





# Startup Canada Blueprints





Startu <sub>l</sub> Bluepr	o Canada rints	1
About		4
	Tour & Campaign	4
	The Blueprints	4
	Thank You	5
What v	ve heard	5
	Executive Summary	5
	1 Culture & Education – All change begins at the level of the individual	6
	2 Bigger & Better Businesses	7
	3 Creating a Unified, Collaborative Network	8
	Final Words	9
	Introduction	10
	1.1 - Startup Canada National Tour & Campaign	11
	1.2 - For Who? So What?	11
	1.3 - Thank you	12
	Culture & Education	12
	2.1 - Branding Canadian Entrepreneurship	12
	2.2 - Entrepreneurship for Everyone, Everywhere	13
	2.3 - Fuelling an Entrepreneurial Culture - Role Models, Media and National Institutions	14
	2.4 - Leveraging Social Media	15
	2.5 - Driving Youth Entrepreneurship	16
	2.6 - Building Entrepreneurial Campuses	18
	2.7 - Re-Designing K-12	20
	2.8 - Summary	22



Bigger & Better Businesses	22
3.1 - One-Stop Shop & Startup Path	23
3.2 - Mentorship and Entrepreneurship Champions	24
3.3 - Access to Capital – Beyond the Banks	26
3.4 - Leveraging Critical Mass	27
3.5 - Networking Events & Online Communities	27
3.6 - Access to Human Capital	28
3.7 - Strengthening Global Networks – Preparedness and Travel	29
3.8 - Innovation, Commercialization & Red Tape Reduction	30
3.9 - Spaces and Places	31
3.10 - Social Entrepreneurship & Innovation	32
3.11 - Summary	33
Communities & Networks	33
4.1 - Creating a Unified, Collaborative Network	33
4.2 - Government Engagement, Vision and Coordination	34
4.3 - National Capacity Building	35
4.4 - Creating Vibrant Startup Communities	35
4.5 - Thought leadership / Data Collection	36
4.6 - Foundational Leadership / Advocacy	37
4.7 - Summary	37
Final Words	38
Our Way Forward	39
Startup Canada Connect	39
Startup Canada Communities	40
Startup Canada Campaign	40
Testimonials	40





# **About**

Startup Canada is a grassroots, entrepreneur-led, volunteer-run, non-profit network that launched in May 2012 to bring together and give a voice to the Canadian entrepreneurship community and to promote a vibrant entrepreneurial culture.

# Tour & Campaign

Since launching, Startup Canada embarked on a six-month cross-country tour as a national community-building exercise, to kick-start a conversation about how we can better support Canadian entrepreneurs and cultivate an entrepreneurial culture. The Tour brought together more than 20,000 Canadians and 300 partners through 200 events fuelled by hundreds of volunteers.

In addition to town hall meetings, expert discussions and more than 500 video interviews with some of Canada's leading entrepreneurs, Startup Canada brought the conversation and celebration online through social media and online campaigns, daily and weekly updates, #startupchats on Twitter, event live feeds and public input via videos and online forums.

The Tour provided a platform for the Canadian entrepreneurship community to come together, share ideas, identify gaps and opportunities, and commit to community-level action. Collectively, participants gave life to more than a dozen community-led projects – from co-working spaces and entrepreneur-led accelerators to communications campaigns and community asset-mapping exercises. For the first time, the Canadian entrepreneurship community connected in a common activity and conversation.

#### The Blueprints

This report is the culmination of the Startup Canada Tour. On this site we share **What We Heard** from Canadian entrepreneurs – the reflections and ideas coming out of the conversations across the country. Based on what we heard from entrepreneurs on the road, we present our intended **Way Forward** for 2013.

As a volunteer-run organization we are now calling on our community to come together to **Take Action** and to fuel the manifestation of these Blueprints toward a more entrepreneurial Canada.





#### Thank You

Startup Canada, the National Tour and these *Working Blueprints* all began as a seed of an idea. After months of cold-calling, hundreds of hours of Skype meetings, thousands of air miles, uncounted tweets and the unrelenting hustle of hundreds of entrepreneurs and volunteers, we have achieved an important milestone as a community.

Thank you to our first adopters, early investors, patrons, board, advisors, provincial ambassadors and committees, community hosts, partners, volunteers, bloggers, reviewers and mentors who unreservedly shared their time, expertise and networks to allow this seed to sprout. Thank you to the media that covered us, the public officials who supported and celebrated our arrival in their communities, and the unsung heroes who stepped up without hesitation when asked for help, asking nothing in return. You know who you are.

Thank you to Gowlings, Microsoft, Ernst & Young, Artik Promotions, PubliAir, KA Media, Video Booth, Best Western Hotels, Business Development Bank of Canada, Export Development Canada and the Canadian Innovation Commercialization Program for your pioneering support of this grassroots effort. Thank you also to Francis Moran & Associates, The Hinton Group & Le Regroupement des gens d'affaires de la Capitale national for bringing these Blueprints to life.

Together, we are on our way to creating a healthy entrepreneurial ecosystem that values reciprocity, philanthropy and empowerment.

# What we heard

# **Executive Summary**

This report is the voice of Canadian entrepreneurs. It is a summary of the conversations coming out of the largest and most extensive entrepreneurial consultation in Canada and is a call to action to everyone who wants to contribute to creating a stronger and more prosperous Canada. It provides a menu of reflections and ideas on how we can better support Canadian entrepreneurs and foster a culture of entrepreneurship.



#### 1. - Culture & Education – All change begins at the level of the individual

Canada needs to re-discover its entrepreneurial roots and embrace entrepreneurship as central to its national culture. We need to celebrate and cheer on our entrepreneurs, and ensure that our media, communities and campuses enable entrepreneurial activity.

- We need to build a strong Canadian entrepreneurial brand to inspire the nation with an
  entrepreneurial spirit and to provide our entrepreneurs with a platform and a voice to create the
  conditions necessary for entrepreneurial success in Canada.
- We need to enhance the value of entrepreneurship and celebrate entrepreneurship as a mindset, philosophy and way of life. Entrepreneurship is for everyone.
- We need to value learning from and cultivate a culture of mentorship.
- We can showcase the diversity of our entrepreneurs and create relatable and inspiring role
  models by publicly celebrating all entrepreneurs in including boomers, aboriginals, newcomers,
  women, creative and social entrepreneurs and intrapreneurs.
- We need to bring entrepreneurship into our public spaces. Libraries, schools, community centres, parks and high-traffic public areas can be transformed into hotspots for entrepreneurship.
- We need a national entrepreneurship campaign that leverages mainstream and social media and our cultural institutions to position entrepreneurship as a key part of Canadian culture and to broaden the reach of the entrepreneurial message.
- We can do better in driving youth entrepreneurship by aligning existing efforts, increasing
  mainstream social appeal, awareness and understanding of entrepreneurship, educating parents
  and educators, and providing young people with avenues to cultivate entrepreneurial leadership,
  creativity and financial literacy skills through experiential learning and bringing the entrepreneurial
  community into the classroom.
- Unleashing newcomer and boomer entrepreneurship represents a tremendous opportunity for Canada. We need to harness the passion, energy, experience and networks of our newcomers and those starting businesses later in life and provide them with support and recognition as important players in our entrepreneurial communities.
- Universities and colleges can be important feeders of entrepreneurial communities. We can build
  more entrepreneurial campuses by ensuring that entrepreneurship is embedded into institutional
  governance, roles and structures, curriculum and programming, extracurricular activities, and
  external relations efforts and by incentivizing efforts through the provision of resources, ratings
  and recognition.





#### 2. - Bigger & Better Businesses

Canada needs to cultivate a large and healthy crop of early-stage startups to produce major high-growth companies with a more ambitious global reach that can become anchors in their communities. It also needs to create sustainable companies that seek to solve real-world challenges and create social and environmental impact through their business practices and innovations.

- By better connecting entrepreneurs with the support, networks, resources, mentors and
  infrastructure available and helping them to navigate the ecosystem through the creation of a
  one-stop shop and Canadian Startup Path, we will be better able to identify high-potential young
  firms and equip them with the support they need to succeed.
- Mentorship is a critical element of any entrepreneurial ecosystem. We can do more to increase
  awareness of existing mentorship programs and opportunities, connect mentorship programs
  together to facilitate the sharing of best practices and leverage resources to accelerate
  entrepreneurial development.
- New entrepreneurs need learning opportunities to better understand the continuum of startup finance, lean principles, the virtues of bootstrapping and having 'skin in the game', and the importance of real clients, users and customers.
- We need to solve the risk capital problem through private sector and individual leadership, and explore models that incentivize private investment into young ventures.
- Canada needs to explore new funding models, such as crowd funding and investment incentives because traditional financing mechanisms are no longer responsive to the changing nature and culture of Canadian startups.
- We can leverage the critical mass of entrepreneurs to work with large providers to secure discounted rates, incentives and insurance offers to reduce costs of starting up and bringing on first employees.
- Providing online communities and networking opportunities for entrepreneurs to connect with and learn from each other, investors, potential partners, clients and mentors – particularly outside of major urban centres – helps to create a dynamic and reinforcing community where entrepreneurship is accepted and expected.
- Recruitment, retention and succession are top of mind for many Canadian entrepreneurs. In addition to student startup co-op and entrepreneurial internship placements, we can explore a





- private sector aligned Startup Visa Program to make Canada an attractive destination for global entrepreneurial talent.
- To engage newcomers in the Canadian entrepreneurial ecosystem, we need to provide them with access to education and training, welcome them into local business communities, and recognise their credentials.
- For Canadian firms to grow, they must be prepared to do business globally. They need a good
  understanding of their foreign target markets and must be able to demonstrate added value. We
  need to continue to support the creation of global market connections, global mobility and the
  market preparedness of Canadian firms.
- Entrepreneurs support efforts to reduce unnecessary red tape, administrative burdens and response-time issues with regards to government services, reporting, regulations and taxation.
- Entrepreneurs need affordable spaces and places in their communities to grow their ventures, connect with and contribute to the wider entrepreneurial community.
- As the social innovation and entrepreneurship sector in Canada continues to grow, social
  entrepreneurship policy has to keep pace. We need to increase service provision for social
  businesses and sustainable non-profits that do not neatly fit within current programmatic confines
  for training and support and enhance the provision of social entrepreneurship education,
  awareness, financing and workspaces.

