



# Service Plan Update

2005/06 to 2007/08      September 2005

Developing  
Innovation in  
British Columbia





## TABLE OF CONTENTS

---

Message From the Chair to the Minister Responsible .....	2
Organizational Overview .....	4
Goal 1: Effective & Accountable Administration of Science and Innovation Initiatives Funding .....	5
Goal 2: Comprehensive Programs & Initiatives to Develop the Economic Potential of the Research and Innovation Sector in BC .....	6
Goal 3: A Strong Foundation & Organizational Structure .....	9
Alignment with Government's Goals .....	10
Financial Resources Summary .....	11
Board and Management.....	12



## MESSAGE FROM THE CHAIR TO THE MINISTER RESPONSIBLE

---

The BC Innovation Council plays a critical role in developing the economic potential of British Columbia through innovation and technology commercialization by providing a one-stop point of access and support to companies, educational institutions, technology industry awareness groups, federal science and technology agencies and university research labs.

Formally launched in October of 2004, the Council is the result of a merger between two prominent technology organizations in the province: the Innovation and Science Council of BC and the Advanced Systems Institute of BC. The Board's position is that "status-quo" is not an option. It is currently finalizing a systematic growth strategy that will enable the Province to achieve its vision of British Columbia becoming one of the world's top-ten technology centres.

This strategy involves a comprehensive system of initiatives directed at improving the growth of commercialization of BC-based technologies developed at private and public research and development facilities. As a foundation to this overall strategy, the board recognizes that it is the people throughout the entire province who will drive this goal. They include our students who will benefit from the encouragement of pursuing science and innovation-based careers in the technical and business fields; our scientists and researchers who are internationally renowned for their expertise; our technology entrepreneurs who will create and develop the next generation of knowledge-based companies; and the many others who develop and implement innovative know-how into our daily lives each day. These are the faces of innovation whom we support and encourage.

Our new organization is presenting this Updated Service Plan to emphasize the importance of a strong governance, leadership and operational structure for the Council. New activities aligning with our reshaped vision and mandate require development and improvement, as do the administrative structures for taking over funds from the Province to assist eligible organizations support the Council's mandate. All these matters will be reviewed thoroughly in the near future.

I look forward to identifying new opportunities to complement our strategic plan as we begin to work alongside the Minister of Advanced Education and Minister Responsible for Research and Technology, the Honourable Murray Coell. In addition, I extend my appreciation to the Honourable John Les and to the Ministry of Small Business and Economic Development for their past support. Finally, I extend my appreciation to whom we work with: British Columbia's supportive technology community as well as our many tireless volunteers. They have joined us in recognizing the economic potential of expanding research and innovation in the province.

As we embark on a new and exciting phase of growth, we look to the future and set our sights on establishing British Columbia's position in the world's innovation-based economy.

The 2005/06 to 2007/08 BC Innovation Council Updated Service Plan was prepared under my direction in accordance with the Budget Transparency and Accountability Act. I am accountable for the contents of the plan, including the selection of performance measures and targets. The plan is consistent with government's strategic priorities and overall Strategic Plan. All significant assumptions, policy decisions, and identified risks, as of August, 2005 have been considered in preparing the plan. I am accountable for ensuring the BC Innovation Council achieves its specific objectives identified in the plan and for measuring and reporting actual performance.



Hector MacKay-Dunn, QC  
Incoming Chair, BC Innovation Council



## ORGANIZATIONAL OVERVIEW

---

The BC Innovation Council (“Council”) is a new Crown agency of the Province of British Columbia, publicly launched in October of 2004, as a result of a merger between two prominent technology organizations; the Innovation and Science Council of BC and the Advanced Systems Institute of BC. As a Crown agency, the Council will operate under a future amendment of the Innovation and Science Council Act and report directly to the Minister of Advanced Education and Minister Responsible for Research and Technology.

The Council’s overarching vision is to be the province’s lead organization that supports applied research and commercialization of science and technology to foster province-wide economic development. It serves as a one-stop point of access and support to companies, educational institutions, technology industry and awareness groups, federal science and technology agencies, and university research labs.

