Tech Innovation Platform

2016 Main Conclusions

The Quebec City Conference

Quebec City, March 9-10, 2016

Message from the Presidents of the Quebec City Conference and the Tech Innovation Platform

The Quebec City Conference (QCC) was created 11 years ago on the belief that, in a world where capital and markets know no borders, joining forces, resources and expertise was the right strategy to maximize value for each participant. We believe that this mission is more essential today than ever.

The QCC is a not-for-profit corporation whose mission is to contribute to the identification and resolution of capital market inefficiencies that lead to underinvestment in activities or sectors that generate societal benefit. In more specific terms, its mission consists of the following:

1. To create customized by-invitation-only forums, each one addressing a specific need in the market place. The main ones are the Public Policy Forum on Venture Capital and Innovation created in 2007 and which this year became the Tech Innovation Platform (TIP), the Institutional Investors Roundtable (IIR) created in 2010 and which has evolved into a community of over 40 sovereign wealth funds and large pension plans interested to improve their capacity around long-term investment activity and finally the Fiduciary Investors Roundtable for Collaboration and Partnerships created in 2016 to address the needs of institutional investors who, because of constraints of scale or governance, do not have significant in-house investment capabilities but are interested to learn from their more advanced peers and collaborate with them to take better advantage of their characteristics of long-term investors.

2. To provide these forums with financial and logistical support and targeted research, thus playing the role of a foundation.

Building on the experience of the Public Policy Forum on Venture Capital and Innovation ("PPF") and the Institutional Investors Roundtable ("IIR"), the TIP aims to bring together leading stakeholders of tech innovation ecosystems (corporations, universities, investors, governments and ecosystem leadership) in order to foster collaboration and accelerate the development of these ecosystems.

The TIP is not a conference, it is a platform. Its objective goes beyond sharing information and best practices: it is to address the lingering productivity and innovation gaps and enhance the innovation agenda across the country.

Such an ambitious objective can only be achieved by joining forces and engaging the leaders of the main groups of stakeholders of the tech innovation ecosystems in structured conversations designed to lead to tangible results beyond the TIP meeting itself.

Invitations are therefore selective, focusing on high level strategic leaders who are able and interested to contribute to the elaboration of tangible collaborative solutions.

This year, the TIP has concentrated on Canadian ecosystems. However the challenges we are facing are not limited to Canada and the TIP should rapidly develop an international dimension, as was the case for the PPF.

**Tech Innovation
Platform**

We would like to thank all those who contributed to this forum: the Deloitte team who partnered with us to conceive, organize and moderate this event, our Advisory Committee, as well as the directors of the Quebec City Conference who have enthusiastically supported this initiative.

In closing, we would like to underline the contribution of the Governments of Quebec, Canada, Ontario, British Columbia which partnered with the Quebec City Conference to develop this platform and have provided considerable financial support.

We hope that you will find the Main Conclusions of this first edition inspiring, notably the calls for action at the end of the Executive Summary.

Further to the TIP meeting, many discussions and initiatives are already underway along these lines. TIP organizers will follow up with participants to understand how best they could help supporting these initiatives. We welcome your feedback and suggestions

Sincerely
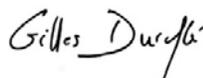
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Main Conclusions of the 2016 QCC Tech Innovation Platform

Executive Summary

The QCC Tech Innovation Platform ("TIP") is the successor of the Public Policy Forum on Venture Capital and Innovation ("PPF"), an international platform designed to share best practices regarding policies and initiatives to support the financing chain for innovative tech start-ups[1]. The change in name and format after eight years of PPF was based on the following premises:

1. The challenges facing the development of tech start-ups in Canada go far beyond those of the financing chain. They have their origins in tech innovation ecosystems as a whole[2] and the deficit of involvement and collaboration among their main stakeholders: start-ups, corporations impacted by tech innovation, universities, investors, ecosystem leadership and governments.

2. As innovative start-ups are a key component of open innovation models and tech innovation ecosystems, the challenges they face have to be reset and approached in the broader context of productivity and innovation gaps and tech disruption which concern most sectors and companies of all sizes in Canada.

3. Canada's tech ecosystems have real strengths but are lagging when compared to leading tech innovation ecosystems in the world. Canada is particularly lagging regarding the involvement in tech innovation ecosystems of leading corporations impacted by tech innovation.

4. These challenges are understood, at a macro and micro levels, by a growing number of leaders of all stakeholder groups. These leaders are looking for collaborative ways to get involved in solutions.

Based on these assumptions, the orientations retained for the TIP have been the following:

- Adopt an ecosystemic approach to foster collaboration among leading stakeholders
- Link with the broader context of tech disruption and productivity and innovation gaps
- Focus on leaders who are ready to be agent of changes
- Build on the experience and vision of Canadian best regional ecosystems
- Benchmark internationally
- Go beyond the sharing of best practices to build communities of interest that will work on tangible outcomes beyond the TIP meeting itself.

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[1] The PPF was founded in 2007. From 2007 to 2014, it attracted each year over one hundred public policy designers and industry leaders (GPs, LPs, academics and other industry experts) from fifteen countries on four continents. Since its inception, it has contributed to the launching of successful policy initiatives in Canada, at the federal and provincial levels as well as outside Canada. Yigal Erlich (Yozma Group, Israel) was the chairman of the PPF and Professor Josh Lerner its special advisor.

[2] What is meant by tech innovation ecosystem is this vibrant interaction among leading corporations impacted by tech innovation, universities, investors and ecosystem leadership around the development of a growing population of experienced tech entrepreneurs. These interactions in turn are beneficial to each of the stakeholders as they stimulate and encourage them to embrace the culture and the results of innovation (see graphic representation in Appendix).

The agenda of the TIP's first edition was organized along the preceeding orientations:

1. Remind the context of tech disruption and productivity challenges,

2. Propose a framework for an ecosystemic approach,

3. Set the stage with (i) an international assessment of Canadian Tech ecosystems based on the Compass reports and (ii) with the insights from Techstars on best ways to involve corporations in these ecosystems and, finally,

4. Ask representatives from three leading Canadian ecosystems (Communitech/Waterloo, Ryerson/DMZ in Toronto and OSMO/Notman House in Montreal) to share their accomplishments, their challenges and above all their vision for the future and what they are looking for from other stakeholders to achieve that vision.

The TIP is not a conference. As its name suggests it is a platform designed to stimulate and support collaboration in order to accelerate tech innovation ecosystems. The day was structured in a very interactive way. Participants were constantly asked whether they agreed or not, whether they would be interested in getting involved, in what manner and under what conditions. The objective was to engage participants in structured conversations designed to lead to tangible results beyond the TIP meeting itself.

The main conclusions of these interactions are the following:

1. The premises on which the TIP was built have been overwhelmingly confirmed by participants:

   a. The ecosystemic approach: the proposed framework and its graphic representation (see appendix) have been adopted as a reference throughout the day;

   b. The need for involvement and collaboration among stakeholders, especially from corporations: even if for many participants open innovation models remain a challenge for their organizations, all participants underlined the benefits of these models and looked for concrete ways to implement them;

   c. There is a growing momentum among participants to implement some changes and get more involved in their regional ecosystems.

2. This translated in many expressions of interest and concrete commitments that will be the basis for follow ups after the TIP:

   a. Concerning the three ecosystems that were presented during the day (Communitech, Ryerson, OSMO/Notman House), more than half of the participants indicated that they were interested in getting more information and/or ready to get involved. When excluding the n/a, the percentage rises to 78%;

   b. When asked: "What are you committed to do within the next 60 days to continue to move the agenda forward?" 24 out of 60 participants responded with specific commitments;

   c. Finally, 95% of respondents indicated that they would like to get together as a group again.

3. Specific calls for action emerged through the discussions:

   a. Benchmark our ecosystems with relevant data

   The Compass report on the Waterloo start-up ecosystem led directly to action addressing the two main weaknesses that had been identified: global reach and access to venture capital.

   Benchmarking regularly our ecosystems with relevant indicators would help design initiatives to improve them.

   b. Involve corporations with start-ups ("Bring corporates in")

   Challenges and benefits of involving corporations with start-ups have been strongly highlighted by both groups as well as the important role played by ecosystem leadership teams (Communitech, DMZ) to help creating the right conditions to link companies with start-ups. There is a demand on both sides to accelerate this process.

   Sharing best practices among ecosystem leadership teams and among corporations, building on models to involve corporations presented by Techstars, reinforcing ecosystem leadership teams and creating the right conditions for physical hubs to attract corporations are the next steps to follow up.

   c. Foster entrepreneurship within universities

   While the benefits of the co-op program and the IP policy in Waterloo and the role of "Zone Learning" to transform Ryerson University are strongly recognized, most other universities have difficulties developing their own model to foster entrepreneurship and interface with start-ups and the industry. This remains a big challenge in most regional ecosystems.