#### 3. - Creating a Unified, Collaborative Network

We need to fuel Canadian entrepreneurship from the bottom up by supporting the development of vibrant entrepreneurial communities, led by entrepreneurs, as the basis of a national entrepreneurship network.

- The Canadian enterprise support community is fragmented, although the degree of fragmentation varies significantly from province to province. We need to aggregate and consolidate all of the support tools, programs and services and everyone in the ecosystem needs to commit to connecting, communicating and collaborating to better serve Canadian entrepreneurs and feed a vibrant entrepreneurial network.
- An entrepreneurial culture needs to be nurtured from the grassroots driven by entrepreneurs –
  to really take on momentum. Paired with high-level government vision, coordination and a strong
  commitment to work in partnership with those driving change at the grassroots, we can accelerate
  entrepreneurship and innovation.





- We need to invest in strengthening some of the key national drivers of the Canadian entrepreneurship agenda and in doing so, mandate increased collaboration and alignment amongst them to create a more holistic, aligned and interdependent community.
- Healthy and vibrant entrepreneurial communities at a local level are the heart of inspiring, supporting and accelerating the growth of startups.
- At the community level, we need to connect and empower community enterprise champions who
  are catalysts for core grassroots entrepreneurial events and activities and who connect
  entrepreneurship community players together.
- We need to broaden the traditional understanding of startup communities beyond the tech sector to include social entrepreneurship, biotech, the creative industries and others to facilitate collaboration and the sharing of experience, networks and knowledge. These startup communities exist side by side yet rarely interact with one another. A vibrant entrepreneurial community is one that is open, inclusive and always ready to collaborate.
- We need to better understand the state of entrepreneurship in Canada and measure progress by not just collecting data, but by also connecting measurement activities and centres of knowledge and excellence in entrepreneurship across the country.
- We can accelerate Canadian entrepreneurship by sharing best practices and leveraging existing resources, networks, and committing to partnership where it makes sense, rather than starting from scratch and re-inventing the wheel.
- Canada needs philanthropic leadership to invest in Canada's entrepreneurial knowledge base and infrastructure.

#### **Final Words**

Entrepreneurs believe that there is a need to come together around a common vision and strategy, whereby we achieve more than the sum of our individual efforts and entrepreneurs are empowered to build success for themselves and for the country as a whole.

We need to shift our culture to one where entrepreneurial achievement is admired, entrepreneurship is celebrated and supported, and where valuable experience is derived from failure. We also need to facilitate a national network based on local startup communities, led by entrepreneurs themselves, to form the foundations of an intensely connected and collaborative social network. This network should be based on shared values and driven to leverage what already exists. It should work as a connector, enabler and communicator, always accountable and adapting to the needs and priorities of Canadian entrepreneurs.





#### Introduction

"Entrepreneurship should be nothing new to Canadians. BC's native peoples were trading goods up and down the West coast, and as far afield as Russia, long before contact with European culture. Business is the new way of hunting. The iPad and the cell phone have replaced the canoe, the club and the bow and arrow." - Chief Leonard George of the Tsleil-Waututh Nation at the Startup Canada Aboriginal Town Hall in North Vancouver, BC, Sept. 19, 2012

Entrepreneurs, and high-growth businesses are the engine of growth and the backbone of the Canadian economy – they create value and jobs that sustain our quality of life. There are more than 1 million small businesses in Canada that employ 48 percent of our total workforce, account for 25 percent of total exports, and provide 30 percent of our total GDP. Of those small businesses, 4.7 percent are classified as high-growth enterprises and are responsible for 45 percent of new job creation in Canada.

Yet there continues to be a fundamental lack of understanding in Canada as to who is driving the train of economic growth. It is not big business. It is not the public sector. Entrepreneurs, startups and high-growth businesses are the economic engines in Canada. They are not just elements of it; they are the heart of it.

Even those who don't understand how vital these entrepreneurs are benefit from their obsession and from their willingness to live such non-traditional lives. We need to create a Canada that understands entrepreneurs and comes to see them as value creators and nation builders – people who can take us beyond our resource-driven focus and capitalize on the human resources with which we can grow.

At the heart of the issue is culture. Entrepreneurial optimism, belief and investment in Canada are often showered with disbelief, mistrust and apathy. We need a cultural shift – a change at a fundamental level – in order to facilitate meaningful economic revival and the transition to higher levels of social and cultural achievement. Canadians need to break out of old habits and think differently to create a culture of belief and positivity that generates new opportunities.

A cultural shift cannot rely on the government alone. We need to place entrepreneurs themselves as leaders of this transformation and we all – individuals, families, businesses, investors, educators, community leaders and non-profit organizations – need to feed the transformation with governments providing an enabling environment. Building a vibrant entrepreneurial culture needs to come from the bottom up, driven by entrepreneurs who have the desire to build their own businesses and to contribute to the creation of an entire entrepreneurial ecosystem.





#### 1.1 - Startup Canada National Tour & Campaign

Startup Canada is a grassroots, entrepreneur-led, volunteer-run community that launched in May 2012, born from the desire to better support entrepreneurs and to foster a more entrepreneurial culture. This report is the voice of Canadian entrepreneurs. It is a summary of the community, entrepreneur and expert conversations coming out of the Startup Canada National Tour, which took place from May to September 2012 and stopped in 40 Canadian communities. The Tour brought together 20,000 Canadians and 300 partners through 200 events fuelled by hundreds of volunteers to kick-start a national conversation and celebration and to connect the Canadian entrepreneurship community from coast to coast.

In addition to town hall meetings, expert discussions and more than 500 video interviews with some of Canada's leading entrepreneurs, Startup Canada brought the conversation and celebration online through social media and online campaigns, daily and weekly updates, #startupchats on Twitter, event live-feeds, and public input via videos and online forums.

The Tour provided a platform for the Canadian entrepreneurship community to come together, share ideas, identify gaps and opportunities, and commit to community-level action. Collectively, participants gave life to more than a dozen community-led projects – from co-working spaces and entrepreneur-led accelerators to communications campaigns and community asset-mapping exercises. For the first time, the Canadian entrepreneurship community connected in a common activity and conversation.

#### 1.2 - For Who? So What?

This summary, the culmination of conversations that engaged more than 20,000 Canadians in person and more than 50,000 Canadians online, is also a call to action to everyone who wants to contribute to creating a stronger and more prosperous Canada. It provides a menu of reflections and ideas on how we can do better.

As the largest and most extensive entrepreneurial consultation in Canada, producing the most expansive and up-to-date entrepreneurial database in the country, the magnitude and scope of this effort cannot be dismissed, and action is imperative.

It is daunting. It is messy. And we might not know how we are going to get there. This is the nature of entrepreneurship. These are ideas on ways forward, and we will sort it out and advance together.





Entrepreneurs can be found throughout society. They are change agents and we need them as much inside government, media, education and the non-profit and citizen sectors as we do in creating new ventures. Just as it takes a community to support a startup, it will take all of us working together to start up Canada.

#### 1.3 - Thank you

Startup Canada, the National Tour and these Living Blueprints all began as a seed of an idea. After months of cold-calling, hundreds of hours of Skype meetings, thousands of air miles, uncounted tweets and the unrelenting hustle of hundreds of entrepreneurs and volunteers, we have achieved an important milestone as a community.

Thank you to our first adopters, <u>early investors</u>, <u>patrons</u>, <u>board</u>, <u>advisors</u>, <u>provincial ambassadors and committees</u>, <u>community hosts</u>, <u>partners</u>, <u>volunteers</u>, <u>contributors</u>, <u>reviewers</u> and mentors who unreservedly shared their time, expertise and networks to allow this seed to sprout. Thank you to the media that covered us, the public officials who supported and celebrated our arrival in their communities, and the unsung heroes who stepped up without hesitation when asked for help, asking nothing in return. Together, we are on our way to creating a healthy entrepreneurial ecosystem that values reciprocity, philanthropy and empowerment.

#### Culture & Education

"Canada needs to develop a culture that produces citizens that expect success through hard work and their own ingenuity and who believe that they can create innovations, companies and organizations that will drive new industries and create social impact. This must be a priority for everyone." - Tonya Surman, Founder of the Centre for Social Innovation at the Startup Canada Social Innovation Garage Brainstorming Session in Toronto, ON, May 9, 2012.

#### 2.1 - Branding Canadian Entrepreneurship

Unity and identity are themes that have permeated our history as a nation. Canada boasts its internationalism, its multiculturalism, its strong education system and its rich natural resources. Nevertheless, as global competition increases and global dynamics shift, Canada needs to re-imagine itself and re-brand itself by positioning entrepreneurship and innovation as core values in Canada Inc. In doing so, Canada will re-discover its entrepreneurial roots as a nation built by entrepreneurial immigrants from all over the world.