The Council’s mandate is to:

1. Accelerate commercialization programs for early stage and rapid growth companies to expedite the introduction of world-class technology based products to international markets;
2. Capitalize and expand technology transfer by getting research results with clear economic potential out of the university laboratory and research institutions and into the commercialization process as quickly and efficiently as possible;
3. Partner in the development and promotion of a province-wide strategy for science, innovation and technology development; and
4. Build public awareness for science and technology to recognize high achievement of the province’s researchers, scientists and technology entrepreneurs and encourage the province’s youth to consider pursuing research and technology-related careers.

Located in downtown Vancouver at the Leading Edge Technology Centre, the Council works cooperatively and collaboratively with complementary organizations for the benefit of the research and innovation sector in BC. The Council is an enabling agency, which brings together people, ideas and resources all along the innovation pipeline.

With the recent launch of the Council and current search for its first CEO, many of its new initiatives and activities will be determined in the near future as the Council completes its transition plan. The Council’s first full-year of operations will yield a more concrete set of measurements and targets as the organization’s specific activities are defined.



## GOAL 1: EFFECTIVE & ACCOUNTABLE ADMINISTRATION OF SCIENCE AND INNOVATION INITIATIVES FUNDING

A chief tool for the organization to achieve its mandate is the transfer of science and technology money from the Province beginning in fiscal year 2005/06. This money is intended to support eligible organizations that will effectively contribute toward achieving the vision of the Council. The disbursement of this funding is outlined as a separate initiative from the Council's regular program activities described in Goal 2 to emphasize the importance of developing a strong network of organizations external to the Council that specialize in focussed regions, activities and initiatives throughout the province.

### Objective:

Develop and implement science and innovation initiatives funding for eligible organizations that together will provide a network of support throughout the province to the innovation sector.

Measure	Base: 2004/2005	2005/2006	2006/2007	2007/2008
Percentage of recipients achieving the Council's objectives.	N/A	N/A*	Establish baseline	Target percentage increase of fund recipients achieving objectives to be determined in 2006/2007

\* baseline will be established after the first full-year of funding and therefore, cannot be determined in 2005/2006

### Strategies:

- Continued communication with recipients to assess and re-assess their outcomes and results.
- Adopt evaluation criteria that quantitatively and qualitatively measure the effectiveness of the activities carried out by recipients.
- Promote the availability of funding to eligible organizations and encourage creative collaborations and proposals.



## GOAL 2: COMPREHENSIVE PROGRAMS & INITIATIVES TO DEVELOP THE ECONOMIC POTENTIAL OF THE RESEARCH AND INNOVATION SECTOR IN BC

Because the Council is a new organization, it is in the process of assessing the preceding organizations' programs and activities and developing new ones to align with its reshaped vision and mandate. Programs and activities under this goal refer specifically to initiatives outside of the funding provided to eligible organizations as outlined in Goal 1. The Council will be focussing its activities once a permanent governance and leadership structure is in place. The main areas of focus will be directed towards the following objectives.

Central to this Goal is a new growth strategy for the Council that will play a key role in developing a comprehensive innovation and commercialization system for the province. This system will address practical sector-specific needs to support commercialization of British Columbia's leading technologies.

### Objective 1:

Develop, support and encourage technology transfer and commercialization opportunities for research institutions and industry.

Measure	Base: 2004/2005	2005/2006	2006/2007	2007/2008
Number of collaborations between research institutions and industry with Council involvement.	40*	Establish new baseline of instances of Council involvement in research institution and industry collaboration	Target percentage increase in Council involvement to be determined in 2005/2006	Target percentage increase in Council involvement to be determined in 2005/2006
Percentage of above collaborations with successful licensing agreements.	N/A	Establish baseline of percentage	Target percentage increase to be determined in 2005/2006	Target percentage increase to be determined in 2005/2006
Number of entrepreneurial skills development opportunities for the research and innovation sector organized or supported by the Council	N/A	Establish baseline of total participants in skills development initiatives organized or supported by the Council	Target increase in number of participants to be determined in 2005/2006	Target increase in number of participants to be determined in 2005/2006