   Using TIP or other platforms to engage with universities, foster entrepreneurship among students, develop interfaces with entrepreneurs, mentors and the industry and link together the leading regional ecosystems in Canada are next steps to be considered.

   d. Improve ecosystem leadership

   Anchor leaders in the community play a critical role to kick-start ecosystems (business leaders at Communitech, university leaders at Ryerson, VC leaders at OSMO/Notman). Rapidly, these leaders need to be supported by dedicated ecosystem leadership teams (Communitech, DMZ) with the right skills, strong support from leading stakeholders and appropriate funding.

   These conditions are only partly present in many ecosystems. Comparing notes on best practices related to ecosystem leadership teams where such teams exist and mobilizing community leaders to create and support such teams where such teams do not exist would be important steps to improve the situation.

e. Develop appropriate government funding mechanisms

Government funding plays an important role both as a catalyst and as on-going support to strengthen tech innovation ecosystems. Local, provincial and federal programs to finance ecosystem infrastructure and the development of entrepreneurship within university have played an important role in the development of ecosystems in Ontario. These programs do not exist in the same way in other provinces.

Sharing best practices on government funding to support tech innovation ecosystems in Canada and internationally would help policy designers and community leaders.

f. Use real estate as a strategic tool to create inclusive hubs for all stakeholders

Well structured common locations with anchor academic and corporate tenants can play a critical role to support start-ups, involve large corporations, attract investors and accelerate the development of ecosystems. However, the objectives of promoters have to be clear: real estate development is not easily compatible with a culture of inclusiveness.

g. VC awareness

Lack of venture capital funding is cited as one of the main weaknesses in most ecosystems. Creating and attracting experienced VC funds are key success factors. However, a physical presence in ecosystem hubs is not always the best solution for VCs as they have to keep a distance with potential investee companies in order to remain objective in their investment choices.

Raising awareness about VC's expectations and investment criteria and finding the best ways to link with experienced VC funds should be among ecosystems' top priorities.

Further to the TIP meeting, many discussions and initiatives are already underway along these lines. TIP organizers will follow up with participants to understand how best they could help supporting these initiatives.

We would like to thank again all those who partnered with the Quebec City Conference to develop this platform: the Governments of Canada, Quebec, Ontario and British Columbia as well as BDC Capital, Investissement Québec and the Deloitte team who contributed to conceive, organize and moderate this event.

APPENDIX

Tech Innovation Ecosystems
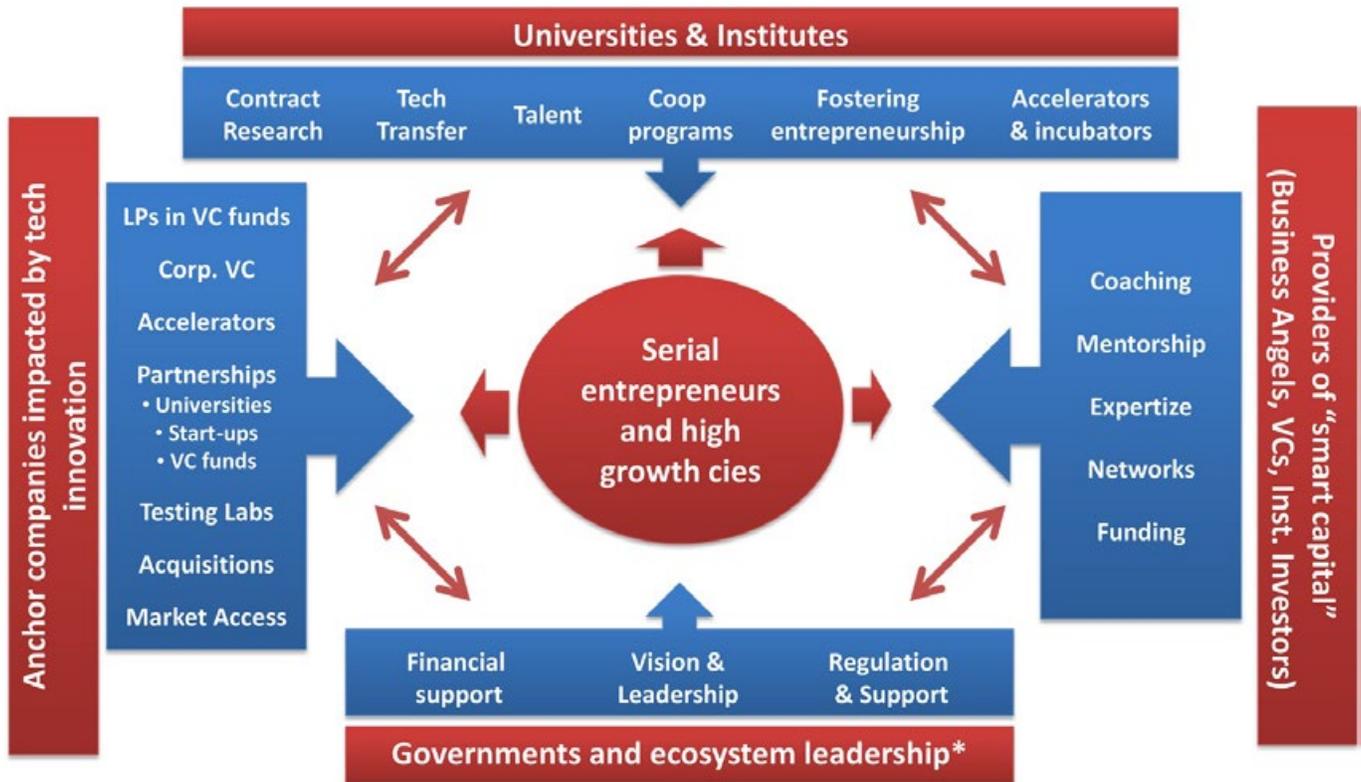
1. Setting the stage

As explained in detail in the Executive Summary of the TIP, the challenges facing fast growing tech start-ups have to be reset in the broader context of the productivity and innovation gaps and tech disruption which concern most sectors and companies of all sizes in Canada and they have to be approached in an ecosystemic way.

a. The productivity gap and the age of disruption

In his keynote presentation, Terry Stuart summarized the series of Deloitte reports[3] on productivity. The main messages were the following:

- Productivity growth is a key component to improving the standard of living in Canada;
- Canada is facing a persistent productivity gap;
- This gap is not linked to size of companies or sector but rather to the lower proportion of high growth mature firms;
- 1 in 3 Canadian firms underinvest in R&D and ICT and do not know it;
- 87% of Canadian firms are not fully prepared for disruption from advanced technologies and 43% of Canadian firms believe they are more prepared than they actually are;
- Highly prepared firms are benefitting in the present and will as well in the future: they are more likely to operate internationally, sustain innovation, increase R&D spending and increase revenue;
- Canadian businesses, academia and government will need to act across eight key areas:
  - o Educate: foster entrepreneurship and innovation at all levels of education,
  - o Populate: attract and draw the best of skilled immigrants
  - o Innovate: improve the effectiveness of R&D
  - o Incubate: bolster the pool of risk capital for start-ups
  - o Co-locate: create a national clustering strategy
  - o Update: invest in machinery and equipment
  - o Accommodate: ease the flow of foreign direct investment
  - o Facilitate: reduce trade barriers and pursue new markets.

Three of these eight steps (innovate, incubate, co-locate) imply strong interfaces with other stakeholders in the ecosystem: start-ups, universities and investors. They are the focus of the TIP.

b. The ecosystemic approach

The importance of an ecosystemic approach derives from the changing "architecture of innovation[4]", the shift of R&D and innovation from large established firms to young innovative start-ups and from integrated in-house development models to open innovation models. As a consequence, tech innovation ecosystems have become key components of the innovation process. What is meant by tech innovation ecosystem is this vibrant interaction among leading corporations impacted by tech innovation, universities, investors and ecosystem leadership around the development of a growing population of experienced tech entrepreneurs. These interactions in turn are beneficial to each of the stakeholders as they stimulate and encourage them to embrace the culture and the results of innovation.

