



## MaRS: The Big-Brain Approach to Prosperity

Canada's economy is in the doldrums. While debates continue to swirl as to whether we are in a 'true' technical recession, there is no uncertainty about the fact that the economy is lumbering along at half speed.

Rather than dwelling on the "recession: rhetoric or reality" debate, Canada urgently needs an intelligent conversation on how to light our economic fire. The economy requires a jolt of strong caffeine. The real debate should focus on how best to rev up the economic engine.

This big challenge calls for more than simplistic, silver-bullet solutions. The answer lies not just in creating jobs, crucial as they are. The challenge for a resource-based economy like Canada's is to generate *good* jobs – the highly-skilled, well-paying employment that is the hallmark of a knowledge-based world.

Innovation is frequently cited as the way to go. While there is little disagreement on this proposed solution, there is little agreement on what it actually means. Canada needs a fulsome debate – sooner than later – on both the concept and practice of innovation.

A recent *Globe and Mail* op ed made reference to "accidental entrepreneurs" as the heartbeat of the innovation equation. The business activity of these individuals, taken together, acts as a collective spark plug. But while these entrepreneurs contribute significantly to Canada's economic vibrancy, governments can also play a crucial role in fostering entrepreneurship and innovation, more generally.

Public support for innovation hubs, such as MaRS (Medical and Related Sciences), is a vital piece of a big and complex puzzle. Innovation is not a zero-sum game in which activity by one player

automatically eliminates or negates the value of the other. All hands – private, public and voluntary sector – are needed on deck to help steer the innovation ship.

In fact, public investment in world-class innovation centres is precisely the prescription that Canada requires to breathe life into our lacklustre economy and diversify our economic eggs – most of which fall into the same shaky oil-and-gas basket. Other vibrant centres of innovation throughout the world, including Silicon Valley, Israel and Shanghai, have been nurtured by strategic combinations of public and private funds as well as a dynamic culture of risk.

MaRS has fostered the development of economic clusters that have the potential to generate the highly-skilled, well-paying jobs that Canada so desperately needs to regain our financial footing. Innovation hubs enable the transition from research to commercialization (read: profits and revenues for governments). They also create the foundation for innovative practices to take root more broadly across a wide range of sectors, such as health care.

Ontario, in particular, has been hit hard by the decimation of its manufacturing base. But it can regain its wealth through strategic investment in innovation and the knowledge economy, which is built on high-quality research and the commercialization of good ideas.

MaRS houses and supports the commercialization of world-class, leading-edge research. It works, for example, with a brain institute that is identifying the core elements of brain fitness. It hosts a cancer research centre with links to expert partners in many participating nations. It is fostering

various green technologies as alternatives to carbon-producing methods. It houses a solutions lab – a new global phenomenon – that engages various sectors in devising collaborative solutions to tough social problems, like poverty, homelessness and hunger.

These types of research and activities not only help solve formidable global challenges. They also attract and retain well-educated and highly-skilled individuals. These are exactly the types of value-added jobs that governments should be supporting in a knowledge-driven world.

But innovation hubs go beyond theoretical research to transition promising ideas into goods and services that are in demand throughout the globe. For example, a summit of leading experts on aging hosted by MaRS demonstrated breathtaking new scanning technologies that can identify chronic brain disease at least ten years before symptoms of debilitating forms of dementia actually appear. Postponing the onset of these symptoms can reduce the incidence of conditions, such as Alzheimer's disease, by 50 percent. Delay of symptoms by 10 years can virtually eradicate this disease from the population.

A wide range of other diagnostic and preventive interventions were also discussed at the summit. It turns out that there is a vast untapped market worth an estimated \$20 billion by 2020. The potential revenues will derive from the range of goods and services being developed to ensure a healthy and engaged population at all stages of life – particularly in older age. With one of the most rapidly aging populations in the world, Canada should wake up and take note. There is apparently a lot of gold in all that silver.

Finally, MaRS has helped create an “innovation ecosystem” that is vital to secure a solid foundation for these wide-ranging efforts. A good idea – whether a product, service, process or new way of thinking – does not take hold just because it happens to be a good idea. It needs to be planted in the right conditions and carefully cultivated to ensure that it can take root and flourish.

The innovation ecosystem developed at MaRS includes a network of experienced mentors who provide advice to budding entrepreneurs. It generates market intelligence on potential business opportunities. It helps raise the venture capital so desperately needed by these start-up companies.

At the end of the day, an innovative approach that has been built on a solid foundation of experience and expertise is far more likely to succeed. Without the appropriate ecosystem, a given innovation will probably not survive, let alone go to scale.

Government investment in a second research tower at MaRS will soon pay off. On September 3, it announced that the new tower is 70 percent leased, with 20 percent in advanced negotiations. MaRS will be in a position to refinance the building in the private market in the near future.

As a world-class innovation hub, MaRS has put Canada, Ontario and Toronto on the global map – for all the right reasons. Supporting a big-brain approach to prosperity is a no-brainer.

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