We need to build a strong Canadian entrepreneurial brand to celebrate and inspire the nation with an entrepreneurial spirit – one that is inclusive, creates a sense of community, is action-oriented, is mainstream, empowers individuals to be entrepreneurial and think bigger, changes attitudes about risk, and values entrepreneurs as heroes, change makers and nation builders. This brand can provide entrepreneurs across Canada with a platform and a voice that leverages the critical mass of entrepreneurs and their experience to help create the conditions necessary for entrepreneurial success in Canada.

What the "Own the Podium" campaign did to rally Canadians behind their athletes, we can do again to inspire our nation to recognize and celebrate entrepreneurs and innovators as nation builders, so that "entrepreneurial spirit" becomes synonymous with Canada and entrepreneurship becomes the unifying value of Canadian nation building in the 21st century.

Example of what's worked:

Own the Podium – A not-for-profit organization, funded by the Government of Canada, that
prioritizes and determines investment strategies to national sport organizations in an effort deliver
more Olympic and Paralympic medals in Canada.

#### 2.2 - Entrepreneurship for Everyone, Everywhere

In Canada there is often a stigma associated with the word 'entrepreneur'. We need to do more to celebrate entrepreneurship as a mindset, philosophy and a way of acting to combat misconceptions of entrepreneurship being only for the elite few. While not everyone can start a business, entrepreneurship is for everyone to understand and experience.

Global, national and community-wide campaigns have the potential to further elevate awareness, showcase entrepreneurs, and position starting a business as a desirable career option. By publicly showcasing and celebrating Canadians who start businesses later in life, boomer entrepreneurs, aboriginals, newcomers, women, those in the skilled-trades and creative industries, social innovators, and 'intrapreneurs', we can celebrate the diversity of our entrepreneurs and create relatable role models.

Promotion and discussion of entrepreneurship should not take place just within incubators, accelerators, associations, business schools and startup communities. Libraries, schools, community centres,





government offices, careers offices, parks and high-traffic public places can be transformed into hotspots for ideas, innovation, entrepreneurship promotion and learning.

#### Examples of what's working:

- Global Entrepreneurship Week An annual weeklong global celebration of the innovators and job
  creators who launch startups that bring ideas to life, drive economic growth and expand human
  welfare.
- <u>Kingston Entrepreneurship Day</u> The Mayor of Kingston proclaimed September 5, 2012 Kingston Entrepreneurship Day in celebration of the Startup Canada Tour in Kingston.
- Windsor-Essex Scavenger Hunt A city-wide scavenger hunt and social media campaign to introduce the community to 100 local businesses.
- Youlnnovate A national tournament to challenge Canadians to innovate using an every-day item
- Small Business Saturday A day where we celebrate Canadian entrepreneurs by shopping and supporting our small business neighbours.

# 2.3 - Fuelling an Entrepreneurial Culture - Role Models, Media and National Institutions

Love it or hate it, the Dragon's Den television series on CBC has possibly done more to increase public awareness of entrepreneurs than most publicly funded ad campaigns. However, rather than positioning temperamental investors as the face of Canadian entrepreneurship, Canada needs a national entrepreneurship campaign that leverages mainstream media to celebrate and increase awareness of the vital role that entrepreneurs play and positively positions Canada's leading entrepreneurs as national role models.

Role models have inspiring stories to tell of success, failure, effort and personal growth. Role models can be celebrated through television spotlights featuring Canadian entrepreneurs. Special television reality shows can follow the journey of Canadian entrepreneurs and tell their stories. Television and radio talk shows can feature up and coming entrepreneurs. There can be awareness ads at movie theatres and daily entrepreneurial features on the evening news and in newspapers. Televised achievement awards showcasing Canada's top entrepreneurs would go a long way to position Canada's entrepreneurs as leaders and role models.





When mainstream media reports on business, it tends to focus on large financial institutions and large corporations rather than entrepreneurs and startups. Rarely does an entrepreneurial story make the front page. Despite the fact that there are a number of startup and entrepreneurial online and print publications – Techvibes, Sprouter, BetaKit and Profit Magazine to name a few – the entrepreneurship community in Canada tends to talk within itself rather than to the mainstream public. Canada could benefit from an entrepreneurship news network to create news releases and multimedia content to tell the stories and celebrate the successes of Canadian entrepreneurs for use and publication by mainstream media partners. This would make it easy for media to cover stories that inspire the nation and elevate the status of entrepreneurs in society.

Furthermore, Canada's cultural institutions can be encouraged to further promote entrepreneurship as an integral part of Canadan culture. A special exhibit on Canada's pioneering entrepreneurs at museums of history and heritage, a Canadian innovation exhibit at the Canadian Science Museum, a special series of coins produced by the Canadian Mint or stamps produced by Canada Post featuring great Canadian entrepreneurs – such as Guy Laliberté, founder of Cirque du Soleil or Joseph-Armand Bombardier founder of Bombardier Inc. – could showcase entrepreneurs as role models for the nation. Promoting entrepreneurial role models through media and national institutions will increase awareness of entrepreneurship.

#### Examples of what's worked:

- Canadian Heritage Moments Sixty-second, short films illustrating important moments in Canadian history, which have themselves now become part of Canadian culture.
- <u>Clt-Alt-Compete</u> A documentary that takes a revealing look at the startup and emerging business scene through the eyes of five founders and their teams, and tells a story of the passion, fortitude and insanity involved in bringing a startup to life.

#### 2.4 - Leveraging Social Media

Just as the Canadian intercontinental railway system connected Canada from coast to coast, access to broadband internet and social media has widened, deepened and accelerated the proliferation of knowledge, data and networks, and has transformed the way in which we send, receive and digest information. The internet is the great equalizer and connector.





In addition to leveraging mainstream media, igniting and growing a national entrepreneurial culture can be accelerated by using and building online social networks through social media channels. Canada needs a robust social media campaign fuelled by leading Canadian brands and celebrities. From videos, podcasts and entrepreneurial spotlights, to daily inspirational messages and updates on the latest Canadian entrepreneurship news, the innovative, dynamic and appropriate use of social media networks, apps and channels can ensure that a grassroots entrepreneurial movement reaches more Canadians at an unprecedented speed.

# 2.5 - Driving Youth Entrepreneurship

As new markets emerge and the nature of employment evolves, many young people will be entrepreneurs out of necessity. While organizations like the <u>Canadian Youth Business Foundation</u> (CYBF), <u>Shad Valley</u>, <u>Junior Achievement</u>, <u>Next 36</u>, <u>Impact</u> and <u>Enactus</u> work to support youth leadership and entrepreneurship, much more can be done to align efforts; increase mainstream social appeal, awareness and understanding of entrepreneurship; educate parents on the value of cultivating entrepreneurial acumen; and, provide young Canadians with avenues to cultivate entrepreneurial skills and mindsets.

Entrepreneurship needs to be seen as cool and accessible if we are to drive youth entrepreneurship. We need to develop more online and offline games, learning tools, apps, books and stories to teach parents and youth about entrepreneurship and equip them with the skills and networks to start ventures. Canada needs to design an infrastructure that supports the development of young entrepreneurial leaders. Employing incremental projects, milestone achievements and skills-building social activities, as well as providing mentors and a supportive online and offline community can help to facilitate youth entrepreneurship.

To cultivate entrepreneurial awareness and increase the social status of entrepreneurs, local and national public broadcasting stations like TVO and CBC can develop broadcast programming for young Canadians, with young entrepreneurs as leading characters, and develop youth talk shows and programs to showcase and tell the stories of young Canadian entrepreneurs who are making an impact. An online Startup Magazine for children and teens can help to inspire young Canadians with stories from across Canada.

Canada needs to develop a Youth Entrepreneurship Initiative, similar to <u>Shell Live-Wire</u> in other countries, that provides young enterprising Canadians with programs and opportunities to start a company by providing small seed fund grants (\$500-\$1,000), training, conferences, social events, online resources,





mentorship programs, scholarships, fellowships, PR campaigns and information on available opportunities and options for enterprising young Canadians. The initiative could run in partnership with key organizational stakeholders in the youth entrepreneurship community – Junior Achievement, Enactus, Impact, Shad Valley, CYBF, The Next 36, Encounters with Canada, Rotary Club and YMCA Programs. Youth themselves must play a leading role to drive the initiative in creating a peer-led community of young entrepreneurial Canadians.

Furthermore, increasing awareness of, and access to, entrepreneurial internships in startups through the development of work experience programs will provide young Canadians with opportunities to work in fast-paced growing firms, build their knowledge, skills and networks, and cultivate their entrepreneurial mindset. Given the synergies between volunteerism and entrepreneurship, a Canadian Startup Corps – modelled on Volunteer Corps – can be developed to provide young Canadians with entrepreneurial work experience through volunteering within sustainable community micro-business projects in developing countries to cultivate globally-minded and entrepreneurial young Canadians.

Global mobility programs that support young Canadians in accessing global entrepreneurial opportunities – similar to Europe's Erasmus program – have the potential to facilitate global linkages amongst budding entrepreneurs across the world, enabling young entrepreneurs to access global mentors, events, training, opportunities, fellowships, conferences and entrepreneurial work placements.

