

CANADA'S INNOVATION CORRIDOR SUMMIT

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OPINION PIECE

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In the age of global innovation, local collaboration matters more than ever

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Historically, economic competition has been a contest between local entities fighting for local market share by utilizing locally sourced resources. Today's economy, on the other hand, is global. With the click of a mouse, companies can source supplies or sell their products and services to and from anywhere in the world, all while battling competitors that are frequently far away.

Yet paradoxically, this age of globalized competition has not diminished the importance of one's local region. It has heightened it. But why?

On June 26, Canada's Innovation Corridor Business Council — a partnership of leading chambers of commerce and boards of trade in Southern Ontario — will hold its inaugural summit at Royal Botanical Gardens. The event aims to further the interests of the Advanced Manufacturing Supercluster, a bold new initiative that unites multiple levels of government, academia, private enterprise and non-governmental entities to unlock the great economic potential of Southern Ontario for Canada's high tech and advanced manufacturing sectors.

This is a complex undertaking, requiring numerous regional stakeholders to come together over forward-thinking strategies designed to accelerate innovation, optimize product development, promote access to global markets and foster a culture of highly skilled and engaged workers.

It is little surprise, then, that the central themes of the summit are innovation, connectivity and collaboration. And although discussion of innovation permeates every aspect of our economy and culture, it is the much less understood importance of collaboration that merits a deeper dive.

In our modern economy, one of the most important measures of economic vitality is productivity, or the extent to which a company can make more efficient or effective use of inputs. What has become increasingly clear is that productivity is not primarily impacted by distant suppliers, competitors or other market participants. Rather, it is chiefly shaped by the quality and nature of the local "ecosystem" or "cluster." There are many reasons for this.

Among them, companies hoping to innovate in a knowledge economy require skilled and educated workers who live nearby. The proximity of these workers lowers recruitment costs and the risks of relocation. Similarly, companies that ship product globally require efficient and sophisticated local transportation and logistics infrastructure. The depth and quality of that infrastructure is itself a function of the density of economic activity upon which it is dependent. And, of course, the strength of such clusters is greatly influenced by the active participation of governmental and other public institutions, such as universities, colleges, and trade associations that supply education, training and research.

There are myriad examples of such clusters in the world and their decisive influence on economic activity, including Silicon Valley in California, Tech City in London and Digital Media City in Seoul, to name just a few. These clusters foster deep personal relationships and community ties that spur the exchange of information, greater co-operation and community mindedness, as well as interpersonal competitiveness, which are all key to increases in productivity.

Indeed, our own broader regional cluster or “corridor,” comprising Hamilton-Burlington, Waterloo Region, Toronto and a diverse mix of contiguous communities between and around them, constitutes almost 20 per cent of Canada’s GDP and is second only to Silicon Valley in terms of startup density.

Its ability to compete with other clusters around the world will largely determine our country’s competitiveness overall and the economic well-being of our fellow citizens.

At Gowling WLG — an international law firm with three offices across the Innovation Corridor —we have found ourselves at the centre of this activity, helping drive commercial success through the strength of our industry insight, worldwide platform and strategic partnerships with stakeholders throughout the region.

It is from this unique vantage that we observe every day how our ability to compete and prosper on a global scale depends principally on our ability to connect and collaborate with one another as members of a local community.

With this understanding, and with the help of important idea exchanges like the Innovation Corridor Summit, there is no limit to what the region can achieve.

Louis Frapporti is the managing partner of Gowling WLG’s Hamilton office. His firm is the Presenting Sponsor of Canada’s Innovation Corridor Summit on June 26. Learn more at corridorsummit.ca or call 905-522-1151 x 100.