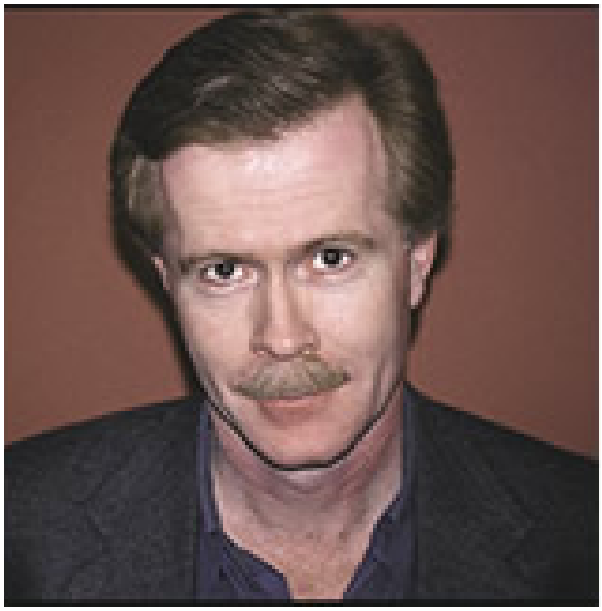
Welcome and Opening Remarks



Jeffrey Crelinsten
Publisher, RE$EARCH MONEY

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Jeffrey Crelinsten introduced this year's conference theme of innovation and provided an overview of the ultimate goal of the deliberations. "All of you in this room are involved…with trying to improve Canada's ability to innovate," he said, whether they work for government, academia, or industry. Just as significantly, he noted, the activities of people in one sector can directly affect those working in another sector. "We're all connected in some way. All of us are part of the innovation community."

He then posed a fundamental question: "Why do I care, and why does my organization care about innovation?" Speaking quite personally, he suggested that his primary reason for caring was that he wanted his children and their children to lead prosperous lives. Speaking in a larger, professional context, he added that RE$EARCH MONEY cares because of a desire to know if various innovation initiatives are working, so that our subscribers can be connected with the information they need to help achieve the sustainable prosperity that is our common goal. "Prosperity depends on identifying and meeting the needs of the world," he said, noting that much of our wealth derives from trade in natural resources, "a practice that is not sustainable over the long term, either through simple depletion of the resource, the emergence of new technologies that displace these materials, or growing competition that reduces the price along with their potential revenue." Instead, innovation generates prosperity when it enables firms to develop innovative goods and services for the entire world, while occupying niches where they can stay ahead of their competition.

"So how do we in the innovation community create prosperity through innovation when we're all working in different sectors and different organizations with diverse institutional priorities and cultures, sometimes with seemingly competing and conflicting mandates? The key is to have a common vision and purpose."

Crelinsten cited *Built to Last, Successful Habits of Visionary Companies*, a collection profiling successful firms published by Jim Collins and Gerry Porras in 1994. Based on a six-year research project conducted through Stanford University, the findings revealed that enduring companies last because of a well-articulated vision and core values. "It has nothing to do with the CEO, it has nothing to do with the product," he quoted, "it has nothing to do with the marketing techniques. It has to do with a vision and core values that are understood everywhere from the C Suite down to the people who sweep the floors."

Crelinsten proposed that Canada's innovation community should adopt its own clearly stated goal, which would be to improve the lives of the world. "We don't have to tell each other what specifically to do if we're all working toward the same goal." The necessary core values, he said, should be respect, understanding, acceptance, and commitment. He expressed his hope that the

conference deliberations would ultimately strengthen the commitment and resolve that participants have toward having a positive effect on the lives of Canadians.

Henderson began his remarks by noting that this is the third time that the federal budget has served as a conference theme, since this major government event provides as suitable bellwether for the current state and future direction of R&D in Canada. This year's budget, he observed, demonstrates a profound tension: "On the one hand we have a federal government that says research and innovation are high on its priority list, and on the other hand we've seen a groundswell of dissent from the academic community in the last year or so that's virtually unprecedented in this country." In between these poles, he added, is a business community that is being encouraged to take advantage of scientific discoveries being made in universities, adjust to a changing tax and regulatory framework, and embrace an evolving array of government incentive and assistance.

He provided a unique perspective on this situation, based on his experience of writing about the budget's contribution to the Canada First Research Excellence Fund, which is dedicating no less than $1.5 billion to post-secondary research institutions over the next 10 years. After speaking with a number of people in universities about this initiative, he formally described it in RE $EARCH MONEY as a "game-changer" for the academic community.

"And then came the reaction from some of my more critical readers," he recalled. "They told me I was being far too positive about the program. It stretched the money far into the future, gave the universities far too much control over how it was spent, and it did nothing for the granting councils, which continue to struggle with inadequate funding." One of these responses went on to predict that the budget presaged what would soon be a drain of talent from Canada, especially those young, just established scientists who represent the future of R&D.

Acknowledging that he was stung by the accusation that he had undertaken only a shallow assessment of the budget, he insists that the response illustrates the broad and diverse context of this matter. "When it comes to the innovation agenda, there are competing and conflicting perspectives on the best way to boost Canada's innovative game."

Crelinsten added that the increasing federal emphasis on commercializing university research was in fact brought on by the leaders of these institutions, who have maintained that with more federal funding, universities can effectively commercialize research. "But it's not happening, and so the government is putting pressure on universities now." Similarly, in the private sector, Canada leads the OECD in the practice of indirect supports to R&D through the tax system, and so here too there is pressure to do more direct support. "There are shifts happening, and people here are going to talk about that."