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[3] A link to the series of Deloitte reports is to be found at: http://quebeccityconference.com/en/archives.php

[4] Josh Lerner: "The Architecture of Innovation", Harvard Business Review Press, 2012

Tech Innovation Ecosystems
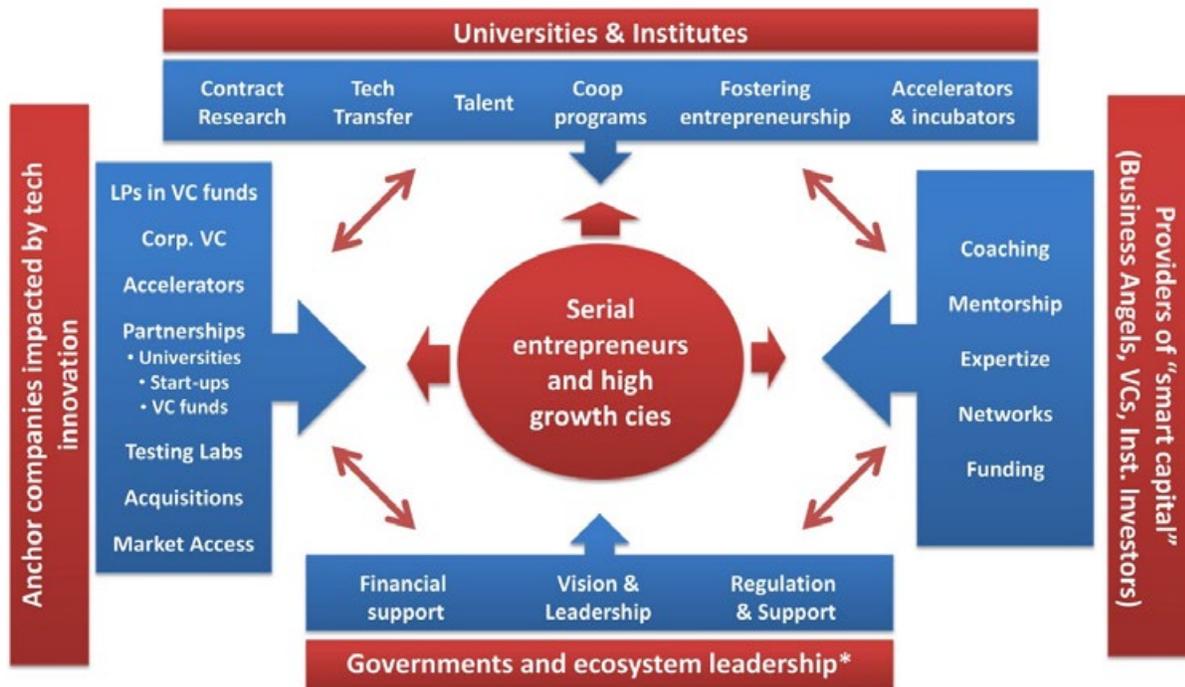
In places like Silicon Valley, there is a critical mass of start-ups, investors (VCs and business angels) and tech corporations, a culture of innovation within large corporations and a wide circulation of talent among all stakeholders. Collaboration among the main groups of stakeholders impacting the tech innovation ecosystem is intense and always reinventing itself. In most other places including Canada, the intensity of interaction among these groups is much lower; collaboration is far less efficient and best practices are adopted at a much slower pace.

Even if Canadian ecosystems have made huge progress over the last decade, they still need to enlarge their base of entrepreneurial talent and experience; most universities are still weak at linking with industry, entrepreneurs, mentors and VCs, fostering entrepreneurship and accelerating tech transfer; the financing chain still needs to be strengthened (capital, size, experience) and the level of involvement of companies impacted by tech innovation is very low compared to what it is in the US which has negative impacts for companies as well as start-ups .

Breaking the silos, building trust and finding the right way to create links has benefits for each group of stakeholders and is essential to accelerating the pace of innovation in the whole ecosystem. Such an endeavour however does not fall under the direct responsibility of any group of stakeholders in particular and if many recognize the need, it is difficult for any one organization to take the lead individually and build these bridges.

As a result, there is a need for a platform aiming at creating a structured and continued interaction among the main groups of stakeholders impacting the Canadian tech ecosystem in order to identify how collaboration could be fostered and accelerated and lead to tangible results for participants and the ecosystem.

c. Objectives and format of the TIP

This is precisely what the TIP intends to be: a platform designed to stimulate and support collaboration among leading stakeholders in order to accelerate tech innovation ecosystems. Its objectives are:

- Reach a common view of what has to change;
- Share experience about what has worked;
- Build relationships of trust and develop communities of interest that will lead to tangible outcomes.
- And, finally, design and implement work plans to achieve change.

The TIP is not a conference, it is a platform. Its objective goes beyond sharing information and best practices: it is to address the lingering productivity and innovation gaps and enhance the innovation agenda across the country.

Such an ambitious objective can only be achieved by joining forces and engaging the leaders of the main groups of stakeholders of the tech innovation ecosystems in structured and very interactive conversations designed to lead to tangible results beyond the TIP meeting itself. Throughout the day participants were asked whether and how they would be ready to get involved in accelerating the ecosystems that were discussed.

d. Building on the Deloitte Greenhouse Session

The TIP was prepared by a meeting of 25 leaders from all across Canada and from the various groups of stakeholders that was organized with Deloitte at its Greenhouse in Montreal. The objective was to validate the format of the TIP and form the agenda. This meeting identified four key barriers to building more buoyant tech ecosystems in Canada: culture, lack of corporate involvement, entrepreneurial and innovation skill sets and global reach (customer and funding). The TIP's agenda was in great part organized around these barriers.

At the beginning of the session, TIP participants were asked how they would rank on a scale from 1 (unimportant), to 5 (extremely important) the importance of these barriers. Average for each of the responses was between 3.8 and 4.0, which confirms the Greenhouse choice. When asked whether they would add other barriers that they would see equally or more critical than the four already listed, most answers identified subsets of these four barriers with a strong emphasis on funding.

The Greenhouse Session tested the willingness of participants to get involved in concrete initiatives to move the agenda forward. At the end of the day, they were asked "What are you committed to do within the next 30 days to continue to move the agenda forward?". 18 commitments were registered. One month later, 10 of them had been partly or totally realized, which is showing a good start.

2. International benchmarking

Sessions on international benchmarking were organized around two of the main barriers identified above: global customer reach and corporate involvement.

The first speaker was Jean-François Gauthier, co-founder of Start-up Genome and author of the Compass Global Start-up Ecosystem Report and the Waterloo Start up Ecosystem Report. Beyond confirming the importance of the ecosystemic approach, his reports provide an in-depth assessment and benchmarking of Canadian start-up ecosystems which highlight Canada's shortcomings concerning global customer reach and start-up funding.

The second speaker was Dave Drach, Vice President Partnerships at Techstars in charge of the program of corporate accelerators "powered by Techstars". He highlighted the importance and conditions for success of corporate involvement with start-up ecosystems, a domain in which Canada is severely lagging.

a. Assessing Canadian Tech Start-up Ecosystems – The importance of global customer reach

Jean-François' message was clear: Canada has three ecosystems in the world top 20, which is amazing for a country of its size. However, they are only number 17, 18 and 20. The major factor explaining these lower ranks is the lack of large exits which is itself related to slower valuation growth and slower revenue growth and a lag in global customer reach.

Why is that so?

For tech start-ups, the major factor explaining revenue growth is the ability to link with global customers. Companies whose share of foreign customers is superior to 50% witness a revenue growth that is significantly superior to other companies. This is true in Canada as well as in other countries outside the US and Canada. The mantra for innovative start-ups ought to be: "Focus on global customers from day one".

"Global customers" are those customers that attract innovation from all over the world. They are mainly located in very internationally competitive environments such as New-York, the Bay Area or London where most sophisticated customers and global decisions makers are located. They know about the latest customer problems that need to be solved and the latest solutions to solve them, which puts them months or years ahead of customers in other locations. In Canada, we may have a tendency to focus first on our local markets (Toronto, Montreal, Vancouver), when in Tel Aviv, companies in their early days take the plane to meet with global customers and investors in hot spots in the US.

But there is more: whereas in other countries revenue growth of companies with global customer reach (more than 50% of foreign customers) is 110% superior to other companies, in Canada it is only 60% superior. The reason for this difference seems to be that, due to perceived geographical, linguistic and cultural proximity, many Canadian companies think they can develop the US market from Canada and they overlook the competitive advantage of sales and marketing teams that share the culture, the knowhow and the networks of the market they serve.

To accelerate their global reach, Canadian companies should be prepared to compete globally, hire sales and marketing teams in global markets and grow them organically.

The challenge for Canadian corporations that aim to participate most effectively in local start-up ecosystems is to develop their own visibility on global start-ups to become "global customers". This could be achieved by linking with start-ups and investors in global start up ecosystems such as New York and Silicon Valley or participating in global accelerators. The more they become "global customers", the more benefits they can bring to local start-ups when they interface with them.

Another challenge for Canadian ecosystems concerns funding: compared to first tier ecosystems, a smaller percentage of Canadian start-ups get funded when other indicators show that there is no lack of good ideas and engineering talent in Canada. This discrepancy can be related to the smaller pool of business angels in Canada resulting from Canadian ecosystems being younger and, again, the fact that exit values are lower, generating smaller pools of business angel wealth.

