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## Ottawa business innovation program a welcome bridge for two talent powerhouses

By Barbara Balfour, Special to Financial Post

*Small and medium-sized businesses across Canada can now dip into the deep pool of talent available at post-secondary institutions thanks to a...*

More than 100 enthusiastic student entrepreneurs crammed on to buses for a startup crawl in Winnipeg last week. It was an encouraging sign of the potential of entrepreneurship when partnered with post-secondary institutions.

"At the University of Manitoba recently, two researchers came up with a colour correction technology for transparent displays such as Google Glass. Someone could make millions selling it and it's just sitting around, waiting for someone to commercialize it," said Startup Winnipeg founder Chris Johnson, who led the crawl.

"If the government listens to entrepreneurs and spends more tax dollars on promoting innovation with universities and colleges, it can open doors to talent that startups don't normally have access to. Who doesn't want additional help and resources when you're starting your own business?"

Small- and medium-sized businesses across Canada can now dip into the deep pool of talent available at post-secondary institutions thanks to a \$20-million investment from the federal government.

The Business Innovation Access Program (BIAP), which aims to help build a much needed bridge between small businesses and the research community, is a federal government pilot program run by the National Research Council of Canada's Industrial Research Assistance Program.

Eligible businesses can receive up to \$50,000 in funding for business and technical services offered by researchers and students, which will ultimately bring their products to market faster.

The program was launched in response to a 2011 report on federal support for research and development, which showed small- to mid-sized businesses in Canada are largely unaware of the public services and facilities available to help their commercialization.

For Canadian businesses to remain globally competitive, innovation is an absolute necessity, said Amit Chakma, chair of U15 and president of University of Western Ontario.

"Because we can't compete on the basis of cost, we must compete on the basis of quality and to do so, innovation is essential," he said.

"Unfortunately, SMBs tend to be the least innovative in terms of adopting new technologies. Many of them don't know how to significantly increase their business performance, and may not have budgeted for it.

"What these investments do is open channels of communication and gradually change the culture of our business community. They may entice SMBs to hold a conversation with potential partners, such as a university research lab."

One such facility is the Fraunhofer project centre at Western University in London, Ont., It is a collaboration with the Fraunhofer Institute of Chemical Technology in Germany. For a fee that would be subsidized by the BIAP program, manufacturers from sectors such as the automotive or renewable energy industries can come in to test and build reduced-weight products before selling taking them to market.

But the wisdom of the BIAP program lies in offering more than the technology required to build solutions, said Stephen Daze, a professor and entrepreneur-in-residence at the Telfer School of Management at the University of Ottawa.

"Where many startup support programs are lacking is helping entrepreneurs with market research and the validation of ideas before building solutions. What this does is say, 'Hold on, don't build technology for technology's sake. Let's ensure the market is right for it, that we can talk to our customers first and ensure we're building solutions to real problems that people will pay for,' Mr. Daze said.

Sorin Cohn-Sfetcu, a Startup Canada board member, echoes this thought. He said he's never seen a company fail simply because they could not make a product. "I've seen them fail because they couldn't sell enough quantities of that product - and not because the product was not good, but because they didn't have the channels to market and sell it effectively.

"This funding announcement marks the first time the driving seat is occupied by industry, to find the best researcher they can get. In the past, the bulk of Canadian government innovation went directly to universities rather than industries," Mr. Cohn said.

"Of the more than one million SMBs in Canada, between 250 and 1,000 companies will be able to take advantage of this funding every year. For those 1000 companies, it may make a significant difference."

By strengthening local startup connectivity, such collaborations will ultimately bring innovations to market faster, said Victoria Lennox, CEO of Startup Canada.

"We see this as an important first step toward encouraging a greater focus on industry application within post-secondary institutions," she said.

"It will help produce a new generation of entrepreneurs, who will build the kinds of innovative companies that will propel Canada forward through innovation and job creation."

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