\* based on preceding organizations' activities

**Strategies:**

- Facilitate an effective knowledge transfer between research institutions and industry.
- Accelerate the process of capturing and bringing marketable innovation into the marketplace.
- Encourage and develop the entrepreneurial spirit of British Columbia scientists and researchers.
- Enhance the development of the province's industrial and technology cluster in consultation and collaboration with the Province.
- Promote the benefit and market opportunities from applying innovative technologies to the traditional resource-based industries.
- Identify gaps (i.e. funding, development, technological assessment, etc.) in the commercialization chain and develop solutions to bridge these gaps.
- Provide market intelligence for key geographical markets in consultation and collaboration with the Province.
- Provide support for business development by linking entrepreneurial and corporate business expertise with companies.

## Objective 2:

Lead and support complementary initiatives that put science and technology at the forefront of awareness and thought in the province.

Measure	Base: 2004/2005	2005/2006	2006/2007	2007/2008
Number of Highly Qualified Personnel* (HQP) in science supported by the Council's activities.	75*	Establish new baseline of supported HQP	Target increase in number of HQP supported to be determined in 2005/2006	Target increase in number of HQP supported to be determined in 2005/2006
Instances of public recognition of the Council's activities in the context of science and technology in British Columbia.		Establish baseline of instances of public recognition	Target percentage increase to be determined in 2005/2006	Target percentage increase to be determined in 2005/2006
Number of secondary students participating in the Council's science student development programs	200*	Establish new baseline of student participation	Target increase in number of student participation to be determined in 2005/2006	Target increase in number of student participation to be determined in 2005/2006

\* includes students, post-doctoral fellows, research associates, etc. who are likely to seek a career in industry or faculty position at a university

# based on preceding organizations' activities

### Strategies:

- Ensure that science and technology remains a high priority in government.
- Identify opportunities to ensure that a supportive regulatory environment for an innovative economy exists.
- Ensure a continuous investment in people (i.e. education systems) and research infrastructure.
- Initiate and support science and technology awareness programs to spark our youth's interest in science and technology.
- Find ways to attract and retain science students, scientists, researchers and technology entrepreneurs to the province in consultation and collaboration with the Province.



## GOAL 3: A STRONG FOUNDATION & ORGANIZATIONAL STRUCTURE

As a new organization in its first full year of operation, it is imperative that the Council be based on a strong foundation with effective governance, leadership and administrative structures.

### Objective:

Develop an effective leadership and operational structure for the Council.

Measure	Base: 2004/2005	2005/2006	2006/2007	2007/2008
Strategic and operational leadership in place for the Council.		100% complete	100% complete	100% complete
Integration of the financial systems of the two preceding organizations.	Needs assessment and evaluation of the function of the two existing systems	75% integration	100% integration	100% integration

### Strategies:

- Ensure appropriate Board membership based on the Council's new mandate, initiatives and activities.
- Executive management accountable to predetermined goals and performance criteria.
- Consult with appropriate technology sector groups in developing an effective operational plan.
- Adopt best practices in the development of the financial systems to ensure integrity and accountability.
- Participate in the development and implementation of a province-wide strategy for research, innovation and technology development.



## ALIGNMENT WITH GOVERNMENT'S GOALS

The Council's activities align with the interest of British Columbia as a whole since research, technology and innovation have far reaching implications to society in general. However, the Council's current focus areas and related activities support the goals defined in the government's strategic plan in the specific ways outlined below.

