

Proceedings of the Third Meeting of the Canadian Commercialization Consortium (C³)

Hosted by the Centre for Commercialization of
Research (CCR)

Wednesday, December 5, 2012
Ottawa, Ontario

Table of Contents

1/ Executive Summary.....	2
2/ Overview of Presentations.....	3
3/ Panel Discussion	14
4/ Next Steps	19
5/ Appendix A: Agenda	20
6/ Appendix B: List of Participants.....	21

1/ Executive Summary

The Centre for Commercialization of Research (CCR) hosted the third meeting of the Canadian Commercialization Consortium (C3) on December 5, 2012 in Ottawa, Ontario. This session brought together 54 participants from 45 organizations spanning academia, industry and government. This included Canadian delegates from eight provinces, and international representatives from the Canadian Embassy in the Netherlands, the Canadian High Commission in London (UK) the Central European Institute of Technology (CEITEC), and the Embassy of the Czech Republic. Hosted in conjunction with the annual ACCT Conference, the meeting stimulated thought-provoking discussion, ideas and recommendations on a compelling commercialization and business imperative: *Accessing Global Markets*.

Key Takeaways

- The C³ is making real progress and taking concrete action through the 6x6 Global Marketplace Project led by the ICA and CCR. There is increasing cohesion amongst C³ members and a growing desire to collaborate. This is reinforced by the recommendation to establish a C³ working group to explore concrete opportunities to work together and accelerate progress toward shared objectives.
- As the C³ pursues new opportunities for increased cooperation, it is important to leverage existing commercialization resources and make the Canadian entrepreneurial ecosystem more coherent, integrated and user-friendly for entrepreneurs and start-ups. It is important to maximize innovation assets; address key gaps; and avoid the re-creation of existing programs and infrastructure. Several participants also noted the need for physical and virtual C³ collaboration space for the conduct of pilot projects.
- Participants noted that Canada requires a highly effective and impactful 'start-up farm system' that might be comparable to Canada's great 'hockey farm system'. Canada has established a highly interconnected and knowledge intensive hockey system that engages children of all ages, coaches, teams, leagues, sports organizations and other hockey professionals across the country. The right passes are made at the right time, information and knowledge are shared seamlessly. This organic sports system is unified, connected and results driven. It also inspires competition and top performance, enabling the best athletes to rise to the top. Such a system would be invaluable for Canadian start-ups.

Actions and Next Steps

The meeting generated one key follow-up action endorsed by all delegates in attendance: to establish a national C³ working group that brings together members from across the country and:

- Addresses longer term, sustainable opportunities for C³ collaboration;
- Facilitates concrete action towards pan-Canadian alignment of our programs and efforts; and
- Drives the growth and scale-up of Canadian born global firms and their entry into international markets

CCR committed to undertake this action, and initiate the development of the proposed C³ task force. The next meeting will be held at Discovery 2013 on May 27 and 28, 2013 in Toronto, Ontario.

2/ Overview of Presentations

Update on the '6x6' Global Marketplace Project Dr. Claudia Krywiak, Director, Partnership Development and Corporate Planning Centre for Commercialization of Research (CCR)

Dr. Claudia Krywiak, Director of Partnership Development and Corporate Planning of the Centre for Commercialization of Research (CCR) and Ontario Centres of Excellence provided delegates with a progress report and outcomes achieved to date by:

- The [International Commercialization Alliance \(ICA\)](#), a not-for-profit corporation that has evolved from 48 founding members from 18 countries to 91 members from 22 countries;
- The **Canadian Commercialization Consortium (C³)**, the first national chapter of the ICA; and
- The **'6x6'**, the inaugural C³ Global Marketplace pilot project that is rapidly gaining traction in participating countries around the world.

Highlights

- The **ICA** aims to facilitate the continuous improvement of the policies, practices, models and evidence-based success measures used by its members; stimulate collaboration on shared objectives; and increase the commercialization of research outcomes on a global basis.
- Building on a strong base of publicly funded research, the **C³** aims to combine Canada's commercialization expertise and resources among industry, academia and government; stimulate collaborative action that helps move more novel ideas and technologies from the lab to the global marketplace; and connects Canadian firms to international end-users and markets. The C³ also gathers and provides national input to the ICA; ensures Canada's full participation in the Alliance, and helps Canadian innovators to gain the greatest benefit from this global commercialization community.
- **The 6x6 Global Marketplace Project** is a pilot launched by the ICA designed to connect **born global** companies with market opportunities around the world. It brings together six innovation intermediaries from across Canada, and nine ICA members including: CONNECT USA (USA); Ben Franklin Technology Partners (USA); Larta Institute (USA); Exploit Technologies (Singapore); Otaniemi Marketing (Finland); you-can Export LLC (Switzerland); KIM Global (Spain); Cambridge Enterprise (UK) and Tekes (Finland). This initiative aims to:
 - Broker cross-border business deals for innovation intermediary client companies
 - Put in place formalized partnerships to facilitate deal-flow across partners and countries

[The Centre for Commercialization of Research \(CCR\)](#) accelerates the commercialization of publically funded research in Canada and enables the growth of Canadian early-stage companies by providing an entrepreneur what they need exactly when they need it – from start-up to established firm.

CCR offers an integrated suite of services that work together to help a business to grow: management expertise; access to domestic and global customers, networks and markets; and early stage financing. Leveraging its national and global reach, CCR connects its client companies to the commercialization community in Canada through the Canadian Commercialization Consortium (C³) and to global partners and customers through the International Commercialization Alliance (ICA).

And it is delivering results. Drawing on a rigorous economic modeling methodology, a third-party economic impact assessment for 2008 to 2011 demonstrates that CCR:

- Turns each dollar of funding into \$3.18 in economic benefits (measured in terms of GDP); and
- Generated \$42 million in GDP through its activities – at no cost to the Canadian taxpayer.