#### What's working?

- GoVenture Series of educational games and simulations that are experiential, social and gamified.
- CYBF A national organization that provides loans and mentoring to aspiring young entrepreneurs age 18-39.
- Ontario Summer Company Program Provides returning students between 15-29 with a \$3,000 grant, coaching and mentorship to help them to start a business over the summer.
- NACUE UK Youth-led organization supporting the growth of student-led enterprise societies and initiatives to advance youth entrepreneurship across the UK.
- Enternships.com A service providing entrepreneurial work placements by connecting students and graduates to startups.





#### 2.6 - Building Entrepreneurial Campuses

While Canadian colleges and universities have different roles to play in society, they both need to continue to reimagine and reinvent themselves as feeders of the entrepreneurial community, magnets for entrepreneurial talent, and a pipeline for talent back into the community. The challenge, however, is that entrepreneurial engagement is not rewarded, there's a lack of resources for entrepreneurial programs, and cross-campus collaboration is not in the DNA of most institutions.

Entrepreneurship needs to be a campus-wide experience with an understanding that some things cannot be taught traditionally and must be learned by doing. From explicitly citing entrepreneurial values and objectives as institutional policy to cultivating entrepreneurial awareness and culture in employees, faculty and student networks and altering traditional pedagogies to employ experiential learning techniques, building more entrepreneurial colleges and universities requires an overall effort, whereby entrepreneurship is embedded into the governance, roles and institutions, curriculum and programming, extracurricular programming and external relations and liaison.

Competition may help to advance the entrepreneurial ambitions of Canadian campuses. The stakes for developing an entrepreneurial campus can be altered through a standardized maturity model for entrepreneurial higher education institutions to measure and benchmark the state of entrepreneurship within each institution, develop strategies for advancement, measure progress through standardized external audit and evaluations, and comparatively rank the entrepreneurial culture, structures, outputs and activities. In this way, we could alter the incentive structure to match the focus of basic research and learning to industry relevance, innovation and commercialization. Students would be able to make informed decisions as to which university to attend based on national entrepreneurial rankings.

We also need to look at how funding councils and government requirements incentivize higher- and further-education institutions to invest in economy-building initiatives, forge industry and community partnerships to cultivate a seamless flow of industry-ready graduates and innovations with validated market potential, and build a vibrant culture of entrepreneurship and innovation on campus through funding stimulus. These councils can allocate funds to invest in fellowships for scholars to probe more deeply into issues such as high-growth entrepreneurship, building entrepreneurship ecosystems, risk capital in the 21st century and cultivating an entrepreneurial culture to position Canada as a global leader in entrepreneurship scholarship.

Annual entrepreneurial campus ratings in a reputable magazine, certification programs to equip college and university leaders with the knowledge and skills to champion and build entrepreneurial institutions





and global delegation visits to some of world's most entrepreneurial campuses can all go a long way to increase the aspirations of Canadian universities and build more entrepreneurial campuses across Canada.

Canada has many best-in-class programs, initiatives and ground-breaking findings in the areas of entrepreneurship education and policy. The Canadian entrepreneurship research and education community successfully convenes each year for the Canadian Council for Small Business and Entrepreneurship (CCSBE) Conference, which brings together the community to share best practices, approaches and findings and to forge national ties across Canada. However, much more can be done to share, disseminate and promote thought leadership and best practices throughout the wider entrepreneurship support and policy community. Additionally, at a national level, institutions, programs, educators, researchers and champions of entrepreneurship within Canadian education should be recognized for their impact through National Entrepreneurship Education Awards.

#### What's working?

- <u>CCSBE Conference</u> Annual conference wherein educators, academics and practitioners share research and best practices and discuss small business and entrepreneurship.
- <u>Times Higher Education Awards</u> Awards that shortlist and single out those who uphold and exceed the standard of excellence in education outside of research, including awarding the Entrepreneurial University of the Year.
- <u>Campus Enterprise Audits</u> An evaluation to measure and benchmark the level to which higherand further-education institutions are entrepreneurial and foster entrepreneurship.
- National Centre for Entrepreneurship in Education, UK Works to raise the profile of
  entrepreneurship in education across the further- and higher-education sectors, stimulate cultural
  change in institutions, support institutional capacity building and provide university leadership
  training.
- Student Ambassador Program Program provided by the Pond-Deshpande Centre at the
  University of New Brunswick where student ambassadors are empowered to champion peer-led
  entrepreneurial networks and activities and promote a culture of entrepreneurship on campuses
  across the province.





#### 2.7 - Re-Designing K-12

While Canada's K-12 education system is one of the most effective in the world, there is much more that can be done to increase awareness of entrepreneurship as a viable career option and cultivate the entrepreneurial, leadership, creativity and financial literacy skills of young Canadians through experiential learning, bringing students into the entrepreneurial community and bringing the entrepreneurial community into the school.

Successful entrepreneurs lament on how they never fit in in school and often struggled to complete their programs, if they completed them at all. Education in Canada creates risk-averse, obedient students, who think inside the box and colour inside the lines. Entrepreneurs are rebels, risk takers and value creators who see opportunity everywhere. In the education system, children who exhibit these attributes are often classified as 'problem' students. We need to identify these children as early as possible and provide them with mentorship, support and experiential learning opportunities to harness their interests, acumen and energy towards productive creation, and equip them with the knowledge, skills and positive reinforcement they need to succeed.

At the primary level, teaching entrepreneurship through story telling and class projects has proven to be effective. Examples include running the school tuck shop, organizing book fairs and designing and selling school merchandise. Progressively difficult projects and the use of entrepreneurial games like <u>GoVenture</u> can teach students that failing and learning from failure and mistakes is acceptable. School trips to local business incubators, accelerators and local businesses can increase awareness of entrepreneurship and make these spaces more accessible and relatable to young Canadians. Speaking with entrepreneurs about their experiences and tales from the trenches can teach students about the importance of vision, determination, leadership and following their dreams, and how they can embrace entrepreneurship to have a positive impact on their communities and the world.

In addition to providing business and entrepreneurship courses within basic curriculum, educators in STEM (science, technology, engineering and math), technical, business, social science, arts and creative subjects can embed entrepreneurial elements and teaching pedagogies within their courses to help students to understand the commercial and real-life applications of various subject areas. For example, science fairs can present projects that have demonstrable commercial application and art shows can see the students market and sell their own pieces. Progressive schools provide training and support to teachers to employ entrepreneurial teaching techniques in the classroom tailored to different age groups.





Guidance counsellors in schools require support and training to familiarize students with entrepreneurship as a viable career option and to connect interested students to available community resources. High schools can provide co-op and apprentice opportunities for students to shadow entrepreneurs, start a company or engage in entrepreneurial projects for credit. Community bulletin boards in high-traffic areas at schools can celebrate and showcase entrepreneurial students, entrepreneurial opportunities and courses, and entrepreneurial alumni. Startup fairs can see students showcase entrepreneurial projects. There can be school-wide entrepreneurship events and competitions such as a Paper Clip Challenge or Make Your Mark with a Tenner. A section in the library can be equipped with books and information on entrepreneurship, great Canadian entrepreneurs and starting a business. Initiatives like these can all go a long way to unlock the entrepreneurial potential of students.

Creating more entrepreneurial schools needs to be a top-of-mind preoccupation of School Boards across Canada. School Boards can partner with local business-support organizations to connect with the entrepreneurial community. Each school can appoint one staff member as its Entrepreneurial Champion (EC) to drive forward a school-wide entrepreneurial agenda. The ECs of each school within a region can meet regularly to share experiences and new ideas, such as entrepreneurship information sessions for parents and entrepreneurial Olympics between schools in a region. Additionally, each school can be assigned an Entrepreneur in Residence (EiR), a local entrepreneur who volunteers a few hours a week to speak to, mentor and inspire students and staff. Bringing in young entrepreneurs to speak to and work with students can help to create relatable and accessible role models. Indeed, the local enterprise-support community can be called on to support a student-led entrepreneurship club, Junior Achievement activities and student entrepreneurship and innovation awards. School Boards can partner with the business-support community to run regional Youth Entrepreneurship Forums and Conferences to expose students to a diverse range of entrepreneurs, build entrepreneurial skills through experiential opportunities, and connect with mentors.

In Quebec, the US, the UK and Singapore, foundations have begun to create entrepreneurial models for public and private schools focusing on ensuring that students, and in some cases students from disadvantaged backgrounds, are equipped with the knowledge, skills and networks necessary to create meaningful entrepreneurial futures.



#### What's working?

- <u>CEFA Early Learning</u> An early-learning program with an enriched curriculum featuring a unique partnership of core subjects, providing children with the freedom to learn and grow through play.
- <u>l'École d'Entrepreneurship de Beauce</u> A private school dedicated to training the next generation of entrepreneurs with courses taught by entrepreneurs.
- <u>Shad Valley</u> An intensive one-month university-based development program for high-potential secondary school students that seeks to unleash the entrepreneurial and innovative potential of exceptional youth.

#### 2.8 - Summary

Canada needs to rediscover its entrepreneurial roots and embrace entrepreneurship as central to its national culture. By leveraging media, national institutions and social media channels and celebrating and showcasing a diverse range of entrepreneurial role models, it can own the podium for entrepreneurship and show that entrepreneurship is for everyone. Creating a vibrant culture of entrepreneurship requires that we reimagine the role of universities and colleges as feeders of entrepreneurial communities; cultivate entrepreneurial awareness, skills and mind-sets amongst Canadians of all ages and backgrounds; and, build an infrastructure of experiential learning principled on empowerment and giving back. As a nation, we need to celebrate and cheer on our entrepreneurs, because their success advantages us all.

