



Getting to MaRS

Canada's Commercialization Challenge

A satellite image of Earth showing a large, swirling storm system over the ocean. The storm is characterized by a dense, white, circular cloud pattern with a dark center. The surrounding ocean is a deep blue, and the landmasses are visible in shades of green and brown. The text "Remarkable Times" is overlaid on the image in a white and blue font.

Remarkable Times

Our Competitive Advantages



Healthy Economy



Strong Education System



Productive Science Base



Talented & Skilled Workforce



Livable Communities



Global Persona



Multicultural Civil Society

Competing is one thing.

Winning

is another!



Canada's Challenge

MaRS



Hub Cities are Isolated





Is the world

Flat

or

Spiky?

A high-angle, black and white photograph of a busy city street. The scene is filled with the silhouettes of people walking in various directions. The ground is marked with white dashed lines and solid lines, indicating a pedestrian crossing. The overall atmosphere is one of constant movement and urban activity.

Global
talent, \$\$
are **mobile**



How do we create
stickiness?

Big Country...Few People

How will Canada compete?

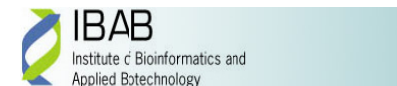


32.6
Million People

vs.



Global Innovation Hubs



MaRS Discovery District



What is MaRS?

A large, oval-shaped graphic of the Canadian flag, featuring a red maple leaf in the center, is positioned behind the text. The flag's red and white colors are vibrant and slightly blurred, giving it a sense of motion.

MaRS is a non-profit organization dedicated to maximizing the economic and social impact of Canadian innovation

Place matters



MaRS

**Local Strength,
Global Reach**



College of Founders

AIC Limited

AstraZeneca Canada Inc.

Mr. Lawrence S. Bloomberg

Cancer Care Ontario

Eli Lilly Canada Inc.

Dr. John R. Evans

Mr. Arthur S. Labatt

MDS Inc.