Strengthening seed and business angel funding should remain a priority. Growth funding is important, but it is available south of the border. Companies that compete globally will be able to access it.

Answers to questions asked to participants showed they were in strong agreement with the presentation:

- *Is the funding gap a high priority for you? 79% Yes*
- *Is global customer reach a high priority for you? 94% Yes*

Other comments on the assessment of Canadian tech ecosystems included:

- *Canadian government and institutional procurement from Canadian companies*
- *Corporate companies must be involved and participate to that eco-system*
- *Not enough policy makers and funders use dynamic and useful benchmarks like Compass. The data we collect in Canada is not very useful and is too old*
- *Lacks early adopters at established corporate level*

Involvement of Canadian corporations (procurement, early adopters) is high on the list.

b. Involving Corporations in tech innovation ecosystems

Dave Drach started by explaining how, as an entrepreneur, he had the experience of building a strong relationship with Microsoft: his company built its product channel through Microsoft's distribution channel and finally was sold to Microsoft. Then he moved to Microsoft and helped build the corporate engagement program within Microsoft.

This gave him a firsthand experience of how important it is for corporations to engage with start-ups to build the pipeline, create the right conversation and bring them into their own ecosystem so that they can do the right deal: acquire strategic companies, support and partner with others and create platforms to work with them.

Then he joined Techstars to build the corporate accelerator program with more than thirty corporate partners such as Ford – Bill Ford was personally involved in helping build the Mobility program in Detroit – or Metro AG, a $Bn 60 food conglomerate in Germany that is in the process of repositioning itself as a tech company providing a platform to the whole supply and delivery chain around food.

So, based on this experience, what are the conditions for success of corporate engagement programs?

The first condition is to define a clear thesis: what does the company want to accomplish with this program? This could be specific objectives around innovation, public relations and marketing, organizational transformation, business development or product validation. The thesis must be supported by the CEO and senior leadership.

The second condition is to choose the right program that will deliver the best value in the near term and the long term depending on the objectives, time horizon and amount of resources the company is ready to devote to the program. The level of engagement goes from relatively low (hackatons, various forms of community engagement in local programs run by others) to much higher (incubators, accelerators, strategic funds). Time horizons and challenges depending on the type of program are summarized in the chart below.

Starting with the light ones before diving into more intensive programs might be a good strategy in order to get more familiar with the kind of commitment that is required, become connected with academic and investors and a partner in the broader ecosystem, and build the internal infrastructure for more demanding programs such as accelerators. This is what Barclays, Microsoft or Disney did and they now run some of the most successful accelerators.

In all cases, the commitment of time and energy has to be real and authentic and backed by senior management. If companies are not well prepared and do not execute properly, there is a real reputation risk and the accelerator will not be able to attract best quality entrepreneurs which is the most important factor of success. There is a direct link between the quality of engagement of the company, the quality of executives involved as mentors, the quality of entrepreneurs that are attracted and the valuation of companies that exit the program.

Third, companies have to decide how they are going to engage and to allocate resources accordingly:

As a Customer Pilot solutions that are innovative, strategic and disruptive to your business or industry.

As a Mentor #GiveFirst with industry knowledge, personal networks, business experience.

As a Platform Deliver an API or technical service that startups can leverage to build a business.

As a Channel Is a startup complementary to your offerings, adding new capabilities. Can you "make market" for the complementary startup offering?

As a Business Embrace disruption by engaging with and supporting businesses that are truly scary. Be ready to partner or acquire.

Finally, companies have to be prepared to deal with start-ups. In Dave's words: "It is irrational for any enterprise to do business with a start-up. Be prepared to be irrational". This could mean:

Build a Sandbox: create a safe place where deals with startups, of a certain pre-approved size, can be made.

Define Ownership: we tell our corporate partners to respond to startup inquiries within 48 hours (we'd prefer 24). You need a single owner that already has key decisions approved.

Align Legal and Procurement: a Startup will literally go out of business before you get the contract through procurement. And standard corporate legal will scare them and disrupt trust. Simplify".

What are the benefits for companies if they execute properly?

- Mindsets of executives change. They connect with quality entrepreneurs and learn to emulate them, to innovate with them,
- Corporate transformation: execute faster,
- Visibility and reputation as an innovator.

What are the benefits for start-ups?

- Build relationships of trust with company top executives,
- Channels for a pilot and for delivery opportunities,
- Channels to global customers,
- Networks of mentors and alumni.

Why are so few Canadian corporations engaged in accelerators?

Dave insisted on the role of visionary leaders to overcome the conservatism and risk aversion (risk of failure and bad visibility) of many corporations and to engage with start-ups. This was the case at Metro AG and Barclays and also at Magna International, the only Canadian corporation to be a partner in an accelerator program (Mobility in Detroit) where the CTO had this visionary role.

What are the conditions to attract a Techstars accelerator?

- Maturity of the ecosystem: pipeline of entrepreneurs, engaged mentor pool, local VC, exits,
- Presence of committed and prepared corporate partners,
- Ability to develop a domain thesis,
- Good arguments to attract quality entrepreneurs.

It takes some work to put all the pieces together.

Corporate Engagement Options

Program	Description	Engagement	Examples	Challenges
Corporate Venture Fund	Typically early to mid stage focused. Looks for aligned but disruptive companies.	"A seat at the table" with early stage, disruptive companies. "Getting in the game" on industry aligned disruption.	Google Ventures, Intel Capital Fontinalis Capital, Explorer Fund Kaplan, USAA,	Need true long term vision and commitment, 10 years plus, to be effective. Must build reputation to see good deals.
Strategic Investment Fund	Focused on investing in any stage which is aligned with specific business development or market development activities.	New API or business platform that needs distribution. Business ecosystem build-out.	Microsoft, Barclays, Apple, Facebook all take this approach.	Signaling is a challenge. If you invest, does it claim a startup as "yours" reducing their opportunities?
Incubator	One to two year, co-location, with a small collection, 5-10 companies. Can do it as consortium or on-site.	Recruit a small collection of companies to co-locate at your facility and work closely with your teams.	WorkBench NY, PCH Accelerator, Nike Fuel Labs	Long term commitment. Hard to attract the very best companies. Less innovation variety.
Hackathon	Short term, two or three days, with a loose focus. Can be combined into a year long challenge.	PR, marketing and recruiting focus. Creates good buzz, engaging for employees, validates positioning.	Startup Weekend, angelhack, Ford Mobility Challenge, Challenge.gov	More effort than you think to run a high quality, positive media buzz event. Few real products emerge, mostly just fun and visible.
Accelerator	90 day, intensive, immersive experience with 10 carefully selected companies.	CXO and executive engagement down to line management experts. Find interesting companies that are disruptive.	Techstars Mobility (Detroit), Y-Combinator (Mountain View), Barclays Accelerator, Surge	Very resource intensive to do well. Need to commit executive time to make it worthwhile. Only 10 companies at a time.
Community Engagement	This includes being a mentor in a local accelerator, sponsoring a meetup, participating in Startup Week, hosting events.	Good for an early injection of Startup Juice. Introduces some of the Startup culture into your organization.	Startup Week, NewTech Meetup, Techstars New York	Commitment of time and energy must be authentic. Consistent engagement over time will bear results.

Source: Presentation by Dave Drach

Comments by participants on corporate involvement echoed the presentation:

- *Access or co-investment with corporate or strategic venture funds is not an issue. The issue is getting them engaged much earlier in the eco-system.*
- *Corporate companies also introduce "demand pull" into the ecosystem that will balance off the traditional push that most accelerators are pursuing.*
- *Exposing start-ups to global supply chains is key*
- *Matching Corp needs to start-up tech*
- *Create opportunities for start-up to present and meet corporate executives*
- *We need customers for start-up's: Early adopters*
- *How to get corporates into our region?*

These comments highlight the benefits for start-ups of being introduced early to corporations and the need to do so.

3. Getting involved with three Canadian tech innovation ecosystems

Each of these sessions was composed of

1. A panel where leading stakeholders shared the story of their ecosystem (initial vision, achievements, barriers and shortcomings, how to overcome these barriers) with the perspective of different groups of stakeholders

2. A pitch by a leader of the ecosystem building team to present their vision of the future and key proposed next steps to achieve that vision and to involve TIP participants.