- Document the model and share outputs and outcomes

Over the last 18 months, three 6X6 meetings have taken place in Toronto, Ontario (March 2012); Singapore (October 2012) and California, USA (December 2012). Dr. Krywiak provided an overview of key outcomes.

March 2012 – Toronto

Host: Centre for Commercialization of Research (CCR) in conjunction with ICF 2012

C³ Participants – Opportunity Exchange Session

- TEC Edmonton (AB); C3E (QC); Time Ventures (BC); The Eureka Project (MB); Innovation Saskatchewan (SK)

Overview: Roundtable discussion to facilitate partnerships between Canadian and global participants with the goal of identifying cross-border projects that bring together client firms supported by the organizations.

Key Outcomes:

- [MTI Technologies \(TEC Edmonton\)](#): Strong competing interest from intermediaries in the US, Singapore and Spain; follow-up from other participants led to TEC Edmonton's ability to broker new global opportunities
- [Innovation Saskatchewan](#): Collaborated with Larta Institute (USA) and Ontario Agri-Food Technologies to present at the 2012 Ag Innovation Showcase, Missouri; brought promising start-ups to the event and developed relationships with potential funders and partners

October, 2012 – Singapore

Host: Exploit Technologies in conjunction with TECHVENTURE 2012, Asia's Premier Innovation and Commercialization Summit

Overview: CCR brought online engagement company **Viafoura** and high performance spectroscopy system company **P&P Optica** to TECHVENTURE 2012 after winning a pitch competition at its Going Global in Singapore Workshop. Selected for their high scores in the strength of their technology and management teams, their traction and commercialization strategy, as well as their pitch performance and high potential, Viafoura and P&P Optica sent one representative to Singapore to pitch again at TECHINNOVATION 2012

Key Outcomes:

- [Viafoura \(Toronto\)](#): Secured follow-up meetings and demonstrations with Universal Music Asia, Dow Jones and Paramount Pictures; Various Indian, Singaporean and Japanese investors expressed interest in a Series A round; two channel partners are under consideration
- [P&P Optica \(Waterloo\)](#): Identified several partnership leads – in particular a collaborative project is planned with a commercialization lab in 2013; established a valuable network in the medical devices sector; invaluable local learnings of the broader Asian landscape and business practices

December 2012 – California, USA

Host: CONNECT in conjunction with the Global CONNECT Summit

Overview: [Tapgage](#) (Toronto) provides mobile application developers with a network to monetize their users through any stage of the app lifecycle; the company will pitch to a group of 15 investor firms at the 2012 Global CONNECT Summit

The next 6X6 meeting will be hosted by CCR in conjunction with the third International Commercialization Forum (ICF) in March 2013 in Toronto, Canada. Going forward, the ICA will produce a twelve-month outcome report on the 6x6 Global Marketplace Project to identify key achievements, challenges and next steps. The ICA also intends to hold a project session at the International Commercialization Forum (ICF) slated for 2013.

In conclusion, Dr. Krywiak extended thanks to all pilot project contributors, C³ members, and DFAIT for their ongoing support of the ICA.



Dr. Claudia Krywiak, Director of Partnership Development and Corporate Planning, provides C³ delegates with an update on the 6x6 Global Marketplace Project.



Supporting the Internationalization of Start-ups in Alberta

Karen Young
Executive Director of Partnerships & Collaborations
Alberta Innovates – Technology Futures

Karen Young, Executive Director of Partnerships and Collaborations, Alberta Innovates – Technology Futures (AITF), took the stage to address C³ participants, and provide an overview of how the organization is helping to grow globally-oriented entrepreneurs and firms. She opened the presentation with an overview of AITF.



[Alberta Innovates - Tech Futures \(AITF\)](#) is part of Alberta's research and innovation system and is helping build healthy, sustainable businesses in the province. Through a suite of programs and services directed towards entrepreneurs, companies, researchers and investors, Tech Futures is preparing Alberta for a next generation economy. It aims to build globally competitive commerce in Alberta through:

- Facilitating the commercial use of new technologies;
- Developing new knowledge-based industry clusters; and
- Encouraging an entrepreneurial culture in Alberta

AITF represents one of five divisions within the broader 'Alberta Innovates' enterprise – a highly integrated, cohesive and impactful provincial innovation system. Alberta Innovates facilitates effective and efficient collaboration among industry, universities and governments, enabling innovators to share resources, experts, and ideas across sectors. A key attribute of success: this system allows university researchers to work together unrestricted by academic barriers.

Within this unique innovation system, Mrs. Young described how AITF supports the internationalization of start-ups in Alberta. The organization actively:

- **Builds Innovation Capacity in Alberta:** AITF operates a variety of capacity building programs that cultivate the development of world-class research teams in Alberta and accelerate the growth and success of early-stage companies. AITF specifically supports innovators who grow the critical mass of leading-edge research in Alberta, and entrepreneurs who build enterprises that develop, strengthen and diversify the provincial economy.
- **Nurtures a Collaborative Ecosystem:** Mrs. Young emphasized that managing the landscape for sustainability and future generations is an increasingly complex endeavour. AITF contributes to sustainable resource management capacity by researching, developing and deploying scientifically valid ecosystem management tools.
- **Promotes Global Commercialization and Offers Regionally Accessible Commercialization Support:** AITF helps entrepreneurs and SMEs make the right global connections, while facilitating access to Alberta's integrated province-wide innovation system. This ensures that SMEs and innovators have access to the vital services and resources required to succeed.