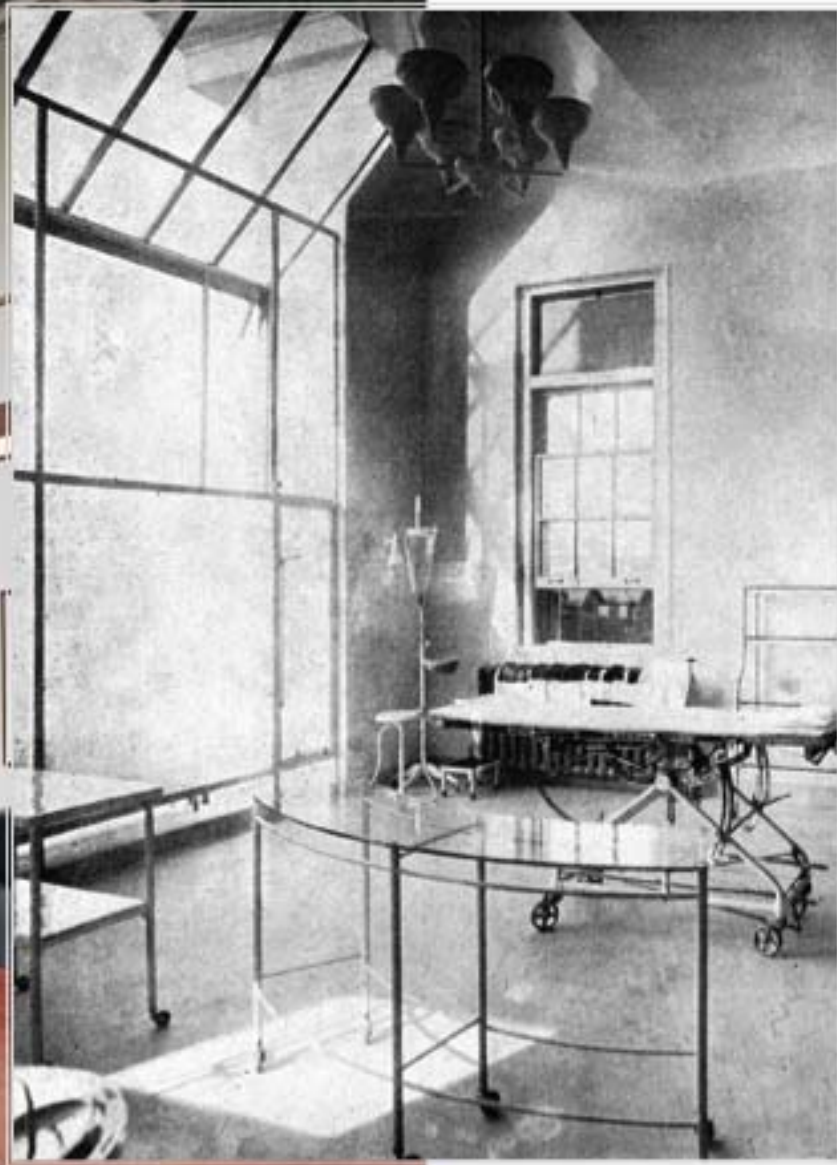
Mr. Peter Munk

RBC Financial Group

Mr. Joseph L. Rotman

Mr. Allan Slaight

Mr. William P. Wilder







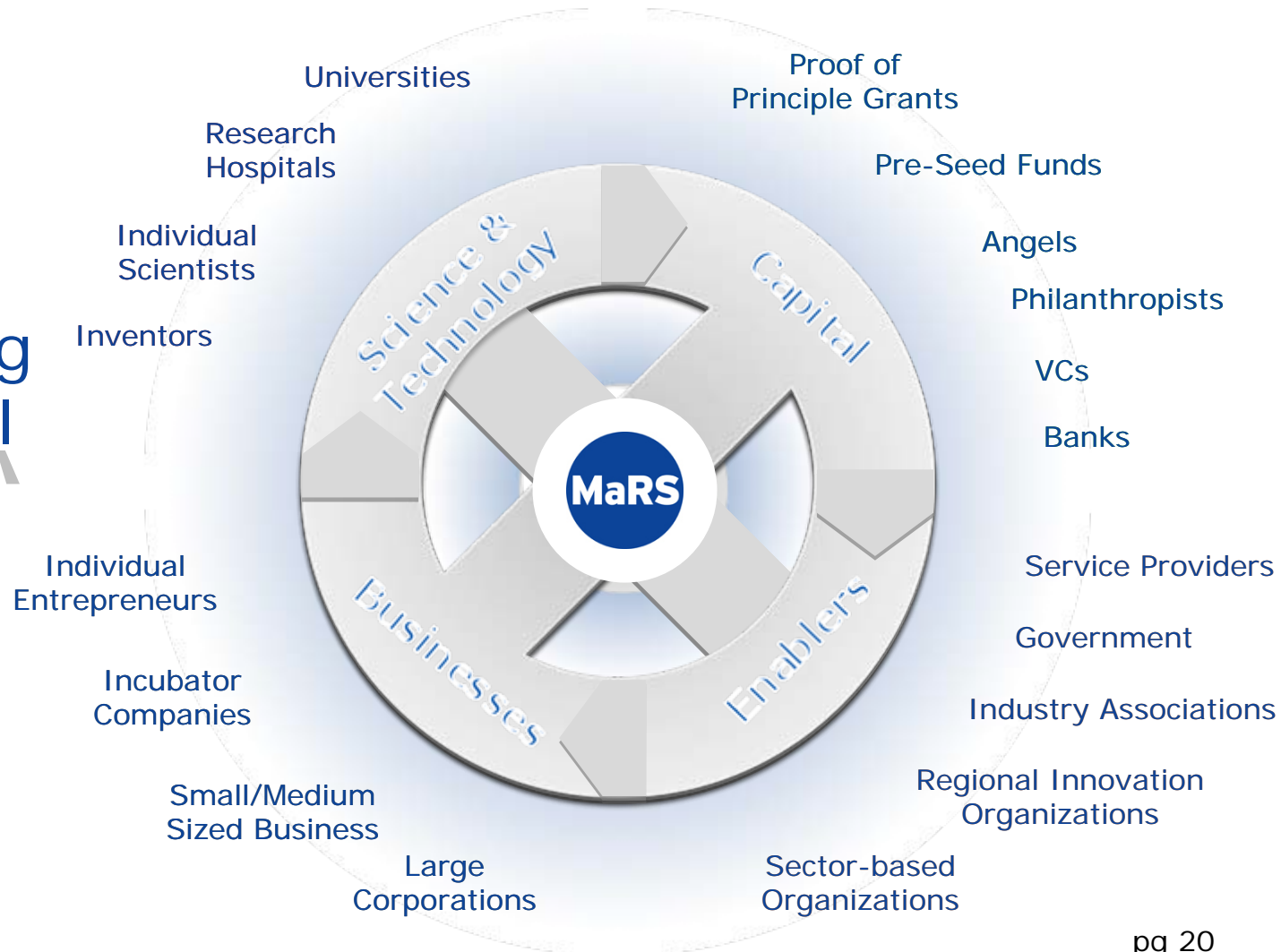
The MaRS Centre is a convergence facility located in the heart of Toronto's Discovery District, Canada's largest research cluster