3. A structured discussion in which participants were invited to engage and which could lead to tangible results beyond the TIP meeting itself.

a. Ryerson/DMZ

Ryerson Digital Media Zone (DMZ) was created in 2010 under the leadership of Sheldon Levy, the President and Vice Chancellor of Ryerson University. Since its beginning, 236 startups have incubated at the DMZ. They've raised $148 million in seed funding and have fostered the creation of more than 2,100 jobs. DMZ is presently hosting 80 companies, 450 people on 40 000 sq ft on five floors in down town Toronto and benefits the whole ecosystem: start-ups, companies and the university:

- Start-ups: there are five means for DMZ to support its companies: customer acquisition, investment opportunities, mentorship and advisory support, talent acquisition and community within and around DMZ;

- Corporate partners looking at engaging with the innovation ecosystem;

- The university: DMZ is changing the dynamic of the academic ecosystem and establishing a mindset of entrepreneurship and experiential learning across the university. Nine other zones have been created in the university with space, leadership and teams to support entrepreneurship and Ryerson has developed across the university the concept of "zone learning" whereby every faculty has to teach entrepreneurship and innovation within their programs thus giving all students the possibility to explore entrepreneurship before graduating.

The panel created the opportunity to share insights on benefits and challenges surrounding the DMZ from the perspective of different stakeholders:

For the DMZ team, one of the main challenges is to attract top corporate partners, engage them to locate innovation teams and spin outs in their space and meet with SUs: help corporations creating sandboxes to deal with startups, show them first hand startups that have been selected and are ready to develop pilots, provide pathways for businesses to see that there is a means to work with SUs.

Being approached by Indian partners allowed DMZ to develop its model in India. This created the opportunity to introduce Indian companies to North America and Canadian companies to India. For many, this was an eye opener and helped develop global thinking and global reach.

For Deloitte, getting involved in DMZ gives the company the opportunity to disrupt itself at the edge: rethink how the company does the audit. With this objective, Deloitte set up a new team in DMZ very

entrepreneurial and agile development environment; this team was able develop a new product approach with a great focus at getting quickly a minimum viable product out of the door. This would have been impossible inside the company.

In addition, being present in incubators such as DMZ helps Deloitte find and select the right start-ups for its clients and create collisions between corporations and start-ups.

IBM's objective in getting involved is to act as a connector between their large customers and start-ups and introduce the needs these large customers have identified to the ecosystem. It is also to give access to disruptive technologies at scale, introduce start-ups to large clients and help these start-ups to scale their solutions.

Both Deloitte and IBM have the ability to give start-ups access to space and clients around the world.

Biomedical Zone started by developing a strong partnership with St Michael's Hospital around entrepreneurship, commercialization and innovation and providing an incubator to help entrepreneurs being more immersed in the clinical world, validate their technology and their business model and help clinicians with the business development side. Biomedical Zone also transforms the educational landscape breaking silos and organizing internships from other specialties in the biomedical environment.

Asked about next trends, panellists all stressed that the trend in corporate engagement has been "absolutely fantastic". It benefits start-ups, corporations and finally customers who benefit from better solutions. Large corporations have diversified their innovation portfolio: internal R&D, outsourced work developed in partnership and, finally, turning to the ecosystem to innovate and solve particular problems.

Panellists finally made two recommendations: (i) consolidate the repository of information on the kind of start-ups in Canada to attract global companies; get the Canadian story out there and (ii) we need to scale in a big way. Keep them in Canada. Scale companies to create $B 1-2 companies.

Pitch (Alan Lysne)

Alan's vision can be summarized by the following words: "bring corporates in".

For start-ups, large corporations are a source of customer acquisition and market validation. They can provide feedback and accelerate product market fit. The challenge is to create the conditions where start-ups can learn what corporate needs are and corporations can work with start-ups while mitigating the associated risks.

DMZ's vision is to develop various processes and services to corporations to provide this environment.

One of them is "innovation for hire", a program whereby banks and companies share the pain points they would like start-ups to address. By trying to solve these problems, start-ups learn not only about corporate needs but also about their processes and DMZ learns about preparing start-ups to work with corporations and validate their products.

Another DMZ program invites large corporations to locate innovation teams in DMZ's entrepreneurial environment where they are treated as any other start-ups. The collision of cultures has so far proven very fruitful for corporations.

On their side, corporations should create "sandboxes" to interface with start-ups on a limited scale and in a safe environment. In this environment, they should revisit their procurement processes to provide faster responses. This feedback is critical for start-ups to adjust their product-market fit and eventually solve corporations' problems.

Interfacing with the start-up culture and becoming early adopters for start-ups has proven to be incredibly valuable for corporations as well as for start-ups. Corporations usually underestimate what they can learn by interfacing with the start-up culture and becoming early adopters for start-ups. DMZ's vision is to create the right environment and services for this to happen and it is looking for feedback to improve its model.

Feedback from the audience

- Does this resonate with you? (1 = very little, 5 = very much): 4.8
- Would it contribute to addressing the four barriers previously identified? (Yes?No): Yes 100%
- Would your organization benefit from this initiative (1 to 5)? 4.3

One of DMZ/Ryerson Futures's objectives is to accelerate startup growth through a community (investors, founders, customers, mentors) where corporate partners are encouraged to engage with pilots and early deployments. What are the benefits for startups of early pilots with corporations?

- *For start-ups, it shows them big, expensive problems where start-ups can grow into by companies.*
- *As well, there are mentorship models where start-ups can learn from scale ups that are successful in selling to large organizations.*
- *For large organizations, they can be more nimble, outsource their R&D, to lower cost and increase speed*
- *Table 6: be practical, Quebecor will make something happen immediately*
- *Table 1: Get to product market fit quicker, gain access to customers faster, derisk, failing fast, learning fast*

DMZ/Ryerson Futures is expanding its corporate innovation model to embed businesses inside the community to encourage spin outs, new business models and to facilitate the interaction between

businesses and the startup ecosystem. What are the key elements for this model to result in a more efficient way to spin out new technologies?

Table 8 key elements

- *Relationships with key partners*
- *Sandbox co-opportunity for corporate partners*
- *Identification of customers, mentors, entrepreneurship skills*
- *More 'user friendly' IP policies at universities*
- *Collaboration of best practices between universities re: IP and sharing of best practices for corporate engagement*
- *Continuity of Mentorship for promising spin outs*

Table 5

- *Corporations that accept risks in adopting new technologies. Need to adopt cultures where having a failure doesn't end someone's career.*
- *Companies need to see success stories to be attracted to the startup model of innovation*
- *Corporations need to have a much easier process for adopting technologies - faster than a traditional corporate procurement*

Given this model, what else will encourage more investment capital from funding entities?

Table 2

- *better awareness of the companies.*
- *Vcs could provide more insight into their specific criteria (area of interest , stage of funding)*
- *Ryerson could provide insights into companies that are getting momentum (initial clients. Corp procurement , Gov't procurement etc)*
- *Ryerson could help with lobbying government to procure the startup tech to get initial momentum*
- *Ryerson could work to establish buying consortiums to simplify procurement for banks (e.g. banks. Telcos retailers)*
- *Ryerson could stop pushing losers and supporting them vs picking winners (not a specific Ryerson issue but more of a general concern)*
- *Ryerson could help (either alone or with partners) target the right companies and the right individuals in the companies*
- *Need a better repository of data for the startups.*
- *Similarly need a more active exchange of client / industry business challenges with startup capabilities / offerings*

Table 3. To ensure success of spinouts, make sure that:

1. *ownership structure is set properly*
2. *management to be completely sustainable*
3. *no strings attached*
4. *ties are cut: parent company is not a safety net*

Potential positive contributions from parent company:

1. *first customer and channel to customers*

2. *unique insight into an industry*

b. Communitech

Without being systematic or exhaustive in its approach, the panel gave elements of response to the following questions.

What is Communitech?

Communitech is a community accelerator: it brings together people with a common goal. The initial common commitment was to back entrepreneurs. It is based on a community that is ambitious, collaborative and knows how to work together. The community spirit is essential. Among other things, peer to peer networks are essential to develop a collaborative spirit and build a level of trust: "We know and trust one another". Communitech is the spoke person for tech entrepreneurs.

The key components to build Communitech and support the ecosystem are (i) anchor tenants: Opentext, Blackberry, Christie Digital; (ii) anchor educational institutions: University of Waterloo, Wilfrid Laurier University and more recently the Lazaridis Institute for the Management of Technology Enterprises and (iii) government funding.

Why are companies participating and what are the benefits for them?

For TD, there was a need to (i) get outside of the bank and learn how to get involved with disruption and (ii) change their image with employment. They created a TD lab in Communitech Hub, hired new people and built a team at arm's length from the "big bank" with the following benefits:

- Developing new and innovative products that were taken back into "the big bank";
- Leveraging the Communitech space to change the culture within the bank: collision between executives and start-ups; bringing back innovation culture into the bank;
- Changing the corporate image to attract new talent and new partnerships;
- Feeling the energy in the environment; learning and giving back; being part of the ecosystem.