Mrs. Young provided a flow chart of the typical commercialization pathway, helping audience members to better understand how AITF supports firms from initial concept through to exit. She emphasized that companies don't fit 'neatly' into any one specific box any longer. Commercialization services and support must now be customized to the needs of firms on a case-by-case basis. Mrs. Young provided snapshots of different Alberta-based

innovators and companies in different stages of the commercialization continuum, and described how AITF is helping to address their specific requirements. She highlighted examples of:

- Promising entrepreneurs who are preparing to launch a technology-based company in high growth sectors such as biotech;
- Growing born global firms that are now exporting to foreign markets; and
- Established companies that are developing an exit/innovation strategy.

As Mrs. Young concluded her informative presentation, she emphasized that AITF aims to continually improve the efficacy and efficiency of its programs, and stimulate greater international learning and information exchange for Alberta-based entrepreneurs and SMEs. Helping these firms to capitalize on such opportunities is not without challenge. She noted the many 'small pots of funding' currently available to emerging firms, but the lack of the Venture Capital funding required to help high potential firms maintain a strong growth trajectory. AITF is actively exploring creative new approaches to bridge this gap.

Mrs. Young described some of the key opportunities and challenges that AITF aims to address over the coming year. These include:

- Adapting and evolving the current commercialization model to more fully nurture and facilitate the growth of 'born global firms' in Alberta
- Identifying and recruiting mentors with relevant expertise for born global companies and international business experience
- Sourcing greater opportunities for collaboration and joint funding with federal government departments such as Western Economic Diversification (WED) and Foreign Affairs and International Trade Canada (DFAIT), and federally-funded entities such as Centres of Excellence for Commercialization and Research (CECRs)
- Exploring best practices for the negotiation, management and protection of IP within an increasingly global innovation ecosystem and an increasingly diverse array of innovation players

In her final remarks, Mrs. Young underscored the value of the C³ to AITF, and how it aims to capitalize on this pan-Canadian initiative by gathering new ideas, sourcing best practices and seeking opportunities for collaboration.



On the heels of a business trip to the Oil Sands in Alberta, Dr. Allison Young, Consul General of Canada in New York, took the stage to provide C³ participants with an overview of the Canadian Technology Accelerator (CTA) Initiative in New York City, and opportunities to leverage the Trade Commissioner Service managed by DFAIT to help more Canadian firms access international markets – including those in New York. As the CTA is just concluding its first formative year, Dr. Young noted that she is assessing outcomes and learnings to date, and considering how this initiative should evolve to better support Canadian technologies in the global market. As part of this process, she welcomed the opportunity to engage C³ members, and gather additional insight, feedback and recommendations.

Ms. Young opened her talk by providing an overview of the CTA, and how it operates today:



Drawing on the model adopted by four Canadian Technology Accelerators in California, the CTA @ NYC aims to provide Canadian digital media entrepreneurs with access to unique resources and contacts to accelerate the growth of their start-up on a global scale. It is geared to supporting product-ready digital media start-ups looking to achieve the following business objectives in the NYC market:

- Strengthening angel / VC investor networks
- Landing a marquee client / strategic partnerships
- Exploring expansion of business development operations into NYC

As the world's capital for advertising, media, commerce, financial services and innovation, New York City is increasingly taking center-stage as a hot-bed for internet-based technology entrepreneurship. Its digital media sector is growing at such a rapid pace it is steadily overtaking Boston as an Eastern technology hub for this expertise.

Within this dynamic NYC environment, participants benefit from a three-month term in the CTA which offers:

- “Communal Membership” at [General Assembly](#), a global network of campuses for technology, design and entrepreneurship at the heart of NYC's tech community
- Introductions to experienced mentors, and business & investor contacts
- Additional support from Canada's Trade Commissioner Service – a well-connected network of experts who are embedded in regions across the Canada and foreign markets

The CTA @ NYC engages 24 companies per year. These companies are required to have a market-ready product (as opposed to a proof-of-concept prototype or beta product), and clearly articulate why their product is well suited for the NY market. Dr. Young and her team assess the capacity of these companies and select those with the greatest opportunity for success in NYC.

Once accepted into the CTA, firms participate in a boot camp that enables them to become acquainted with the NYC ecosystem. They are then introduced to business mentors who work with them to identify target clients, develop strong communications skills, create a proper pitch and source required investment. Once ready, the CTA brokers relationships between these firms and prospective customers and investors. This includes Fortune

500 companies such as Pepsi Co.; Honeywell; ABC; NBC; Fox and Viacom. Given the aggressive nature of this market, CTA advisors work diligently with Canadian companies to ensure they are confident and assertive when presenting and following-up on their 'ask'.

In addition to the digital media accelerator, the NYC Consulate recently launched a clean-tech virtual accelerator that is beginning to connect Canadian-based start-ups to multinationals. Dr. Young described some of the key differences between the digital media and clean tech sector, particularly the sales cycle and timeline to market. As this accelerator is in the early stages of development, she and her team are hosting mentoring and pitch sessions and 'pre-cooking' relationships to help Canadian clean-tech firms identify market prospects as quickly as possible.

As Dr. Young concluded her talk, she highlighted some of the key learnings that have emerged from the CTA @ NYC. Although the accelerator is much like a start-up in its own right, she emphasized that it is "*turning out great people with great technologies and great companies.*" Going forward, she aims to improve the CTA business model and marketing capacity. She and her team are also challenged to source mentors with global business expertise and a strong understanding of the NYC market. It is a role that demands seasoned professionals who recognize that "you only get once shot in the US; once you get in the door you have to make it count."

In many cases, Canadian firms in the CTA are not clear about what to ask for or how to take action on their business objectives in the NYC environment. Dr. Young emphasized that she and her extended team want to improve the learning curve of these companies, and accelerate their growth and success in this market. She specifically aims to strengthen entrepreneur education on IP management, sales and marketing, customer acquisition and management capacity to develop the capacity of these firms for the NYC ecosystem. A key goal: to help companies get past the infamous 'Valley of Death', and establish a sustainable business that exceeds \$20 million in annual revenues and 100 employees.