Government's Goals	BC Innovation Council's Activities
To make B.C. the best educated, most literate jurisdiction on the continent.	<ul style="list-style-type: none"><li>▪ Provide scholarships in information technology and natural or applied sciences</li><li>▪ Promote careers in research, science and technology</li><li>▪ Promote awareness of science and technology</li><li>▪ Recognize excellence in research and innovation</li></ul>
To lead the way in North America in healthy living and physical fitness.	<ul style="list-style-type: none"><li>▪ Support health product related research projects</li><li>▪ Recognize excellence in health research conducted by internationally recognized scientists based in British Columbia</li></ul>
To lead the world in sustainable environmental management, with the best air and water quality, and the best fisheries management, bar none.	<ul style="list-style-type: none"><li>▪ Support research to encourage a sustainable and environmentally sound fisheries industry</li><li>▪ Develop linkages and initiatives to support renewable ocean energy</li></ul>
To create more jobs per capita than anywhere else in Canada.	<ul style="list-style-type: none"><li>▪ Identify science and technology needs and opportunities in key economic sectors</li><li>▪ Support research and innovation projects</li><li>▪ Promote collaboration among science and technology organizations and industry to address specific needs</li></ul>



## FINANCIAL RESOURCES SUMMARY

The Council's core operations and activities are funded by the Province through the Ministry of Advanced Education. It leverages those funds to secure additional financing for projects, programs and initiatives from external sources. External sources may include various organizations within the federal and provincial governments as well as private and public organizations that require the Council's expertise through contract services. The Council approximates that leveraged funds from other sources will total \$2.5 million per annum.

The budget presented below summarizes the Council's allocation of operating funds for the next three years. It is expected that the base budget for the Council will remain at \$3.268 million to cover operating and continued programs as a carry-over from the preceding organizations. New initiatives will require additional funds, which the Council will actively seek and secure from various complementary organizations that share the Council's vision.

The budget for the money transferred to the Council for supporting eligible organizations related to Goal 1 (line item "Science & Innovation Initiatives Funding") has been increased from the estimated amount of \$1.8 million noted in the previous Service Plan to reflect the final exact figure determined by the Province.

	Actual: 2004/2005	2005/2006	2006/2007	2007/2008
<b>Revenue</b>				
Province of BC	\$3,268,000	\$3,268,000	\$3,268,000	\$3,268,000
Science & Innovation Initiatives Funding		1,964,000	1,964,000	1,964,000
Program-specific External Funding	2,036,000	2,500,000	2,500,000	2,500,000
Interest	19,900	25,000	25,000	25,000
<b>Total Revenue</b>	<b>\$5,323,900</b>	<b>\$7,757,000</b>	<b>\$7,757,000</b>	<b>\$7,757,000</b>
<b>Expenses</b>				
Programs and Science & Innovation Initiatives Funding	2,679,600	5,967,200	5,967,200	5,967,200
Sponsorship & Other Initiatives	208,900	192,800	192,800	192,800
Transition	200,000			
Communications		145,000	145,000	145,000
Operating				
Rent	219,200	152,000	152,000	152,000
Salaries & Benefits	970,000	1,000,000	1,000,000	1,000,000
Other	363,200	300,000	300,000	300,000
<b>Total Expenses</b>	<b>\$4,640,900</b>	<b>\$7,757,000</b>	<b>\$7,757,000</b>	<b>\$7,757,000</b>



## BOARD AND MANAGEMENT

---

Members of the Council's Board are appointed by the Government through Order-in-Council and report to the Minister of Advanced Education and Minister Responsible for Research and Technology. The objective is that as activities, programs and initiatives of the Council are determined in the near future, the Board will evolve to ensure that the appropriate expertise and skill-sets are well represented.

The Board serves in the following capacities:

- setting the strategic direction
- recruiting, empowering and monitoring the senior executive management
- shepherding/safeguarding the agency's resources including approving major financial decisions
- measuring corporate performance and accounting regularly, including compliance with applicable laws

Board members as of August 1, 2005 are:

- Mr. Hector MacKay-Dunn, Q.C., (Incoming Chair)
- Dr. Don Rix, (Outgoing Chair)
- Dr. Tim Walzak

The supporting management team consists of:

- President/Chief Executive Officer
- Chief Operating Officer
- Director of Finance & Administration
- Director of Business Development
- Communications Manager
- Programs Manager

Currently there are a total of twelve part and full-time employees working for the Council.