This is not "innovation theater": TD brought in real ideas it wanted to explore. Its involvement produced tangible products and results, connecting into the ecosystem and learning the innovation process

Christie Digital (formerly Electrohome) grew up in the Kitchener/Waterloo community. Its main objective when engaging with Communitech was to give back to the community, elevate the brand and attract talent to Kitchener and to the firm. The main benefits for the company have been trust relationships with peers, better access to talent from the local universities and from outside of the region, access to a deal-flow of potential acquisitions and enabling local start-ups, notably by opening its 3D lab.

Being a high tech company, Christie Digital has to innovate internally or die; this is why it did not locate an external innovation team in Communitech Hub in the same way as TD. It developed other kinds of interface with start-ups such as the digital media accelerator.

Plasticity is a start-up that was founded at Communitech. Communitech played a key role in its early days and its development. It provided an environment "where you feel you can dream and figure it out"; mentorship; support to build the team with university talent; introduction to CTOs and customers; advice and resources to improve the product and a common space with shared services that made life much easier for a start-up CEO. In particular, Plasticity had access to TD procurement through TD Lab and this was very beneficial.

How important is real estate?

It is a strategic tool that helps develop a hub for innovators and entrepreneurs with a culture of inclusiveness and where people feel it is theirs. It is visited by more than 15 000 people a year (visibility, branding) and plays an important role as a common space to support start-ups.

How important is government funding?

It was essential to kickstart Communitech. It may represent up to 80% of total funding at the beginning. Communitech was started by business leaders but government funding (federal, provincial and local) was a catalyst. Even if Communitech works constantly at creating value for its customers and investors and diversifying its sources of revenue, there is a need for on-going government support. Communitech's role is to build a strong funnel of start-ups. A very small number of them will become publicly traded. Start-ups cannot pay for all this support. Other sources such as governments and philanthropists have to step in. The share of government funding may decline over time but there is a need for ongoing support. An order of magnitude of 50% was mentioned.

What role and recommendations for universities?

Waterloo engineering students are considered among the best engineering students in Silicon Valley. Why is that so? According to a study by Professor Ajay Agrawal[5], these students are not smarter and there is no evidence of superior professors or superior resources in the University. However Waterloo students have better work experience and resumes, access to recruiters from top firms and a more sophisticated attitude towards education. The only differentiating factor is the co-op program which alternates academic and internship terms. So, the recommendation to other universities is: "Go 100% co-op".

In addition, coop programs are an invaluable source of cheap talent (undergraduate and graduate students) for start-ups and they stimulate the circulation of ideas and research between the university and companies. This has helped many start-ups in the region. Plasticity was one of them. This source of talent also helps attracting large companies such as Google.

University of Waterloo Intellectual Property Policy[6] which leaves IP created in the course of teaching and research activities with creators also plays an important role in stimulating start-up activities. Panelists stressed that such policy goes hand in hand with the co-op program.

Two additional remarks made a link with Jean-François Gauthier's presentation:

- The Compass Report and its focus on the weaknesses in global reach resulted in the creation of Communitech Canada House in San Francisco and New-York. The report's benchmarking acted as a trigger to action;
- More has still to be done to link start-ups to venture capital funding.

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[5] Ajay Agrawal, "A Modest Proposal: 10X Waterloo for Canada", University of Waterloo - Board of Governors, February 3, 2015

[6] https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-73-intellectual-property-rights

Pitch (Craig Haney)

Corporate innovation connected to tech ecosystems is the way to increase productivity in this country. However, one has to realize how scary open collaborative innovation networks and systems are to big organizations. The role of Communitech is to help these large organizations take the opportunity of collaborative open innovation to their market and share the value of collaboration and collision.

There are few things that Communitech has already learnt:

1. It is messy. There is a process, it is repeatable but corporations have to be ready to be surprised. The importance is to hire the right people, create the right entrepreneurial environment but you cannot dictate the "how". Show them the "what" and let them dictate the "how".

2. The importance of the governance model of these labs.

   The labs have to be governed by an innovation council composed of cross functional senior leaders who have a foot in the strategy (where the corporation is going) and a foot in operations (what is happening on a day to day basis) and this council should do three things:

   o Manage the team: recruit the appropriate people and ensure that the team is supported, has direction and works within the terms of reference;

   o Understand and own the innovation process so that it can become repeatable. This process is specific to the firm and varies among corporations;

   o Ensure the transfer of the information back into the organization to create sustainable innovative culture within the organization.

   Innovative council members should be senior enough to influence the Board and senior management to absorb the innovation and the start-ups coming out of the tech ecosystem and to align the team, the process and the transfer with outcomes that are critical at the CEO and board level.

3. The importance of setting a common language. Start-ups, corporations and government usually speak different languages. It is important to set a common language and have a common understanding of terms such as minimum viable product, market validation, customer validation, lean process to build, test and learn, etc., which initially may sound differently for start-ups and corporations.

For a corporation, building a lab in a tech hub is easy; building a repeatable system to bring the technologies, the companies and entrepreneurial culture back in the organization, spreading the innovation virus are the hard parts.

Question asked by Craig Haney was: from your experience, how could you help us improve this transfer process?

Feedback from the audience

1. Do you agree with the vision of an open and collaborative innovation ecosystem ? (1 = very little, 5 = very much): 4.4

2. Is open collaboration a challenge for your organization? (1-5): 3.4

3. Is a common physical hub critical to success? (1 to 5): 3.8

4. Would this model contribute to addressing the barriers (culture, corporate involvement, entrepreneurial & innovation skills sets, global reach) previously identified – yes/no: Yes 95 %

5. Would your organization benefit from this initiative (1 to 5)? 4.0

6. If so, how?

   - *Generate new ideas*
   - *More and better investment opportunities*
   - *Bring brains together*
   - *Having my lab!*
   - *Changing culture back in my organization and getting sensing information to bench mark ourselves.*
   - *Benchmarking*
   - *Opportunity to mentor, engage with new models*
   - *Improve outcomes*
   - *Greater collaboration*
   - *Ćhanging the culture*
   - *Collisions/ networking, coordination, time savings*
   - *Changing internal culture.*
   - *Visibility to better quality deals.*

Major themes are: collaboration/collision, cultural change, improving deal-flow and outcomes, benchmarking.

Communitech's vision is to build an open/collaborative innovation ecosystem vs. a closed internal one, what advice would you give Communitch to maximize the chances of success?

   - *Extend outside its physical hub*
   - *Stay focused*
   - *Hand hold the big companies, let startups go wild*
     - o *Develop a structured approach for corporations (15 points playbook)*
     - o *Help close the communication/language gap*
     - o *Help corporations better define what they mean by "innovation"*
   - *Involve outsiders and co-own.*
   - *Lead the country towards a "Canada first" attitude rather than "in my own interest". Too many silos across Canada*
   - *Continue to reach out beyond waterloo.*
   - *Three elements (Table 8)*
     - o *Recognize expertise and be focused*
     - o *Respect IP*
     - o *Harness and leverage corporate and university expertise WHEREVER it exists*

Communitech's vision is to attract corporations, start-ups and investors in a common physical hub – what are key success factors for corporates/VCs/Communitech?

- *common goals*
- *Sharing access to the "corporate client"*
- *Animation, creating the experience*
- *Quality of players, quality of content and efficient use of time.*
- *Be honest about how long it will take and how much work it will require to be successful*

VCs:

- *It is not clear that VCs want / should have "physical" presence at Communitech (or others).*
  - *Want objective money and investments vs falling in love with the startups.*
  - *Still want connectivity / access to insights and momentum of which start-ups are moving (but not physical presence)*
  - *Do not sell us the dogs*

Value to corporates:

- *injecting a culture of innovation into the organization, directly at the top (if c-suite has bought in)*
- *going through the effort of defining intended outcomes related to adoption of innovation/ disruption*
- *maintaining physical cross-pollination as the space expands onto new floors.*
- *ensuring that the frequency of targetted programming (ie Collision days) increases to meet new demand from increased # of corporates Value to communitech (startups, co-ops):*
- *in the case of a technology firm (3M, IBM, Cannon) access to very high end technology (ie, the Watson platform)*

c. OSMO/Notman House

As for Communitech, without being systematic or exhaustive in its approach, the panel gave elements of response to the following questions.

What is Notman House?

Notman House is the first entrepreneurial hub in Montreal, a space around entrepreneurs and emerging technologies, a place driven by the community. Programming and animation are done by members of the community: building awareness by letting innovators and entrepreneurs be the animators.

Back in the mid 2000's, there was no entrepreneurial ecosystem in Montreal. Then a great deal of entrepreneurial energy emerged over the 2007-2011 period and the vision was to capture that energy in a permanent physical location that would become a place for entrepreneurial experience and exchange on a permanent basis.