Dr. Young wrapped-up by emphasizing her desire to learn from and collaborate with the C³ to further accelerate the growth of promising Canadian firms and enable their success in international markets.



Kevin Fitzgibbons, DFAIT (left), Dr. Allison Young, DFAIT (centre) and Dr. Claudia Krywiak, CCR (right) discuss the CTA @ NYC during a networking break.



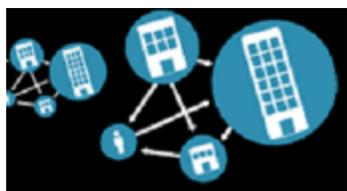
Connect Business with Resources to Succeed and Grow

Bob Embleton

Director of Network Partnerships

Canadian Digital Media Network (CDMN)

Following weeks of international travel to promote opportunities with the Canadian Digital Media Network (CDMN) and the companies they serve, Mr. Bob Embleton, Director of Network Partnerships for CDMN, took the podium to address C³ participants. He set the context for his presentation by providing an overview of CDMN and its unique role within Canada's innovation ecosystem:



Founded in 2009, CDMN is a federally-funded Centre of Excellence for Commercialization and Research (CECR) that brings together industry, government and academia to ensure Canada's place at the forefront of the digital economy. CDMN works as a catalyst for commercialization, spurring creation of Canadian companies, jobs and wealth. It has forged relationships with nine partners, or nodes, at 15 locations from coast to coast. Each brings unique expertise to the national network while serving as a regional hub for the development, acceleration and commercialization of digital media ventures. Digital media is defined as any information that is created or shared virtually. So, the network spans fields ranging from entertainment, health care and education, to financial services and advanced manufacturing.

To facilitate strong connections and collaboration within this national network, CDMN hosts Canada's premier digital media forum each year. This event assembles 2,000 leaders on an annual basis to celebrate Canadian leadership in digital media by sharing best practices, lessons learned, and grassroots evidence of success in business and technology, arts and heritage, research and academia. CDMN will host Canada 3.0 on May 14-15, 2013 in Toronto.

Following an introduction to CDMN, Mr. Embleton described four 'common pains' facing Canadian businesses:

- Talent and mentorship
- Technology – adoption and productivity
- Scalability – strategy, operations and funding
- New markets – at home and abroad

CDMN is actively addressing these challenges and helping Canadian digital media firms access the resources they require to succeed in domestic and global markets. With a strong focus on collaboration, CDMN works closely with likeminded partners (largely business accelerators) across the country to provide SMEs with the support required to help them grow as quickly as possible. This includes access to an online library as well as business expertise – from R&D to IP management, sales and marketing and investment. Mr. Embleton noted that CDMN has achieved significant leverage of existing Canadian innovation resources, engaging hundreds of start-ups and helping them to identify and pursue the most promising opportunities. In addition to fueling the development of these promising firms, CDMN is helping to grow and strengthen Canada's innovation ecosystem.

Mr. Embleton then elaborated on how CDMN helps entrepreneurs and growth firms seize domestic and global market opportunities. In addition to its 'International 101 training', CDMN offers a Soft-Landing Program that

provides qualified, mature start-ups and SMEs with valuable exposure to a specific economy-of-interest. It offers participating firms with a unique opportunity to be housed in a partnered facility that can offer the regional support required to help them grow their business in the target market for up to three months. Both the location and the specific landing facility are determined by the start-up and SME, based on market *pull* and the specific needs the company seeks to fulfill in that economy.

Mr. Embleton provided an overview of the three types of 'landings' this program offers:



- **Outbound Soft-Landings:** This program enables qualified Canadian companies to land anywhere in the world, get connected to a business accelerator centre in a targeted market; qualify for up to \$4,000 CAD in reimbursable travel expenses; and acquire physical office space at the landing facility for up to 3 months.
- **In-Bound Soft-Landings:** This program is designed to help non-Canadian companies 'land' in Canada at a partner facility that can help facilitate their introduction to the Canadian market.
- **Domestic Soft-Landings:** This program targets Canadian companies looking to land elsewhere in Canada to penetrate a specific segment in the domestic market

Mr. Embleton shared several success stories from CDMN's 'outbound' program with C³ delegates, elaborating on how it has helped nine Canadian digital media firms to date land in markets such as Costa Rica, India, China, Brazil, Australia and Germany. Within these economies, CDMN has helped participating SMEs:

- Promote the export of Canadian technology and secure a contract valued at \$16 million
- Move beyond web-based interaction with prospective customers and investors, facilitate greater face-to-face meetings and in-person engagement and win a multi-million dollar contract
- Identify and pursue the most lucrative opportunities, and penetrate the foreign market as quickly as possible

Although CDMN does not provide funding to companies through the Inbound and Domestic Soft-Landing programs the organization connects companies to its extensive 'cost-to-coast' network of business accelerators and incubators to help them learn more about how to do business in North America.

Working together as part of an ecosystem throughout Canada and around the world, CDMN serves an integrated one-stop shop for Canadian digital media companies by facilitating efficient and cost-effective access to specialized resources and expertise at the 24 nodes that comprise its national network. Mr. Embleton emphasized the many opportunities for C3 members to capitalize on this collaborative model, and all associated resources, as the consortium develops future initiatives.





**Soft Landings – Models, Challenges and Opportunities –
MaRS Discovery District
Earl Miller
Director of Strategic Partnerships, MaRS**

As Earl Miller, Director, Strategic Partnerships, took the stage, he launched his presentation with a simple but powerful statement that underscored the value of born global firms and the need to create more of them in Canada: “Job creation is highly dependent on exports by growth firms.”