# Bigger & Better Businesses

"We need to produce more high-growth companies by increasing the 4.7% and growing them into commercial clusters. These companies create infrastructure, source and train talent, and procure services that help entrepreneurial players grow. We need to act with urgency. None of these issues are new. We have discussed the same problems and the same solutions for decades, but we are running out of time. The decline in the number of public companies and our inability to replace them with new entrants should be a wake-up call." - Adam Chowaniec, Chairman of Startup Canada, Ottawa Town Hall, Ottawa, ON September 5, 2012





#### 3.1 - One-Stop Shop & Startup Path

At a fundamental level, starting a business, sole proprietorship, non-profit or social enterprise requires much of the same knowledge, skills and understanding. However, Canadian entrepreneurs continue to struggle with navigating the ecosystem and finding the support they need. Canada needs a one-stop shop for enterprise inspiration, support, learning and connectivity – one that is free, online, dynamic, easy-to-use, comprehensive, personalized and user friendly. This online dashboard needs to:

- Provide a meeting place and voice for entrepreneurs;
- Aggregate resources and support available to entrepreneurs based on their location, demographic profile, stage of firm development and industry;
- Connect them to online and in-person networks, communities and associations of relevance to them:
- Inform them of events and opportunities to learn and connect with others in the community;
- Provide them with access to existing learning resources (tutorials, templates, case studies) and live support;
- Support them along the continuum of enterprise growth from start to ramp-up to acceleration;
- Provide a marketplace for entrepreneurs to find co-founders, exchange services and post jobs;
- Feature inspiring articles, multimedia and case studies to encourage Canadian entrepreneurs to think bigger, think globally, be sustainable, and leverage innovation and technology to grow.

While entrepreneurship is messy contact sport, ensuring that the one-stop shop provides an organic, bottom-up and entrepreneur-led solution with an eye to the entrepreneur's user experience can retain the creativity and competition present in the ecosystem. This one-stop shop should be highly social, aim to speed access to support, and become a vital tool in every entrepreneur's toolkit.

With three levels of government registration, licensing and permits to navigate, Canada needs to develop a Business-in-a-Box solution for entrepreneurs to start a business. These resources would enable entrepreneurs to incorporate and register for insurance, licenses and permits, and would walk them through the process. The Business in a Box would provide entrepreneurs with a cost-effective, complete and reliable solution to get started, once again making Canada the easiest place in the world to start up.





A standardized FastTrack program to provide a practical hands-on learning designed to help entrepreneurs hone skills needed to create, manage and grow successful companies would be valuable in both exposing entrepreneurs to communities and supporting the community in identifying high-potential ventures. This program can be certified, delivered in modules online or in person, and can be tailored to particular industries to provide consistent, high-quality training to new entrepreneurs by leveraging local entrepreneurial communities and assets to provide Canadian entrepreneurs with the knowledge, skills and networks to build their companies.

To accelerate Canadian high-growth ventures, we need to create a Canadian Startup Path (CSP) for entrepreneurs to benchmark their own progress. Because a large and healthy crop of early-stage startups is required to produce even one major high-growth company, startups within each community should have access to education, workshops, evaluation, feedback and business development support. Certain startups with high-growth potential could benefit in a greater sense through winning a seat in a 'cohort', as is the case within the BCIC Acceleration Network, to access expert and targeted support.

#### What's Working?

- <u>Kauffman FastTrac Program</u> Practical, hands-on, entrepreneur learning programs designed to help entrepreneurs hone the skills needed to create, manage and grow a successful business.
- <u>Startup Wheel</u> A tool for decision making in startup and growth companies that helps entrepreneurs and advisors get focus, set agendas and take the next step.
- <u>BCIC Acceleration Network</u> A fee-based, structured, venture-development service designed to guide, coach and grow ambitious early-stage technology entrepreneurs in BC.
- MaRS Entrepreneur's Toolkit A central information portal for entrepreneurs in Ontario to access articles, workbooks, workshops and events on topics of interest.

# 3.2 - Mentorship and Entrepreneurship Champions

Entrepreneurs are naturally inclined to help other entrepreneurs. Canada needs to create a culture that encourages mentorship and we need to develop infrastructure and networks that foster mentorship in its many manifestations. From one-to-one, many-to-one, one-to-many, online and in person, entrepreneurs need access to other entrepreneurs who have experience in building and growing successful ventures and who can lend their time and expertise to accelerate the learning and growth of others. Mentorship never ceases to grow in importance. Whether testing an idea, exploring a new market, struggling with





work-life balance or navigating exits, IPOs and M&As, Canadian entrepreneurs who have been successful need to send the ladder down to help others.

Online and virtual platforms on Sprouter and Clarity.fm make accessing entrepreneurial mentors easier for technology entrepreneurs, so building on and leveraging these platforms can help to accelerate the growth of entrepreneurs beyond the technology sector. Furthermore, many enterprise-support organizations across the country provide mentorship opportunities in various forms. For example, the Canadian Youth Business Foundation provides mentorship as part of its loan program for young entrepreneurs between 18 and 39. Nevertheless, entrepreneurs remain unaware of available support.

Much more can be done to champion mentorship as a critical element of any entrepreneurial ecosystem, increase awareness of mentorship programs and opportunities available for Canadian entrepreneurs, and connect mentorship programs together to facilitate sharing of best practices and leveraging of strategic resources to accelerate entrepreneurial development.

A network of Entrepreneurial Champions in Canada composed of a broad spectrum of successful entrepreneurs from various backgrounds, industries and sectors could be developed as a nation-wide program to unleash these entrepreneurial evangelists into communities and institutions across the country in order to inspire Canadians, stimulate entrepreneurialism, and mentor and impart their advice and expertise to new and developing entrepreneurs.

#### What's working?

- <u>Clarity.fm</u> Clarity is an online platform that brokers the giving and receiving of good advice for entrepreneurs.
- Entrepreneurs Forum EF connects new and growing entrepreneurs with strategic advice from advisors in-person.
- Wallace McCain Institute Helps entrepreneurs develop the understanding, tools and relationships needed to grow their business. through creating an environment where entrepreneurs develop a network of like-minded peers.
- <u>CYBF moMENTum</u> Provides young entrepreneurs in the Greater Toronto and Hamilton areas with a mentor for six months.





#### 3.3 - Access to Capital - Beyond the Banks

Canada has much smaller pools of risk capital than the US. We therefore tend to fund our companies at lower levels. As a result, Canadian companies are usually weaker than their competition and often end up getting acquired before they can realize their full potential. Our public companies achieve valuations that are much lower than their peers south of the border. This applies to TSX-listed companies as well as dual-listed Canadian companies. A recent analysis by Byron Capital Markets suggests that this undervaluation is systemic across the tech sector. ICT companies for example are valued at a 23 percent discount in the software sector and a 34 percent discount in the hardware sector.

We need to solve the risk-capital problem, at least in the seed and venture stages. This cannot be done through one-shot government handouts or wishful thinking that the money will come across the border. The problem is systemic, tied to risk aversion, and will take years to change. We need significant new capital on an annual basis. This has to come from the private sector or private individuals and not from government, where risks on this magnitude are not sustainable.

Nevertheless, we can explore a national tax credit to encourage private sector activity, similar to the BC Investment Tax Credit Program that provides 30 percent refundable tax credits for investors. A BC-like tax credit system at the federal level, with provinces matching this, would increase Canada's competitive standing as a place to start up and invest

When it comes to financing, availability of capital is only part of the equation. Entrepreneurs need to have access to learning opportunities to better understand the continuum of startup finance; the differences, benefits and disadvantages of debt and equity finance; lean principles and the virtues of bootstrapping and 'having skin in the game'; and, the importance of real clients, users and customers. Additionally, given the emergent renaissance of angel investment in Canada, programs need to be developed to not only train angel investors, but also to create a nationally connected and scalable model for angel networks nationwide. Money needs people with the skills to deploy it. It will take time to build this ecosystem.

In addition to increasing the availability of both seed funding and real venture capital, Canada needs to explore new funding models and investment incentives because traditional financing mechanisms are no longer relevant or are no longer responsive to the changing nature and culture of Canadian startups. Notably, facilitating Canadian crowdfunding platforms, and exploring any securities regulations that might inhibit the development of healthy crowd funding culture, could empower Canadian entrepreneurs to find





new ways of raising seed-stage capital and engage more Canadians in entrepreneurial ventures in the process.

What's working?

- BC Investment Tax Credit Program Provides a 30% refundable tax credit for investors who
  invest in eligible businesses to a maximum annual tax credit of \$60,000 per investor.
- <u>Kickstarter</u> A funding platform for creative projects.
- <u>Kauffman Fellowship Program</u> A highly sought-after, two-year program dedicated exclusively to the world of venture capital investment in new technology, high-growth and high-impact companies.

#### 3.4 - Leveraging Critical Mass

Unlike large firms that can exploit scale to reduce costs, entrepreneurs and small businesses pay premium prices for everything from employee health insurance to office supplies. By leveraging the critical mass of entrepreneurs and small businesses in Canada, national organizations can work in partnership with larger providers to secure discounted rates, incentives and insurance offers for entrepreneurs and small businesses.

#### 3.5 - Networking Events & Online Communities

Being an entrepreneur can be a lonely experience for many. The best thing that we can do to support an entrepreneur is to put them in the same room with other entrepreneurs.

