development

The purpose of this report is to gauge Pennsylvania's innovation and entrepreneurial position and to provide the basis for continued improvement strategies. This comparative approach chartsPennsylvania's position relative to other states with similar legacy economies - economies built on traditional manufacturing which are now transitioning to meet the realities of today's knowledge based economy. Benchmark states include New York, Michigan, Massachusetts, New Jersey, Ohio and Maryland.

# Entrepreneurship, Regional Development and Job Creation: The Case of Portugal

Rui Baptista, Vitor Escaria and Paulo Madruga, Max Planck Institute for Research into Economic Systems, Group Entrepreneurship, Growth and Public Policy

This paper investigates whether a high level of new business formation in a region stimulates employment in that region. The indirect supply-side effects of new firm births, whether due to greater competition, efficiency or innovation, seem to be at least as important as the direct effects associated with employment creation by the new entrants. However, such supply-side effects only occur after a time-lag of about eight years, leading to a pattern of lagged effects that is u-shaped. This finding suggests that the new entrants bring about improvements to overall regional competitiveness, but that such improvements only become significant after some time.

**STATISTICS** 

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# <u>Characteristics of Firms that Grow from Small to Medium Size:</u> Industrial and Geographic Distribution of Small High-Growth Firms

Michael Bordt and John McVey, Statistics Canada

This working paper illustrates the industries and communities that have the highest proportions of quickly growing small firms. It provides an estimate of the number of small companies that have grown to medium-sized between 1995 and 2000. The data analysed in this paper are from the LEAP-SAF (Longitudinal Employment Analysis Program: Small Area File), a synthetic database constructed from various administrative sources.

**EVENTS** 

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#### **OECD International Conference on City Competitiveness**

#### Tenerife, Spain, 3-4 March, 2005

This conference will be a unique opportunity for 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 will involve five thematic sessions, each of which will be introduced by a distinguished expert speaker and followed by a panel discussion involving government leaders and practitioners. The session 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.

#### **Biotechnology Management Network Event**

### Vancouver, 31 March, 2005

This event provides an opportunity to listen to and engage with leading thinkers concerning the management of biotechnology companies. Speakers: Dr. Jorge Niosi, "US, UK, and Candian biotechnology: clusters and the growth of the firms."; Dr. Adam, Holbrook and Dr. Richard Smith, "Innovation Systems Research Network: A Report on the Biotechnology Cluster in Vancouver"; Dr. Peter Phillips, (to be confirmed) TBA; Dr. Ian McCarthy, "Performance Measurement of Biotechnology Firms". This section is open to all Network members for the sharing of relevant information with other members.

### 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.

#### Bringing Science to Life №₩!

#### **Toronto, 29 April - 1 May, 2005**

Universities and corporations are working together more closely than ever before to transform biomedical research into products and practices that benefit human health. Few studies synthesize the lessons learned. The goal of this conference is to fill this gap by comparing international strategies to promote effective knowledge transfer between universities and firms and prompt an informed discussion of available policy options. It will also examine the new legal, economic, and social challenges that policy makers and administrators face when implementing these strategies. The state of university-industry relations will be examined from national perspectives and international comparisons. Experts will discuss the factors shaping university-industry relationships, including institutional structures, social norms, public policies, intellectual property regulations, incentive structures, new funding models, etc. Several sessions will compare and evaluate present mechanisms to promote knowledge transfer, including collaborative research centers, spin-off companies, technology transfer offices, and public-private matching grants..

### 7th Annual Innovation Systems Research Network National Conference №₩

#### Toronto, 5-7 May, 2005

This year's annual conference returns to Toronto 5 - 7 May, 2005 as a full three day event for ISRN members. The highlight this year will be the two-day National Meeting taking place at the Renaissance Hotel Toronto at Skydome, in the heart of downtown Toronto. This year's meeting will highlight the results of ISRNs seven years of innovation systems studies - the work of the ISRN National Research team from across Canada. Public registrations are limited but the network will accommodate as many of our interested partners as possible.

#### Biofinance '05 NEW!

#### Toronto, 17-19 May, 2005

BioFinance 2005 is a gathering of some of the most innovative minds in the life

science industries and will feature presentations by senior management from over 100 life science companies from across Canada, the US and Europe. The range of participating firms includes large publicly traded and smaller listed companies and a wide range of private companies from larger and established to early-stage opportunities. The presenting companies will be developing new medicines, devices, diagnostics, medical technologies, research tools and health care systems.

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. Theorganizers 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**

#### 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.

#### **UK eLearning Regions and Cities Conference**

#### Oxford, UK, 21-22 June, 2005

The 2005 UK eLearning Regions and Cities Conference will bring together the most up to date information in eLearning for regional authorities. The 2005 conference will also work with groupings of regional stakeholders (e.g. the RDA, representatives from LEAs and from HE and FE institutions, local LSCs, employers

and workforce representatives, as well as locally based technology providers) to work on regional strategy and tactics. Policy is all very well, but what is needed is a sense of mutually aware action: more than just talk.

# <u>Dynamics of Industry and Innovation: Organizations, Networks and Systems</u>

#### 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.

#### Innovations and Entrepreneurship in Functional Regions NEW!

#### Uddevalla, Sweden, 15-17 September, 2005

The objectives of the symposium/conference are: i) to provide a unique opportunity for scholars and senior and junior researchers to discuss path-breaking concepts, ideas, frameworks and theory-essentials in plenary key-note sessions and parallel competitive paper sessions, and ii) to facilitate the development and synthesis of important contributions into cohesive and integrated collections for potential publication. The conference will focus on the themes of international entrepreneurship; innovation, entrepreneurship policy and regional development; entrepreneurship in the public and non-profit sector; innovation, academic entrepreneurship and high tech firms in functional regions; and SMEs, immigrant entrepreneurship and local economic development. Paper submissions will be considered until March 15, 2005.

#### Clusters 2005

#### Toulouse, France, 27-29 October, 2005

This conference will bring together academic 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.

#### **SUBSCRIPTIONS & COMMENTS**

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