As noted in the 10-year profile of Canadian growth firms (1993 to 2003) published by Industry Canada, only 5.5 percent of Canadian firms export products. Mr. Miller noted that although this number is low, these firms have a significant impact on the Canadian economy. In fact, they create 47 percent of new jobs in Canada. At MaRS Discovery District, this statistic and other Canadian industry trends prompted leaders to ask an important question: “Is there a better way to capture the commercial potential of Toronto’s \$1 billion in annual science and technology research spending?”

Before elaborating on how MaRS enables the growth and global market success of entrepreneurs and early stage firms, Mr. Miller provided delegates with an overview of MaRS, its mission, mandate and value proposition.



MaRS drives social and economic prosperity by leading Canada’s innovation mission. MaRS envisions Canadian communities that are prospering through enhanced employment prospects, the creation and retention of local wealth and an enriched cultural and social environment. To realize this vision, MaRS fosters and promotes Canadian innovation. The organization helps create successful global businesses from Canada’s science, technology and social innovation and provides resources — people, programs, physical facilities, funding and networks — to ensure that critical innovation happens.

Following this introduction, Mr. Miller provided an overview of the ‘entrepreneurship ecosystem’ and helped C3 participants to better understand the role of MaRS within this complex environment. He described how the organization is helping to build high growth companies in the Greater Toronto Area (GTA). This includes:

- **Entrepreneurship Education:** MaRS has logged more than 17,000 hours of training to equip entrepreneurs with the skills required to succeed in the marketplace
- **Market Research:** MaRS provides access to more than \$1 million in technology and business competitive intelligence to help firms better understand target markets and develop their value proposition
- **Business Advice and Mentorship:** MaRS has established a pool of more than 100 seasoned mentors with specialized sector-based expertise who provide guidance to entrepreneurs and early-stage firms
- **Access to Capital:** MaRS manages the Investment Accelerator Fund (IAF) invests up to \$500,000 in early-stage Ontario-based technology companies, helping to position them for further investment by angels and venture capitalists.

Mr. Miller described the impact of these programs on GTA-based firms, and how they have contributed to \$159 million in client revenues, \$277 million in capital, and 1,500 new jobs in 2011. Given these outcomes, he encouraged meeting participants to consider how the C³ could draw on the MaRS model, pool its collective resources, and create a unique national platform (or value chain of entrepreneurial services) that stimulates the growth of globally-oriented Canadian firms. He also noted that MaRS Centre (Phase 2) will will more than double the footprint of its campus to over 1.5 million square feet. This facility will be completed in September 2013, offering an excellent physical space for C³ collaboration.

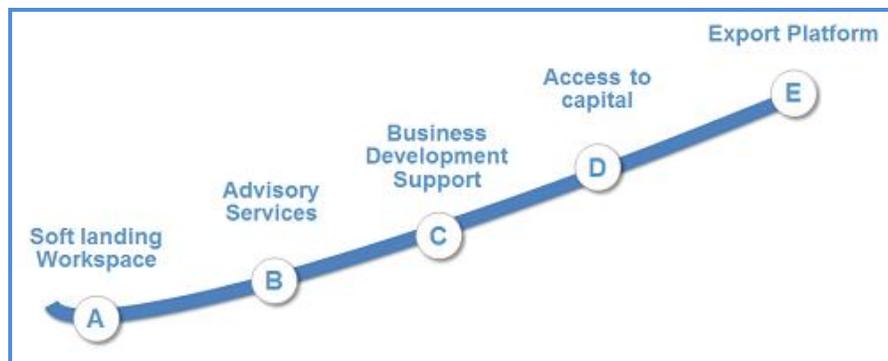
Mr. Miller then touched on key issues facing Canadian firms that the C³ could help to address including:

- A highly complex innovation system that is highly fragmented and comprised of many different players and programs; it is challenging for entrepreneurs and start-ups to know where to go, and how to best exploit these opportunities
- Limited availability of incubation spaces to support the market entry of new firms
- Entrepreneurs who are constrained by time, geography and a lack of capital

He shared initial ideas on how to begin resolving some of these challenges; these included:

- The development of navigation tools for soft landing enquiry and needs assessment
- Curated hand-offs between partners in the service value chain
- Shared service strategy for inbound and outbound firms
- A global network of certified soft landing spaces
- Mentoring between export veterans and novice firms

With these suggestions in mind, Mr. Miller introduced the MaRS 'Soft Landing Model' which accelerates business growth through an integrated chain model. The model features the following five key steps.



Drawing on this model and the existing resources of C³ members, he proposed some tangible actions the consortium could take further leverage Canada's existing innovation infrastructure and commercialization expertise, and support the growth and internationalization of Canadian firms. These included:

- Connecting champions across our various ecosystems
- Better understand needs and build a pipeline of prospective users
- Building the business case for a soft landing platform and a network of implementation partners
- Committing to evidence-based impact analysis to help elevate Canada's game

He emphasized the need to converge and scale-up Canadian efforts to 'go big and be sustainable'. He noted that such action required resources, coordination and funding, but emphasized the potential impact that could be achieved with concerted C³ effort.

3/ Panel Discussion

Following a highly interactive networking break, Richard Franklin, Manager of Partnerships for CCR, called Kevin Fitzgibbons, Director of Science, Technology and Innovation with Foreign Affairs and International Trade Canada (DFAIT) to the stage to lead and moderate the panel discussion. As Mr. Fitzgibbons took the microphone, he commended CCR for organizing an informative and productive meeting, and launching the C³. He emphasized the value of the consortium, noting the C³ progress described by Dr. Krywiak at the opening of the event, and the opportunity “to learn from our collective experience and do something together that is very concrete”.