Providing opportunities for entrepreneurs to connect with and learn from each other, investors, potential partners, clients and mentors helps to create a dynamic and reinforcing community where entrepreneurship is accepted and expected. Continuing to grow and support events such as the C100, the International Startup Festival, the GROW Conference, networking events, Startup Drinks events, Startup Weekends, Lean Startup workshops and entrepreneurial mixers of all sorts will help to ignite and fuel entrepreneurial communities across Canada.

Although the majority of the Canadian population lives in large urban centres, less-populated cities and rural Canada are full of entrepreneurs looking to connect with other like-minded Canadians and build their networks to grow their ventures. The Internet is the great equalizer. The one-stop shop can be used to





connect entrepreneurs from across Canada to each other, creating online social communities that are safe, supportive and tied concretely into real-life communities.

What's working?

- <u>Startup Weekend</u> 54-hour events where developers, designers, marketers, product managers and startup enthusiasts come together to share ideas, form teams, build products and launch startups.
- <u>International Startup Festival</u> An event about the business of startups that includes startup and experienced entrepreneurs delivering rich content.
- <u>Startup Drinks</u> Monthly freestyle networking events hosted in pubs and bars by startup community instigators.

#### 3.6 - Access to Human Capital

Recruitment, retention and succession are top of mind for many Canadian entrepreneurs. There is significant migration from the Atlantic and other regions to the booming economy of the West, which, despite the influx of workers, cannot accept newcomers fast enough to keep up with demand. Different regions in Canada are confronting complex push-and-pull dynamics that make recruitment and retention increasingly challenging. Added to this is Canadian emigration globally, which sees, for example, 350,000 Canadians living in Silicon Valley. National, provincial and local apprentice programs that bring together college and university partners, succession programs and skilled-immigrant programs may all contribute to fostering local connectivity and the recruitment and retention of skilled employees.

Through startup recruitment fairs and greater exposure to entrepreneurship as part of their campus experience, young Canadians will come to view joining a startup as a desirable career path, one that will accelerate their personal and professional growth and impact. Platforms like <a href="Enternships.com">Enternships.com</a> (available in Europe), which connect individuals to entrepreneurial work experience, would enhance entrepreneur's access to talent and enable talent to access entrepreneurial opportunities.

Further, the development of a private-sector-aligned Startup Visa Program will make Canada an attractive destination for global entrepreneurial talent. Accelerator programs that fund and support high-growth global ventures to relocate to Canada can be explored as they have met with success in the UK, Chile, the US and other countries, and could be considered in Canada.





Canada's untapped advantage is our newcomers. In order to engage newcomers in the Canadian entrepreneurial economy, we need to provide them with immediate access to education through soft-landings programs, language training and education on starting a business in Canada. Many newcomers inherently exhibit entrepreneurial traits. We need to support them in engaging with cultural associations, and provide them with mentors and free trial memberships to Chambers of Commerce to connect with the local business community. We also need to work together to transfer newcomer credentials so that they can hit the ground running in Canada.

#### What's working?

- <u>Startup Chile</u> A program of the Chilean Government to attract world-class early-stage entrepreneurs to start their businesses in that country.
- Startup Career Milkrounds Evening and afternoon events bringing local companies together
  with students who share their passion for startups and small business aimed to assist startups
  looking for fresh talent.
- <u>S.U.C.C.E.S.S</u> A BC-based multicultural, multi-service social enterprise assisting people at all stages of their Canadian experience.

#### 3.7 - Strengthening Global Networks – Preparedness and Travel

For Canadian firms to grow, they must not only think globally from the onset, they must also be prepared to do business globally. However, most first-time entrepreneurs do not know how to research foreign markets and prepare market-relevant marketing materials to demonstrate their value-added. Small companies struggle in accessing global markets due to challenges around cultural awareness and navigating new business environments. We need to ensure that when Canadian entrepreneurs travel, they are educated, equipped and prepared.

Building and leveraging global markets and supply chains often requires travelling to client sites, trade shows and investment meetings. Canada needs to develop an easy-to-access Mobility Program that provides funding for young firms with high-growth potential to benefit from opportunities that require global travel. For those firms that decide to do business in a new country, Canadian Trade offices across the world can be accessed to accelerate their knowledge and networks as they begin to operate in new markets. Such services facilitate connectivity with local investors, entrepreneurs and enterprise support organizations, while providing an understanding cultural nuances and customs.



#### What's working?

- 48-Hours in the Valley Twice a year, C100 invites 20 of Canada's most promising startups to the Silicon Valley for two days of mentorship, workshops, investor meetings, strategic partner visits and networking.
- <u>Trade Commissioner Services</u> TSC provides entrepreneurs with on-the-ground intelligence and practical advice on foreign markets to support better, more timely and cost-effective decisions.
   Much more can be done to ensure that more entrepreneurs know about these services.

#### 3.8 - Innovation, Commercialization & Red Tape Reduction

Overall, entrepreneurs view the Canadian Innovation Commercialization Program (CICP), a small business procurement program for innovative products and services, and the Industrial Research Assistance Program (IRAP) to be effective and useful government programs supporting innovative firms. These programs should continue to grow to help stimulate innovative companies, advance industry-campus relations, and increase private-sector investment in R&D. Much more attention needs to be paid to accelerating the commercialization of innovations coming out of universities and making university innovations available for private utilization through programs to train commercialization staff, by creating incentives for university leadership to invest in entrepreneurship, innovation and commercialization, and by creating standards, benchmarks and targets against which institutions will be evaluated. Furthermore, entrepreneurs support targeted efforts to reduce unnecessary red tape, administrative burdens and response-time issues with regards to government services, reporting, regulations and taxation.

#### What's working?

- NRC-IRAP Canada's premiere innovation assistance program for small- and medium-sized enterprises.
- <u>CICP</u> Helps companies bridge the pre-commercialization gap for their innovative goods and services by awarding contracts to entrepreneurs with pre-commercial innovations.
- <u>CFIB Red Tape Report Card</u> The Canadian Federation of Independent Business evaluates the progress of federal and provincial governments on regulatory reform on behalf of Canadian business.





#### 3.9 - Spaces and Places

Co-working spaces, MakerSpaces, CreativeSpaces and Hubs, community innovation spaces targeted at diverse segments of entrepreneurs, are popping up across Canada and providing flexible community workspaces and facilities for entrepreneurs and startups. Every community in Canada should have at least one co-working space, an entrepreneur-run "home" for the local entrepreneurial community to congregate and collaborate. Training programs to support communities and entrepreneurs in creating co-working spaces will help to accelerate the development, sustainability and success of these relatively new communities.

Staff at incubators and co-working spaces require training to make their programming more responsive to the changing nature and culture of startups. These spaces need to evolve beyond bricks-and-mortar, to cultivate a community atmosphere through the provision of services, resources, mentors, training and virtual environments and by investing in promoting, celebrating and creating a community around their clients.

Accelerators supporting and fuelling high-growth ventures have become attractive hotspots for Canadian entrepreneurs looking to make it big. Examples include <u>Launch36</u> (Moncton), <u>FounderFuel</u> (Montreal), <u>Extreme Startups</u> (Toronto), <u>Hyperdrive</u> (Waterloo), and <u>GrowLab</u> (Vancouver).

With many downtown centres across Canada undergoing urban renewal, municipalities across Canada can forge together to create a Pop-Up Canada Campaign, assigning vacant storefronts as pop-up shops for use by local entrepreneurs to sell their products for short periods. Indeed, local businesses, corporate and public offices that have unused office space can open up their space for local entrepreneurs to work within, helping to fuel a community that is supportive of entrepreneurial undertakings.

Lastly, in many communities, enterprise-support associations, Chambers of Commerce, investor offices, and government business-support and crown corporation offices such as BDC and EDC are dispersed throughout the city and are not centrally located. Where possible, one-stop locations for enterprise support within a city would provide entrepreneurs with easier access to the support that they need without travelling from place to place. In addition to providing easier access, co-location is often cost effective and creates more opportunities for collaboration and alignment.



#### What's working?

- AssentWorks (Winnipeg, MN) A non-profit prototyping facility and makerspace that provides a
  community, equipment and space that supports the creative process as well as personal and
  business growth.
- <u>Launch Academy</u> (Vancouver, BC) A pre-accelerator work space helping entrepreneurs to start and grow.
- <u>Hub Halifax</u> (Halifax, NS) A professional member community where individuals have the space, resources and peer support to co-work, kick start, collaborate and grow.
- FounderFuel (Montreal, QC) A mentor-driven accelerator program that provides seed capital and access to veteran entrepreneurs, angel investors, venture capitalists and senior executives. Teams receive \$20k \$25k and are eligible for \$150k more on Demo Day.
- Markham Convergence Centre (Markham, ON) Supports entrepreneurs by bringing valuable resources, networking and events together under one roof. It is a hub for entrepreneurs in York Region, designed to provide a single place to access support and resources.
- MaRS Centre (Toronto, ON) A central hub with lab facilities, offices, event venues, meeting
  places, business-support organizations and industry partners. It is home to startups, mid-sized
  companies, multi-nationals, investors, researchers and community developers.

#### 3.10 - Social Entrepreneurship & Innovation

It is not enough to strive to just create bigger companies; we also need to work towards creating better companies that seek to solve real-world challenges and create social and environmental impact through their business practices and innovations. Committing to do no harm and to exercise corporate social responsibility are foundational principals to many Canadian entrepreneurs.