The OSMO foundation was founded to be a vehicle to raise sponsorship from corporates and other donors, including entrepreneurs, to fund community initiatives for tech entrepreneurs. Notman House was the first initiative it funded and profits, if any, will be recycled to fund other ecosystem builders and initiatives. The Notman House initiative was funded through government grants, loans from institutional investors, private sector contributions and a crowdfunding campaign. The success of this campaing highlights the fact that this initiative is by the community for the community. No one can be seen to own it.

Why did corporate and institutional investors get involved?

For all panelists, the vision and passion of the founders (John Stokes and the whole Real Ventures team) were the first reason to get involved.

This vision met Investissement Québec's (IQ) and BDC's objectives to provide ecosystem infrastructure, create a deal-flow of entrepreneurs and start-ups and bridge the gap with VCs. Both organizations were also investors and supporters of Real Ventures and Founder Fuel, the VC fund and accelerator run by Real Ventures.

Given its entrepreneurial roots, Quebecor wanted to support the entrepreneurial community. It also needed to challenge itself and become more flexible and agile in order to innovate and therefore wanted to get involved with innovative start-ups.

How do they use Notman House?

BDC and IQ have a room in Notman House that gives them visibility. They work with Founder Fuel and Real Ventures to build their deal flow. However, both agree that they should use it more to change their own culture of innovation. For BDC, Notman House serves as a template for initiatives to build an ecosystem infrastructure in other places.

Real Ventures and Founder Fuel are base tenants of Notman House and have played a critical role to attract a critical mass of start-ups, VCs and passion. In the absence of strong government support, it would not have taken off if it were not for Real Ventures. Now that the House is full, the challenge is to take it to another level and integrate the corporate innovation dimension.

Is Notman House achieving its objective?

Notman House was a pioneer; it started the entrepreneurial demand for space and support and created a deal-flow of start-ups, many of them were successfully funded by business angels and VCs. There are now other initiatives and spaces in Montreal that followed suit. Many of them were mentored by Notman House. The multiplication of initiatives is seen as positive and a sign of energy. Quality is rising and the rising tide will lift all boats.

However, panellists stressed that promoters should have clear motivations. Real Ventures created Notman House by passion but also because as a VC, it would benefit from it as would other VCs that have equal access to the deal flow. Property focused initiatives should also be clear about their motivations.

What was the involvement of universities?

Students embraced Notman House from day 1. One of the strongest groups to use Notman House has been a cross university student entrepreneurship group. However, until recently (Concordia/District 3 and ETS under a new leadership), Montreal universities have had very deaf ears regarding entrepreneurial activity around Notman House. BDC which is active with ecosystems all across the country confirmed that unfortunately Communitech/University of Waterloo and Ryerson are exceptions and very few universities are engaged with entrepreneurial ecosystems.

Finally, next step will be to help corporations to get more involved. The experience of Communitech, Ryerson and large companies involved in these ecosystems will be a source of inspiration.

Pitch (John Stokes)

OSMO's vision is to develop support and funding for a peer to peer learning environment that is both collaborative and competitive and to expand this approach to Montreal and Canada in a collaborative and competitive way.

The starting point of John's pitch was the UNconference model, a highly effective peer to peer learning environment based on collaboration and learning through osmosis. However, he questioned the concept of collaboration as all situations cannot be win-win situations. In an accelerator as Founder Fuel, start-ups are both collaborating and competing for the same resources and funding. Not everyone will win; some will lose. Not everyone will get over the hill but some will and, in this competitive environment, collaboration will help all to go to destination quicker. This collaboration within competition only works if everyone thinks they will win: collaboration with a desire to succeed.

Collaboration without the desire to succeed and win leads to mediocrity. With this desire to succeed, collaboration becomes a powerful leverage. This is the "operating system" of the OSMO Foundation. OSMO's vision is to expand this operating system beyond the walls of Notman House to other organizations in Montreal and beyond.

Questions asked to participants were whether they endorsed this vision and how they could help implement it.

Feedback from the audience

1. Would you agree with the principle of "Osmotic learning"? (1 to 5): 3.8
2. Does your organization believe in collaboration as a path to success? (1 to 5): 3.8

3. Would it contribute to addressing the barriers (culture, corporate involvement, entrepreneurial & innovation skills sets, global reach) previously identified – yes/no: Yes 100%

4. Would your organization benefit from this initiative (1 to 5)? 4.5

5. If so, how?

- *Reaching outside its closed circle*
- *We must remind ourselves that we can learn anything from anyone.*

The OSMO foundation is a believer that peer 2 peer education (i.e. idea and experience exchange between people whose job is not to instruct others) is more sustainably effective than instructor driven education (i.e. ideas and experience delivered by someone whose job it is to instruct) and that a key sign of strength of an ecosystem is the amount of knowledge that can be gained from peer 2 peer interactions rather than through "institutions of learning". How could your organisation contribute to the creation of more peer2peer learning opportunities?

Table 1

- *Connecting with its benchmarks and doing peer to peer exchanges*
- *Peer 2 peer is very valuable if:*
    - o *peers are truly similarly qualified*
    - o *expectations are set and preparations done in advance.*
    - o *peers need to bring specific complementary experience to the table*
- *This should be done in conjunction with mentorship of players that have succeeded at the next levels to accelerate growth*

Table 2

- *For VCs, Notman house could provide peer 2 peer learning specifically targeted at VCs: help entrepreneurs understand the investment criteria, what VCs are looking for*
- *Peer2 peer sharing of networks: connect entrepreneurs with CEOs, investors, business angels, etc.*
- *Peer2 peer should also include peers that are outside of the current geography or ecosystem. (Montreal in this case)*

Table 3

- *Implant a culture of reaching to peers within the organization and beyond the organization*
- *Set up a common calendar for the ecosystem in order to share information and stimulate peer2peer interaction*
- *Organize community peer2peer networks*

The OSMO foundation is a believer that a competitive spirit underlies productive collaboration and competition leads to winners and losers at all levels, founders, startups, investors, entrepreneur support organizations, educational establishments and governments. How do you suggest we introduce more competitive elements into you organizations collaborative efforts? How could Osmo help your organization improve your ability to deliver these opportunities?

- *Change the horizon of competition: competition is global, collaboration is local. Local collaboration with help performing better, higher and attracting better resources to compete globally*
- *VCs are constantly collaborating and competing with one another and this is good.*

4. Conclusions and next steps

Are you interested in getting more information and/or ready to get involved?

- Ryerson   75%
- Communitech   65%
- OSMO/Notman   75%

What are you committed to do within the next 60 days to continue to move the agenda forward? (Please mention the initiative you are referring to: Ryerson, Communitech, OSMO, Other)?

- *Producing the proceedings of the day Discuss next steps with the pitchers and several participants who have made suggestions to me*
- *Explore areas where we could collaborate with the three organizations leveraging our network of 200,000 businesses.*
- *Benchmarking our biocluster on best practices*
- *I need more inputs from Ryerson and Communitech on their corporate program. I want this support in Montreal and OSMO should be able to help implement it in Montreal.*
- *Set-up monthly call with reps from other 2 hubs to have an ongoing dialogue*
- *work with all three organizations and develop models of engagement*
- *Establish the time frame for running an unconference in Montreal (with ETS), in Toronto (with Ryerson) and in Waterloo (with Communitech).*
- *Promote an "early adopter" program and possibly new aligned government policies and stimulus*
- *As chair of the Waterloo economic development corp, i plan to co-ordinate a session between communitech and wredc (Waterloo Region Economic Development Corporation) re venture financing ...perhaps looking at the peer to peer question*
- *"Internship" at Communitech, Notman House and Ryerson.*
- *Get involved with the DMZ facility at GE office in calgary. Introduce them to the A100 and Startup Calgary organizations to collaborate*
- *I will visit Abdullah at DMZ in April to better understand specifics on how they filter and advance ventures and compare with him on what we do to help both of us*
- *Explore ways to stimulate early stage investments in Quebec*
- *Connect Dave Drach to Fintech Montreal. Connect Dave Drach to Phil Telio of Start-up Fest. Look at how the business chamber networks can provide subscription free holidays for start-ups. Put the universities through disruption Greenhouse exercice.*
- *Will visit all three and look to better understand what they do, where they focus, and what are their top companies they believe should be funded.*
- *Open lines of communication and thinking of co-operation*
- *Innvation's Community meeting in Montreal*
- *Quebec and BC collaborations*
- *Reach out to JF at Compass to learn more.*
- *Coffee sessions with startups at the OSMO Café to help in peer to peer learning for startups. I will share VC investing criteria.*
- *Continue to support the community. Willing to share tds experiencs structure we use, journey we have been on and the current thinking of gardrails that might be useful to be generalized and shared with other corporates .*
- *Yes, Notman House (OSMO) Will be hosting my next Investment Board meeting later this month!*

- *Work collaboratively with each of the incubators to leverage deloitte innovation learnings (if desired) Work with Communitech to compile latest learnings from corporate innovators (Cdn tire, TD, Deloitte, etc.) and share with other incubators - T Stuart*
- *ETS: Looking/Discussion with other incubators in other to build a stronger ecosystem*

Other follow up suggestions

- *What are the learnings from Canadian Tire, TD and Deloitte in Communitech Hub. Synthetize that in something simple that could be shared with the organizations or the incubators that are here*
- *The exercise we had today was a good start for peer to peer discussion.*

What is your overall level of satisfaction with the day (1 to 5)? 4.2

Would you like to get together as a group again? Yes 95%

Are there other topics of future interest?