Following these words of introduction he welcomed the following panelists (left to right in photo):

- **Dr. Mohamed Abousalem, CEO, [TECTERRA](#)**; this Centre of Excellence for Commercialization and Research (CECR) enables Canadian companies to bring innovative geomatics solutions to market. TECTERRA's investment and grant programs are building blocks designed to reduce risk and support companies through each phase of product development and commercialization.
- **Susan Gorges, CEO, [Springboard West Innovations \(SBWI\)](#)**; founded in 2007, SBWI is Saskatchewan's leader in helping companies accelerate the transformation of innovative ideas into commercial reality. Drawing on the expertise of advisors and researchers with years of experience in business, SBWI provides services for companies at every stage of their formation and development.
- **Dr. Claudia Krywiak, Director of Partnership Development and Corporate Planning, [CCR](#)**; CCR is a federally-funded Centre of Excellence for Commercialization and Research (CECR) which accelerates the commercialization of publically funded research and builds more robust, globally competitive Canadian entrepreneurs and firms across Canada.
- **Dr. Jacques Simoneau, CEO, [Univalor](#)**; Founded in 2001, Univalor is a unique partnership that aims to accelerate the transfer university-based inventions from Polytechnique Montréal, Université de Montréal, HEC Montreal and most of the affiliated hospitals to industry.
- **Laura O'Blenis, Consultant to the [Government of New Brunswick](#) and the [Association of University Research Parks Canada](#)**; AURP promotes the development and operation of research parks that foster innovation, commercialization and economic competitiveness in a global economy through collaboration among universities, industry and government.



Left to right: Dr. Mohamed Abousalem, TECTERRA; Susan Gorges, Springboard West Innovations; Dr. Claudia Krywiak, CCR; Dr. Jacques Simoneau, Univalor; Laura O'Blenis, Stiletto Consulting; and Kevin Fitzgibbons, DFAIT

Mr. Fitzgibbons invited each panelist to share introductory thoughts on the discussion theme: how can innovation intermediaries help Canadian start-ups and SMEs access global markets? Each leader provided recommendations that many C³ participants could adapt and implement within their own organizations:

- **Dr. Mohamed Abousalem:** Develop a robust business plan that is targeted to the specific economy of interest; a credible plan must be customized to the segment and address the specific challenges in the local region; without such a plan, firms are simply not ready to go to market.
- **Susan Gorges:** Help client companies grow their businesses as fast as possible and export immediately; a key challenge in Saskatchewan (as well as many other regions) is the ability to find trusted advisors in the target industry; every industry has its own idiosyncrasies so it is essential to work with experienced professionals who can educate firms and set them up for success in the proposed market. It is also important to assess how fast a company is growing, and develop an action plan that addresses key barriers and accelerates development. Sustainable Development Technology Canada (SDTC) recently issued the results of a survey on clean tech companies across Canada, and how fast these firms grow. On average, it took two to three years to get these firms to the \$10 million level, then these companies often stalled or they (or their investors) bailed completely. Although this is just one sector, it is a good indicator of the challenges facing SMEs more broadly in Canada in terms of growth. We are here to “push the train to go as fast as it possibly can”, and capitalize on our innovation ecosystem as fully as possible.
- **Dr. Claudia Krywiak:** Identify, invest in and nurture ‘born global’ companies; these firms are international ‘by design’ and pursue global markets from their inception. They adopt an aggressive global strategy right out of the starting blocks; commercialize technology with international partners and investors; and generate global revenues. By developing and implementing a born global strategy that grows the capacity of these firms and accelerates their development, innovation intermediaries can maximize their impact on companies and the Canadian economy. Nations such as Finland and Israel have always nurtured born global firms given the nature of their domestic economies and need to generate international revenues. In Canada, it is time to change the way we build and support start-ups. For example, a born global strategy might link funding to specific internationalization achievements (as opposed to the standard R&D or business milestones).
- **Jacques Simoneau:** Identify the target customer for a new innovation and proactively determine the criteria for a successful deal. This often requires a flexible approach and long-term view, particularly when transferring university research to the marketplace. It is important to be open-minded and look beyond ‘your backyard’. Mr. Simoneau illustrated this point by drawing on an experience with Univalor while pursuing a commercialization deal for university-based IP. As he ‘shopped’ this novel technology to many potential customers in North America, he generated very little interest. A key challenge: a significant cultural barrier between the university and large private companies. Many firms wanted to ‘own the whole future of the university lab’, making it impossible to strike a deal. The Univalor team ventured into Europe to find the right customer for this IP, and facilitated a long-term collaborative relationship that attracted new monies to the university lab. The resulting commercialization agreement provided the European firm with the first right of refusal on new technologies emerging from the university lab. Mr. Simoneau also noted that it is important to build relationships while building business deals. He encouraged innovation intermediaries to take the time to find common ground between client

firms and potential partners, customers and investors. This should not simply occur during the negotiation process, but outside the boardroom as well.

- **Laura O'Blenis:** Take the time to determine the right mix of people, money and support to develop internationally-oriented firms within your region. It is essential to address the nature of the sector and the conditions of the target economy, and provide the right support at the right time. She noted the success of the New Brunswick-based firm Radian6, a social media monitoring company founded in 2006 that was acquired by Salesforce.com in 2011 for \$326 million. She reflected on the timely combination of public and support provided to Radian6 as it catapulted into the global market, creating (and maintaining) more than 400 new technology-based jobs in St. John during this five year period. She described many ingredients in this recipe for success, including provincial economic development initiatives; university-industry collaboration (facilitated in part by the local university research park); the right mentors and business guidance; a thorough understanding of the target market and international opportunity; and of course funding from a mix of angels, the New Brunswick Innovation Foundation and other private investors. She also emphasized the critical role intermediaries such as the Association of University Research Parks play in the commercialization process and the development of globally-oriented firms. These entities facilitate invaluable collaboration that often leads to new regional, national and international business opportunities for emerging firms. She highlighted the potential for the C³ to benefit from the [International Science Parks Association](#) and its 'Point Program' which enables contribution and access to an international IP cataloguing system. It links 125,000 companies around the world, and allows them to search for technologies of interest. The C³ could facilitate Canada's participation in this network, and provide innovation intermediaries – and the companies they support – with a new channel to global markets.

