

Accelerators and Incubators as a Tool in Innovation Policy

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Canadian Accelerator & Incubator Program

- Launched in 2013
- 16 selected in 2014
- \$100M over 5 years (50 cent dollars)

Goals

- Establish a “Critical Mass”
 - Increase amount & scope of services
 - Improve success rate
 - Wealth creation
- Boost ‘Top’ Innovation Intermediaries
 - “Peanut butter” policy compromised goal
 - KPIs not consistent with goal
 - Conflict between goal and ecosystem building role

CAIP Participant	Total Allocation	Per Cent of Total Funding
Centre for Drug Research and Development	\$10,934,891	13%
Wavefront Wireless Commercialization Centre Society	\$9,949,092	12%
Ryerson University	\$9,565,982	11%
BC Technology Industry Association	\$8,842,746	10%
Invest Ottawa	\$8,282,490	10%
Communitech Corporation	\$8,276,511	10%
The Governors of the University of Alberta	\$5,387,718	6%
Centre d'entreprises et d'innovation de Montréal	\$5,245,146	6%
MaRS Discovery District	\$4,114,483	5%
Corporation Innocentre du Québec	\$3,804,472	4%
Prince Edward Island BioAlliance Inc.	\$3,396,999	4%
Propel ICT Inc.	\$2,646,259	3%
The Next 36	\$2,010,355	2%
Bioenterprise Corporation	\$1,886,316	2%
Biomedical Commercialization Canada Inc.	\$1,059,890	1%
Canada AcceleratorCo Inc.	\$621,892	1%
Total	\$86,025,242	

Canada's Digital Opportunity

Types of accelerator that could help:

- Support firms developing digital products and services
- Help entrepreneurs and firms in other industry sectors adapt to the digital future
 - Sector specific (e.g. agfood, advanced manufacturing, transportation, etc.)
 - Sector agnostic
- Do any of these types exist and how effective are they?

Policy Implications

Role of talent

- Contact with experienced mentors most highly valued by firms
- Engage experienced entrepreneurs/executives to co-create effective policies and programs

The importance of customers and markets

- “I never met a market that signed a purchase order” (Drucker)
- Too much focus on technology and financing, jobs
- Best KPIs – export customers, market niche & global reach
- Own the podium - #1, 2 or 3 in the world

Policy Implications (2)

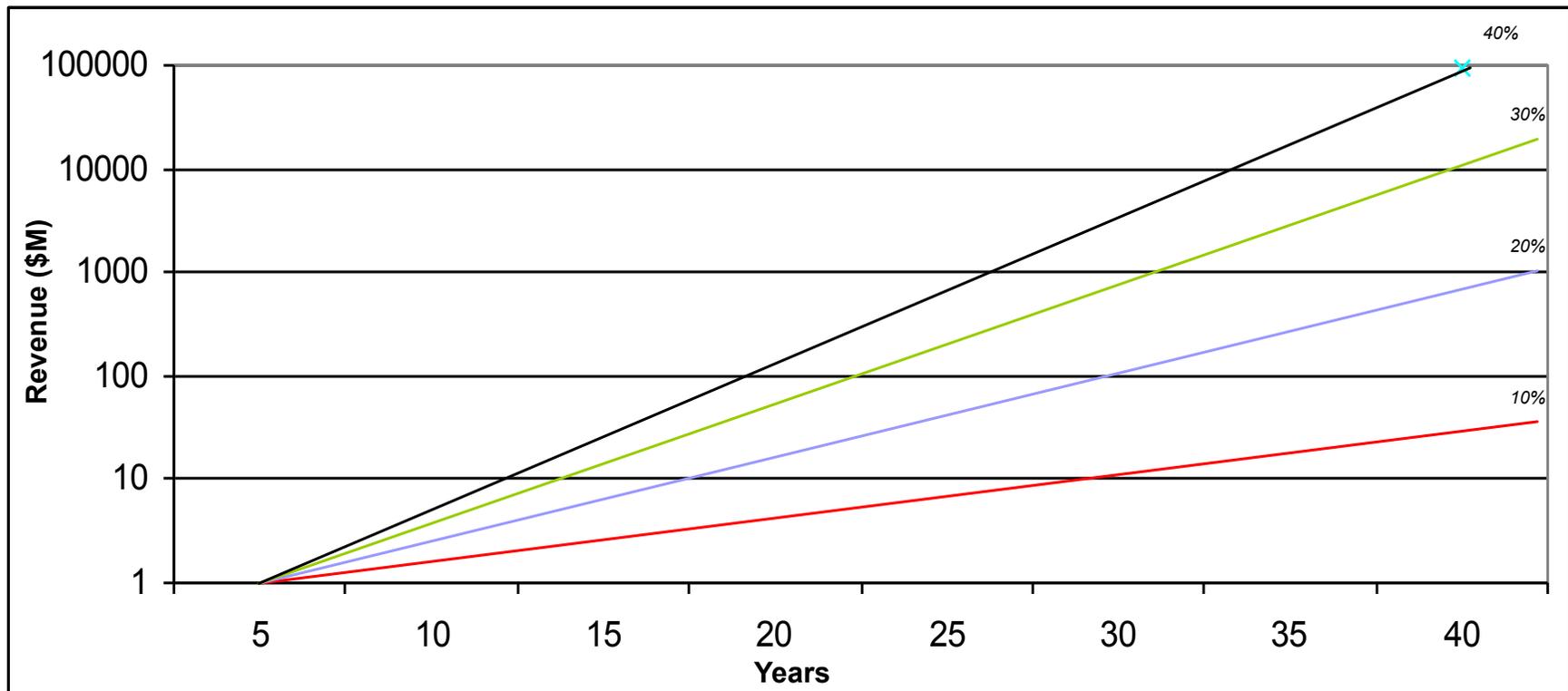
The availability of capital

- Accelerators and incubators focus on start-ups
- For results in <10 years, focus well past start-up
- Talent more important for scale-up firms
- Private equity & venture debt better for high-growth scale-ups

Access to knowledge

- Need to link outcome data from government support programs with company performance over time (TBS, StatCan)
- Government-funded entities supporting firms must track graduates

SME Revenues vs. Time



Thanks! Merci!

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