- *Looking at the output metrics of the systems studied and compare with inputs to measure achievements*
- *Case study of technology success stories e.g. Plasticity Labs*
- *Access to foreign markets*
- *Technology adoption in Canada*
- *Drill down to more sector specific levels or sector ecosystems. Provide visitation program to visit certain ecosystem leaders and stakeholders in the cities that future events will be held.*
- *How can we, as a group, convince more money managers to get back into the VC asset class?*
- *Would like to see specific pain points that are worthy of collaboration (culture, procurement processes, Gov't policy lobbying, etc)*
- *Competition and collaboration - how do we make canada face world competition - How does canada , Quebec and Montreal compete with a world best ?*
- *Could be interesting to share expertise by sector..*
- *Sustainability of this proposed echo system How do we focus gov't policy? How do we build a globally successful and recognized innovation system?*
- *CANADA vs everyone else*
- *Building future tech leaders from k-to post grad*
- *Collaboration with Alberta tech community*
- *Canadian healthcare disruption*

AGENDA

Attire: business casual

TUESDAY, MARCH 8 – WELCOME DINNER

Time	Event	Venue
ALL DAY	TIP Guests Arrivals	*Hilton Quebec*

6:00 pm	**TIP PRIVATE COCKTAIL AND DINNER**	*Hilton Quebec*

Welcome remarks:

Villeray/De Tourny
Lobby Level

Mr. **Gilles Duruflé**
President
QCC Tech Innovation Platform

Mr. **Umberto Delucilla**
Partner
Deloitte

Venue

The Hilton Quebec
1100, boul. René-Lévesque Est, Québec G1R 4P3

WEDNESDAY, MARCH 9 – TIP MEETING

Time	Event
7:00 am – 8:20 am	**BREAKFAST** – Buffet-style breakfast available *Hilton Quebec Kent/Saint-Louis 1st floor*

8:30 am **INTRODUCTION TO TIP AND QCC**

Hilton Quebec Palais 1st floor

Mr. **Gilles Duruflé**
President
QCC Tech Innovation Platform

8:40 am **CONTEXT AND STATEMENT OF OBJECTIVES**

- The productivity and innovation gap and the potential for disruption
- Challenges of Canadian Tech Innovation Ecosystems
- Barriers to overcome: outcomes of the Greenhouse Session
- Objectives of the day

Mr. **Terry Stuart**
Chief Innovation Officer
Deloitte

Ms. **Kendra MacDonald**
Partner – Innovation Quebec
Deloitte

Mr. **Gilles Duruflé**
President
QCC Tech Innovation Platform

9:15 am **ASSESSING CANADIAN TECH INNOVATION ECOSYSTEMS: AN INTERNATIONAL PERSPECTIVE**

Followed by an interactive Q&A session

Mr. **Jean-François Gauthier**
CFO & Head of Business Development
Compass

Author of the Compass Global & Regional Start-up Ecosystem Reports

9:50 am **INVOLVING CORPORATIONS IN TECH INNOVATION ECOSYSTEMS**

Followed by an interactive Q&A session

Mr. **Dave Drach**
Vice President, Partnerships
Techstars

Head of the program of corporate accelerators "powered by Techstars"

WEDNESDAY, MARCH 9 – TIP MEETING

Time	Event
10:25 am	**NETWORKING BREAK** *Hilton Quebec Grande Place – 1st floor*

10:45 am **INTRODUCTION TO THE SESSIONS ON THREE CANADIAN TECH INNOVATION ECOSYSTEMS**

Each of these sessions will be composed of

1. A panel where leading stakeholders will share the story of their ecosystem (initial vision, achievements, barriers and shortcomings, how to overcome these barriers) from different perspectives.

2. A pitch by a leader of the ecosystem building team to present their vision of the future and key proposed next steps to achieve that vision and to involve TIP participants.

3. A structured discussion in which participants will be invited to engage which could lead to tangible results beyond the TIP meeting itself.

10:50 am **RYERSON/DMZ**

Moderator

Mr. **Abdullah Snobar**
Executive Director - The DMZ
Ryerson University

Panel

Ms. **Linda Maxwell**
Director
Ryerson Biomedical Zone

Mr. **Terry Stuart**
Chief Innovation Officer
Deloitte

Mr. **Alan Lysne**
Managing Director
Ryerson Futures Inc.

Mr. **Dan Sinai**
Senior Executive - Innovation
IBM Canada

Pitch :

Mr. **Alan Lysne**
Managing Director
Ryerson Futures Inc.

WEDNESDAY, MARCH 9 – TIP MEETING

Time	Event
12:20 pm	**NETWORKING LUNCH** *Hilton Quebec Kent/Saint-Louis – 1st floor*

1:40 pm   **AFTERNOON INTRODUCTION**

1:45 pm   **COMMUNITECH**

Moderator

Mr. **Iain Klugman**
President & CEO
Communitech

Panel

Ms. **Jennifer Moss**
Co-Founder
Plasticity Labs

Mr. **Gerry Remers**
President & Chief Operating Officer
Christie Digital

Mr. **Jeff Martin**
Senior Vice President and Chief Information Officer, Direct Channels - Technology Solutions
TD

Pitch

Mr. **Craig Haney**
Head, Corporate Innovation
Communitech

3:15 pm	**NETWORKING BREAK** *Hilton Quebec Grande Place – 1st floor*

WEDNESDAY, MARCH 9 – TIP MEETING

Time	Event

3:30 pm   **OSMO/NOTMAN HOUSE**

Moderator

Mr. **Noah Redler**
Campus Director
Notman House

Panelists

Mr. **John Stokes**
Partner
Real Ventures / OSMO

Mr. **Michael Mahon**
Director
BDC Capital

Mr. **Steve Bérard**
*Senior Director, Strategic
partnership & Innovation Lab*
Québécor Media

Ms. **Sylvie Pinsonnault**
*Vice President, Investment Funds,
Business Immigration and Tax Measures*
Investissement Québec

Pitch

Mr. **John Stokes**
Partner
Real Ventures / OSMO

5:00 pm   **WRAP UP AND CLOSING REMARKS**

END OF THE TECH INNOVATION PLATFORM

WEDNESDAY, MARCH 9 – TIP MEETING

Time	Event

6:00 pm   **OPENING COCKTAIL RECEPTION OF THE QUEBEC CITY CONFERENCE**   *Hilton Quebec*
Villeray/De Tourny Lobby Level

Keynote address by:

The Honourable Jean Charest
Premier of Quebec, 2003-2012;
Partner at McCarthy Tétrault LLP;
Chairman of the Quebec City Conference

Mr. **Régis Labeaume**
Mayor of Quebec City

Mr. **Christian Racicot**
President
Quebec City Conference

7:30 pm   **PRIVATE DINNERS**   *Further information will be given upon*
your arrival/registration at the Hilton

Participants

Albert, Mario
CEO
Finance Montreal

Canada

Bahan, David
Assistant Deputy Minister Corporate
Tax Policy, Economic Development
and Government Corporations
Quebec Ministry of Finance

Canada

Baxter, Charles
Vice President, Investment
Innovacorp

Canada

Bérard, Steve
Senior Director, Strategic partnership
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Quebecor Media

Canada

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École de technologie supérieure

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Côté, Caroline
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Cubbon, Paul
Leader, Entrepreneurship and
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Duruflé, Gilles
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QCC Tech Innovation Platform
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Quebec Ministry of Finance
Canada

Gauthier, Jean-François
CFO & Head of Business
Development
Compass
USA

Gauvreau, Denis
Director of International Affairs
GENOPOLE
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Haney, Craig
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Professor of Entrepreneurship and
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University of Oxford
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- Technology Solutions
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BC Ministry of International Trade
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Viel, Carl
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Québec International
Canada

The Quebec City Conference

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NATIONAL BANK OF CANADA

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FONDACTION CSN POUR LA COOPÉRATION ET L'EMPLOI

FONDS de solidarité FTQ

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