Following these initial perspectives, Mr. Fitzgibbons focused the discussion on the need to focus on exporting Canadian technologies – and not companies and jobs – abroad. He posed the question: if our companies are acquired, how can we ensure that they maintain and build the talent base here in Canada?

Dr. Mohamed Abousalem led this discussion by sharing initial insights on this topic: We can't stop these firms from exiting or being acquired. We need to *grow the roots of these companies here in Canada* – strengthen them and incent them to stay. We need to make it more attractive to build and maintain a company here in Canada. There are many factors that influence our business culture – and innovation intermediaries play a key role in shaping this ecosystem. For example, at TECTERRA, we do not take an equity position in the companies we support. This encourages more companies to work with us – we are a trusted neutral broker. We help firms develop their IP strategy, business plans, pitches and investment strategy, and then work with them to implement it – without taking equity in their company.

This topic evoked many supporting perspectives from other panelists and audience members:

- We must create new incentives that encourage foreign companies to tap into and exploit our ecosystem
- Our knowledge base creates an incentive to build and grow companies here in Canada; we need to create challenging work for knowledge-based workers and offer the right compensation; we must create a positive work environment where companies can thrive; we want to grow new jobs in Canada
- As innovation intermediaries, we need to consider the objectives and 'intent' of a start-up. What do they aim to achieve? Are they looking to grow or are they looking to get acquired? Not every entrepreneur wants to grow a business; many dream of an ideal exit or acquisition. If a company does aim to grow, it is important to determine how best to help them scale and penetrate global markets

The discussion steadily evolved into the broader role of an innovation intermediary and how the C³ could further enhance the impact of these entities

- The role of an innovation intermediary is to help entrepreneurs and emerging firms identify the right resources and support they require at each stage of development – what they need, when they need it; this is the mandate of CCR
- No one innovation intermediary can cover all of the bases – all sectors – all the time; we need to work together and capitalize on our collective expertise; the C³ provides an excellent platform by which to fulfill this objective and achieve more together; the benefits of our collaboration will be accrued by the firms we support
- We must provide our emerging firms with direction and guidance on the best place (program, investor or innovation intermediary) to acquire the support they need each day
- Physical infrastructure is required to give real ‘legs’ to the C³; we need to make sure we are not duplicating efforts; and re-creating the same programs and infrastructure over and over again; by working together physically in a central location, we can better assess our competencies and our gaps; and create a one stop shop for entrepreneurs and start-ups
- The C³ provides a concrete opportunity to leverage each other expertise; we need to know what each other is doing to be more effective; this is essential to eliminate existing silos and establish a collective practice that we can all operate within; there are many things that need to be done – short, medium and long term – to establish a sustainable C³ platform; we must prioritize the most fruitful opportunities
- Could the C³ establish an international business accelerator and if so, what would this look like? It will take money, a physical location and at least a year of planning; perhaps we could develop a task force that could initiate and own the planning process, and move us in the right direction?
- We need to extract insights from every player in the C³ to create a sustainable model and project
- So much of what innovation intermediaries do is ‘transactional’ day to day; we are competing against some of the best in the world – nations are developing and investing in major innovation strategies; we need to pool our expertise and resources to better compete with these countries and ensure Canadian firms have a competitive advantage in these markets

As the meeting drew to a close, Kevin posed one final provocative question to panelists and audience members: What do you think is the greatest obstacle facing companies today? This elicited vigorous discussion:

- There is a funding gap that exists for very early stage companies that want to access the global marketplace; there is really nothing available for the very early stage firms – all programs are designed to support companies that have passed a certain threshold and are at a later stage of development
- When companies want to go international, it is challenging to conduct business remotely – at a distance; there are many things to consider and learn –including the culture and language of the target market, and associated rules of engagement. Business practices, regulations and laws vary dramatically country to country. My recommendation: get the business deal in place before you engage the lawyers; develop a Memorandum of Understanding with high level terms and objectives as opposed to a legal agreement
- It is important to validate that a company actually wants to go international and that it is truly committed to achieving this objective. It requires a plan that explicitly states the goal, and how the firm will move from point A to point B. Innovation intermediaries can contribute to the development and implementation of such a plan by providing the right education and connections to achieve this goal. It is essential to understand all the aspects of the target market before bringing a company international.
- Real collaboration is challenging; we need to focus on making the ‘ecosystem’ as efficient as possible. With respect to the C³, we need to demonstrate that we are taking concrete action that adds value to the

companies we serve; we must establish a couple of projects that we can work on in a pan-Canadian context. It will take human and financial resources to do this – and the right opportunities.

- In response to this statement, Dr. Tony Bailetti, Associate Professor and Director of Telecommunications Technology Management at Carleton University addressed the C3 and presented an opportunity to capitalize on \$2.5 million dollars to engage students in Canada and abroad; building on the mandate of his program, he aims to help to grow more young entrepreneurs in Canada and welcomed ideas from the C³ on potential projects that could help him achieve this objective
- We live in a global ecosystem where talent is unlimited; we should engage the countries we don't know well or hear about very often; this includes the Czech Republic
- We need to increase our focus on market pull and the life cycle of a business in the entrepreneurial ecosystem. We also need to explore ways to make this system more coherent for Canadian companies and help them to maximize it at all stages of development

Kevin thanked all panelists and C³ members for sharing their perspectives and contributing to a vigorous discussion on important topics.



Earl Miller, Director of Strategic Partnerships, MaRS, discusses some of the key challenges facing Canadian firms with fellow C³ delegates following the panel discussion.