As the social innovation and entrepreneurship sector in Canada continues to grow with the proliferation of new academic programs, social incubator hubs and awareness campaigns, social entrepreneurship policy in Canada must keep pace. In addition to increasing service provisions for social businesses and sustainable non-profits that do not neatly fit within current programmatic confines for government training and support, we need to enhance the provision of social entrepreneurship education, awareness, financing mechanisms and workspaces. We must also do much more to connect the social enterprise community with entrepreneurs in different industries and sectors to facilitate collaboration and the transference of experience and knowledge.





What's working?

Centre for Social Innovation (Toronto, ON) – A social enterprise with a mission to catalyze social
innovation in Toronto and around the world through incubating emerging enterprises and
developing new models and methods to advance social innovation.

#### 3.11 - Summary

While there is a great deal of support available for Canadian entrepreneurs, if we are to support our entrepreneurs in building bigger, better businesses, faster, then we need to better connect entrepreneurs with the support, networks, mentors and infrastructure available and help them to navigate the system through the creation of a one-stop shop and Canadian Startup Path. In doing so, we will be better able to identify high-potential young firms, and equip them with the support, mentors, infrastructure and resources needed to harness the opportunity, whilst identifying gaps and redundancies in community-support to create a healthy entrepreneurial ecosystem with a vibrant entrepreneurial culture.

#### Communities & Networks

"Entrepreneurs should be in the drivers seat and the rest of us need to get out of their way and understand that our role is to feed their success – because when they succeed, we all succeed. We need to develop vibrant entrepreneurial communities and a connected and collaborative national ecosystem to accelerate Canadian entrepreneurship." - Harley Finkelstein, CPO at Shopify, at the Startup Canada Launch, Ottawa, ON May 2, 2012.

### 4.1 - Creating a Unified, Collaborative Network

The Canadian enterprise support community is fragmented, although the degree of fragmentation varies significantly from province to province.

We need to aggregate and consolidate all the support tools, programs and services provided to entrepreneurs, and allow entrepreneurs input into rating the support available to ensure the best value for money. The Canadian enterprise-support community needs to work together to share best practices so that we can ensure that our programs are learning from successes and improving uniformly.





Where possible, programs can be combined and funding streams can be aligned around particular firms or entrepreneurs once they have been deemed to be worthy of support. While programs may be managed by different departments, we need to create one unified and standardized approach to engagement, decision making and performance measurement, and we need to encourage collaboration by providing funds in support of collaboration, best-practice sharing and aligned efforts. Everyone in the ecosystem needs to commit to connecting, communicating and collaborating to better serve Canadian entrepreneurs and feed a vibrant entrepreneurial network.

What's working?

Ontario Network of Excellence (Ontario) – A collaborative network of organizations across
 Ontario designed to support the commercialization of ideas.

# 4.2 - Government Engagement, Vision and Coordination

Entrepreneurship policy is housed across many departments. Coordination from the government through a properly resourced locus that can organize an overall strategy will be necessary to foster collaboration, understanding and education. Indeed, policy direction will be essential in encouraging change, and we need to begin to measure performance now, so that advocacy for change is based on facts.

An entrepreneurial culture needs to be cultivated from the grassroots – from the entrepreneur and citizen level – to really take momentum. Paired with high-level government vision, coordination and a strong commitment to work in partnership with those driving changes at the grassroots, consensus can be reached and all parties can move forward together to accelerate innovation and entrepreneurship.

Entrepreneurs have called for government to play the role of organizing the best environment possible for people to live productive lives and build businesses that create necessary and enjoyable products and services. Entrepreneurs see government's fundamental role as a shaper of a healthy environment that fosters and speeds innovation, enabling new industries and markets to emerge. This requires government to employ an entrepreneurial lens to policymaking, an entrepreneurial approach to its operations, and a collaborative effort through cross-party and cross-departmental efforts.





#### 4.3 - National Capacity Building

Furthermore, much more support needs to be provided at a national level to key national associations – such as the <u>Canadian Association of Business Incubators</u> and the <u>Association of University Research Parks Canada</u> – that have the potential to be powerful instruments of change, as they are in other countries. The crux of the matter is that these national organizations are run by volunteers and do not have any institutional capacity to engage in advocacy efforts, run innovative programming and push the bar on thought leadership, best practices and collaborative projects. We need to invest in core institutional funding for key national nodes in the Canadian entrepreneurship landscape to provide them with the necessary capacity to advance a more entrepreneurial Canada.

Whilst investing in strengthening some of the key national drivers of our Canadian entrepreneurship agenda, we must mandate increased collaboration and alignment amongst them to create a more holistic, aligned and interdependent community.

We need to incentivize and strengthen private, public and industry sector collaboration and partnership, nurture and strengthen both national and local innovation and entrepreneurship clusters, and align as much as possible to create a well-functioning national entrepreneurship and innovation ecosystem.

#### 4.4 - Creating Vibrant Startup Communities

While we need to strengthen our national entrepreneurship infrastructure, healthy and vibrant entrepreneurial communities at a local level are the heart of inspiring, supporting and accelerating the growth of startups.

At the community level, we need to invest in entrepreneurial leaders who act as connecting agents between the enterprise support actors and entrepreneurs; particularly outside of Canada's major city centres. These entrepreneurial champions tend to have excellent rapports with the enterprise-support community and if empowered to, can convene community enterprise meetings to facilitate the development of network activities and exchanges that promote dialogue, learning and partnering. They can ensure that key community activities – such as entrepreneur mixers, boot camps, Startup Weekends, Startup Digest and Demo Camps – are in place. They can evaluate overlap, gaps and the overall quality of the entrepreneur support infrastructure, tie the local community into the national infrastructure, and connect entrepreneurs with relevant support. Indeed, these catalysts create the foundations for healthy startup communities.





Canada needs to connect and empower community champions with the tools, resources and networks to drive grassroots transformation and fuel vibrant entrepreneurial communities from the ground up in partnership with institutional and community actors.

We also need to broaden the traditional understanding of startup communities beyond the tech sector to include social entrepreneurship, biotech, the creative industries and others. These startup communities exist side by side yet rarely interact with one another. A vibrant entrepreneurial community is one that is open, inclusive and always ready to collaborate.

Bringing together the startup community through Community Enterprise Partnerships (CEPs) in regular, organized and collaborative forums that include higher- and further-education institutions, larger public companies, investors and other feeders of the community would further serve to strengthen the community's connectivity and support for entrepreneurs.

#### What's working?

- Startup Edmonton (Edmonton, AB) Startup Edmonton kick starts and activates local startups through education, workspaces and accelerator programs, bringing together the startup and startup support community.
- Communitech Hub (Kitchener, ON) Supports technology companies to start, grow and succeed and in doing so, connects with the wider K-W ecosystem.
- Acccelerate Tectoria (Victoria, BC) Provides access to the Victoria, BC and Cascadia startup ecosystem and provides a structure venture development services and space to support high-growth early-stage startups.

#### 4.5 - Thought leadership / Data Collection

Canada needs to develop a unified research base on Canadian entrepreneurship to inform policy makers and program managers and to improve the effectiveness of programs, policies and services for entrepreneurs. Part of this effort must be to contribute to the Global Entrepreneurship Monitor (GEM) and to assign the GEM administration to a consortium of university entrepreneurship centres from each Canadian province. The GEM itself can be leveraged not just to collect data, but also as a nation-building and community-building exercise, creating centres of knowledge and excellence in entrepreneurship across the country.





With dozens of annual conferences, reports and white papers issued, Canada needs an aggregator of thought leadership, findings and best practices to disseminate findings nationwide to those leading on policy, programs and services on the ground through a quarterly or annual 'Thought book', blog or online community.

#### 4.6 - Foundational Leadership / Advocacy

Lastly, Canada needs a third-sector philanthropic foundation, similar to the Kauffman Foundation in the United States, endowed by one or more successful entrepreneurs. This foundation would invest in the entrepreneurial knowledge base and infrastructure and would be mandated to drive forward Canadian entrepreneurship by providing strategic investments toward research, programs, infrastructure and advocacy as a strong, independent national voice for Canadian entrepreneurs. Successful Canadian entrepreneurs across Canada, the Canadian private sector and individual Canadians need to rally resources together to create a self-sustaining foundation to invest in the future of Canadian entrepreneurship.

#### 4.7 - Summary

We need to fuel Canadian entrepreneurship from the bottom up by supporting the development of vibrant entrepreneurial communities that are led by entrepreneurs and entrepreneurial Startup Community Champions and bound through Community Enterprise Partnerships and grassroots network events and activities. These Startup Communities can form the basis of a national entrepreneurship network supported through a virtual one-stop shop.

To strengthen the impact of this grassroots entrepreneurial landscape, we need to invest in increasing the capacity and voice of key national institutions, consolidate and streamline support where possible, mandate communication, collaboration and coordination when issuing funding allocations, and ensure that top-down government entrepreneurship efforts are working with those driving real change on the ground.

To build a truly entrepreneurial Canada, we call on all entrepreneurs nation wide to be part of the solution and give back. The time is now to step up to start up Canada.





#### Final Words

"Heroic acts sometimes begin in heated debate and the road there is never easy. And although a team of dedicated people will come forward to help and support, there is always an emotional centre, a rock. Such cases are seen in people like Elizabeth Cromwell of Birchtown and the Black Loyalist Heritage Society. We are seeing this now with Startup Canada and the movement it has generated. This vision has never been more urgent, more innovative, and more forward looking than it is right now." - Rustum Southwell, Founding CEO of Black Business Initiative, Halifax, NS, March 19, 2012.

Canadian entrepreneurs believe that Canada needs to come together with a common vision and strategy – a new understanding between individuals, businesses, education and government – whereby we are all playing by the same playbook and Canadian entrepreneurs are empowered to climb into the driver's seat.

As a vast, diverse and highly fragmented country, we are united in our desire to safeguard our quality of life, create healthy and sustainable communities, and secure our prosperity.

To start up Canada, we need to not only to shift our culture to one where entrepreneurship is celebrated and supported, but we must also create a national network based on grassroots communities, led by entrepreneurs themselves, to form the groundwork for an intensely connected and collaborative social network. Much of what we need – mentorship, networking, new learning, capital, people, markets and suppliers – comes from this network. This is particularly critical outside of Canada's major cities.

We do not need to start from scratch. We have excellent best practices, a community of champions and catalysts and national, provincial and local partners that can constitute this network. This network should be based on shared values and leverage what already exists. It should work as a connector, enabler and communicator, always accountable and adapting to the needs and priorities of Canadian entrepreneurs.

This summary of the thousands of conversations coming out of a six-month national Tour provides a menu of observations and ideas. As the largest and most extensive entrepreneurial consultation in Canadian history, the magnitude of this effort cannot be dismissed and action is imperative.

It is daunting, it is messy, and we might not know how we are going to get there. This is the nature of entrepreneurship. We just need to start with a single step. It will require unrelenting effort, patience, persistence and all of us pulling together in the same direction. But for Canadian entrepreneurs, no challenge is too big.





Welcome to the next era of Canadian nation building.

Welcome to Startup Canada, where it's good to dream big.

# **Our Way Forward**

#### **COMMUNITIES, CONNECTIVITY & CULTURE**

Taking its cue from the tens of thousands of entrepreneurs who made their voices heard on the Startup Canada National Tour from May to September 2012, and as a national grassroots, entrepreneur-led network, Startup Canada is well positioned to:

- Connect and support the development of vibrant startup communities;
- Promote a strong entrepreneurial culture; and,
- Provide entrepreneurs with a platform and a voice to help create the conditions necessary for entrepreneurial success in Canada.

Startup Canada's action plan comprises three national initiatives that will be financed through sponsorship dollars and crowd-funding campaigns:

- 1. Startup Canada Connect
- 2. Startup Canada Communities
- Startup Canada Campaign

#### Startup Canada Connect

A highly social online meeting place for Canadian entrepreneurs to connect with support, resources, opportunities, associations, communities, events, mentors, learning and inspiration, helping entrepreneurs to plug into the national network and take their startup to the next level. Startup Canada Connect will be free, dynamic, comprehensive, personalized, underpinned by living startup communities on the ground and built by entrepreneurs for entrepreneurs.





# Startup Canada Communities

Startup Canada will develop a national network based on local Startup Communities led by local Community Champions – entrepreneurs – to form the foundation of an intensely connected and collaborative social network. Entrepreneurs will be able to plug into the network and access local events, mentors and support to accelerate their growth. Piloting initially in 10 communities across Canada capable of showing early tangible results and becoming models for similar communities, Startup Canada will connect and empower Community Champions to bring together local startup community stakeholders and catalyze critical events that will fuel vibrant Startup Communities.

# Startup Canada Campaign

Leveraging mainstream media, social media and key national institutions, Startup Canada will become Canada's entrepreneurship exchange, celebrating and telling the stories of Canadian entrepreneurs to increase awareness of the vital role that entrepreneurs play and positively positioning Canada's leading entrepreneurs as national role models.

Startup Canada will build on its grassroots entrepreneurial agenda to create a stronger, more competitive and more prosperous Canada through:

- Facilitating a national network of strong startup communities;
- Connecting entrepreneurs into these communities to accelerate their growth; and,
- Celebrating and promoting entrepreneurship as something to aspire to and key to Canada's prosperity.

As a volunteer-run organization, Startup Canada's Way Forward will require us pulling together in the same direction. <u>Take action today</u> by supporting the Startup Canada movement.

# **Testimonials**

"As the Kauffman foundation recently re-affirmed, small businesses and startups are the most direct and effective vehicle for job growth and economic stimulation in the world. As such, as entrepreneurs (and proud Canadians) it behooves us to unite as a community to inspire and support our local startups





through mentorship, funding, and constant encouragement. Startup Canada is the catalyst for this movement, and their work will undoubtedly result in Canada truly becoming a 'startup nation'." – Harley Finkelstein, CPO Shopify, Ottawa, ON

"At Ernst & Young, we're big believers in the power of entrepreneurs. Because when they succeed, we all reap the rewards. That's why we celebrate their achievements, and why we're so proud to support Startup Canada's work to empower entrepreneurs." – Colleen McMorrow, Entrepreneurial Services Leader, Ernst & Young LLP, Toronto, ON

"Entrepreneurs are critical drivers of Canada's future prosperity. Startup Canada's engagement and celebration of entrepreneurs over the past year has highlighted the incredible momentum and capacity of this movement across the country. The work ahead is to build a new generation of Canadian businesses that can scale and succeed in increasingly competitive global markets. This needs a national team effort!" – Ilse Treurnicht, CEO of MaRS, Toronto, ON

"There are many bright, innovative business people in Canada who just need a bit of help with resources and guidance to get their ideas off the ground. But the biggest thing we need to do as a country is to inspire and encourage innovation. That's why I am delighted to lend my support to Startup Canada as it celebrates and fosters a renewed spirit of entrepreneurship across the country." – W. Brett Wilson, C.M. Host of RiskyBusinessTV, Dragon, Entrepreneur & Philanthropist, Calgary, AB

There are many bright, innovative business people in Canada who just need a bit of help with resources and guidance to get their ideas off the ground. But the biggest thing we need to do as a country is to inspire and encourage innovation. That's why I am delighted to lend my support to Startup Canada as it celebrates and fosters a renewed spirit of entrepreneurship across the country. "Startup Canada links Canadian entrepreneurs in a way never before undertaken, the impact it has had on our local community has been immediate and hugely successful in connecting our community together and helping us reach out to fellow Canadian entrepreneurs to better our businesses and personal opportunities." — Michael Legary, Founder and CEO of Securris Inc., Winnipeg, MN

"Through Startup Canada ventureLAB has found a voice and community for connecting York Region's brightest entrepreneurial minds together with the rest of our nation. Entrepreneurs are the life blood of the Canadian economy and ventureLAB is proud to connect its vibrant startup community and growing ecosystem to the StartUp Canada national community, a vital part of the overall equation to help elevate Canada's best on the world's stage." — Jeremy Laurin, President & CEO, ventureLAB, Markham, ON





"No one changes the world more than entrepreneurs. Not doctors, lawyers, or even politicians. For Canada to be a leader on the world stage, we need to show leadership in building a strong entrepreneurial spirit within our communities across the country. That's why initiatives like Startup Canada are so important. Along with Startup Canada, I'd like to challenge the entrepreneurial leaders of our country to help mentor our young entrepreneurs to be among the worlds best." – Gary Zeigler, Founder of eThor, Calgary, AB

"Here in Alberta, our communities are among the most bustling economies in the country. Now, we can ride the wave, or use this wealth and good fortune to invest in a new generation of high-growth businesses who'll diversify our economic growth and create jobs. Entrepreneur-led, entrepreneur-driven initiatives like Startup Canada are all around investing in home grown entrepreneurs who'll keep pushing the bar as the world shifts to a knowledge-based economy where the renewable resource is creativity and innovation." – Ken Bautista, Founder of Startup Edmonton, AB

"In order to ensure that entrepreneurial opportunities are widely accessible to the broadest number of people, and from a breadth of interests & communities, an innovative national organization like StartUp Canada can help level the playing field by providing relevant and current real information, building constructive support networks and connecting entrepreneurs needs with solutions." – Katrina Caroll Foster, Co-Founder of Hoseanna, Vancouver, BC

"When the Startup Canada team came in the spring, the entrepreneurs, who normally work alone, came together and saw that a network was possible and essential. Those in government who are responsible for development also came together and saw the same thing. Programs aimed at the traditional approach are not effective. We need to formalize the bodies that met during Startup Canada's visit to create a place where young people can find a future and where PEI can build the economy that it needs to survive."—Rob Paterson, Co-Founder of the Queen St. Commons, Charlottetown, PE

"In Quebec we have everything we need to support the next generation of entrepreneurs; we have non-profit organizations that offer valuable support to new business owners with seminars and grants, municipal and provincial government programs or services that encourage local development, we have incubators, accelerators, mentors and educators. StartUp Canada will be a unifying force in the province, helping to build a stronger community of business leaders working together to drive forward a new Quebec Inc." – Noah Redler, Founder of PubliKit, Montreal, QC

"Heroic acts sometimes begin in heated debate and the road there is never easy. And although a team of dedicated people will come forward to help and support, there is always an emotional centre, a rock. Such



Startup Canada 56 Sparks Street, Suite 300 Ottawa, Ontario K1P 5A9 Canada

> 1-844-START-01 1-613-627-0787 hello@startupcan.ca www.startupcan.ca

cases are seen in people like Elizabeth Cromwell of Birchtown and the Black Loyalist Heritage Society. We are seeing this now with Startup Canada and the movement it has generated. This vision has never been more urgent, more innovative, and more forward looking than it is right now." – Rustum Southwell, Founding CEO of Black Business Initiative, Halifax, NS