4/ Next Steps

As the third C³ meeting concluded, Richard Franklin thanked all delegates for their participation in the highly interactive and productive meeting. He also summarized the key action emerging from the meeting:

To establish a national C³ working group that brings together members from across the country and:

- Addresses longer term, sustainable opportunities for C³ collaboration;
- Facilitates concrete action towards pan-Canadian alignment of our programs and efforts; and
- Drives the growth and scale-up of Canadian born globals and their entry into international markets

CCR committed to undertake this action, and initiate the development of the proposed C³ task force. The next meeting will be held at Discovery 2013 on May 27 and 28, 2013 in Toronto, Ontario.



C³ delegates participate in a networking break, and share their perspectives on key opportunities and challenges discussed throughout the morning.

Appendix A: Agenda

Third Meeting of the Canadian Commercialization Consortium

December 5, 2012 | 8:00am – 12:00pm

Ottawa Marriott Hotel | Salon Cartier II | 100 Kent Street, Ottawa, ON K1P 5R7

8:00am Room Opens and Breakfast

8:30am – 8:35am Introduction

- Richard Franklin – Manager of Partnerships, Centre for Commercialization of Research

8:35am – 9:10am Welcoming Remarks and Update on the Global Marketplace Project

- Dr. Claudia Krywiak - Director of Partnership Development & Corporate Planning, Centre for Commercialization of Research (CCR)

9:10am – 9:40am Supporting the Internationalization of Startups in Alberta

- Karen Young, Executive Director of Partnerships and Collaborations – Alberta Innovates Technology Futures

“Soft Landings” – Models, Challenges, Opportunities

9:40am – 10:00am

- Dr. Allison Young – Senior Trade Commissioner, Consulate General of Canada, New York

10:00am – 10:20am

- Bob Embleton – Director of Network Partnerships, Canadian Digital Media Network

10:20am – 10:40am

- Earl Miller – Director of Strategic Partnerships, MaRS Discovery District

10:40am – 11:00am Break

11:00am – 12:00pm

Panel Discussion – “Accessing Global Markets: How Can Innovation Intermediaries Help?”

Panel Members

- Kevin Fitzgibbons (Moderator) – Director, Innovation, Science & Technology, Foreign Affairs & International Trade Canada
- Dr. Mohamed Abousalem – CEO, TECTERRA
- Susan Gorges – CEO, Springboard West Innovations
- Dr. Claudia Krywiak – Director of Partnership Development & Corporate Planning, Centre for Commercialization of Research
- Jacques Simoneau, CEO, Univalor
- Laura O’Blenis, Principal, Stiletto Consulting; Consultant to the Government of New Brunswick and Association of University Research Parks Canada

Appendix B: List of Participants

First Name	Last Name	Company
Mohamed	Abousalem	TECTERRA
Tony	Bailetti	Carleton University
Sergio	Berretta	BC Research
Yvon	Brousseau	C3E
Robert	Corriveau	Canadian Photonic Industry Consortium
Robyn	Devine	Canadian Embassy in the Netherlands
Suzanne	Drisdelle-Guven	Embassy of Canada
Ann	Dulhanty	UOIT
Barbara	Eccles	Lakehead University
Bob	Embleton	Canadian Digital Media Network
Darren	Fast	University of Manitoba
Kevin	Fitzgibbons	Foreign Affairs and International Trade Canada
Clement	Fortin	CRIAQ
Richard	Franklin	Ontario Centres of Excellence
Jennifer	Fraser	University of Toronto
Kirstie	Fraser	Ontario Centres of Excellence
Valerie	Gauthier	C3E
Susan	Gorges	SpringBoard West Innovations
Ray	Hoemsen	Red River College
Joe	Irvine	University of Ottawa
Anne	Kershaw	Ontario Centres of Excellence
Bettina	Klenkler	Ontario Centres of Excellence
Claudia	Krywiak	Ontario Centres of Excellence
Stephanie	Loiseau	Foreign Affairs and International Trade Canada
Brad	Lowe	Wavefront
Jennifer	MacInnis	Ryerson University
Caroline	Martin	Canadian High Commission, London, UK
Chris	Mathis	Springboard Atlantic
Alison	McDermott	Industry Canada
Marsha	McEachrane Mikhail	Ryerson University
Murray	McLaughlin	Bioindustrial Innovation Centre
Andy	Melnyk	Innovation Saskatchewan
Cameron	Miller	The Evidence Network
Earl	Miller	MaRs Discovery District
Shantanu	Mittal	Ontario Centres of Excellence
Zlatuse	Novotna	Central European Institute of Technology (CEITEC)
Laura	O'Blenis	Stiletto Consulting
Pierre	Pedneau	Gestion Sovar Inc.
Gilles	Potvin	Foreign Affairs and International Trade Canada
Rana	Pudifin	Foreign Affairs and International Trade Canada
Pratima	Rao	Foreign Affairs and International Trade Canada
Jaroslav	Remes	Embassy of the Czech Republic
Doug	Robertson	Tech South East

Anthony	Rota	Nipissing University
Louise	Rousseau	Foreign Affairs and International Trade Canada
Janet	Scholz	ACCT Canada
Glen	Schuler	University of Saskatchewan
Sonya	Shorey	Principal, Sonya Shorey Consulting
Jacques	Simoneau	Univalor
Glenn	Smith	Communitech
John	Soloninka	The Health Technology Exchange
Carol	Stewart	AURP Canada (Association of University Research Parks)
Kevin	Tuer	Canadian Digital Media Network
Jonathan	Wells	Carleton University
John	Wilson	Brock University
Karen	Young	Alberta Innovates Technology Futures
Allison	Young	Foreign Affairs and International Trade Canada
Guy	Yuyitung	McMaster University
Karel	Zebrakovsky	Czech Republic



Dr. Tony Bailetti, Carleton University (left); Dr. Joe Irvine, University of Ottawa (centre) and Dr. Johnathan Wells, Carleton University (right) engage in discussion following the C³ meeting.