- Phase I of the MaRS Centre (700K sf) is home to over 70 organizations
- Ratio of private to public sector tenants is 3:1
- MaRS Incubator (35K sf) houses 30 promising emerging life sciences, engineering and information technology companies
- MaRS Collaboration Centre is a conference venue, for use by MaRS, its tenants and the community
- Phase II (750Ksf) is scheduled to open in 2010

MaRS – Neutral Ground



“Generating Purposeful Collisions”





Phase I

Phase II



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Anchored in
Community



**Strong
Universities
matter...**



Toronto's Discovery District

Strong Science & Technology Pipeline



MaRS is an Urban Innovation Hub

Linking Creative and Business Assets of the City



Discovery District



Financial District



Creative & Arts District

Royal Conservatory of Music

University of Toronto

UHN Princess Margaret
Mount Sinai

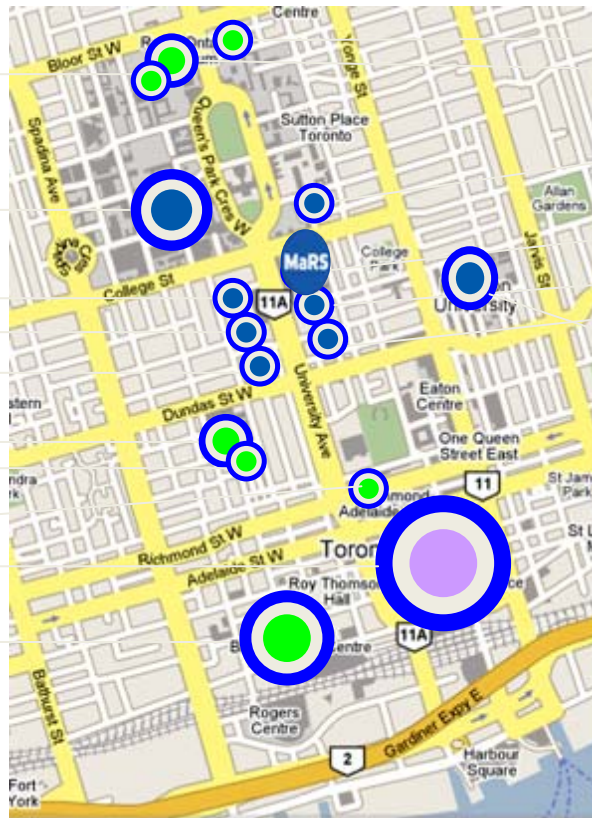
Toronto Rehab Inst

Art Gallery of Ontario
TIFF & OCAD

Canadian Opera House

Financial District

Entertainment District



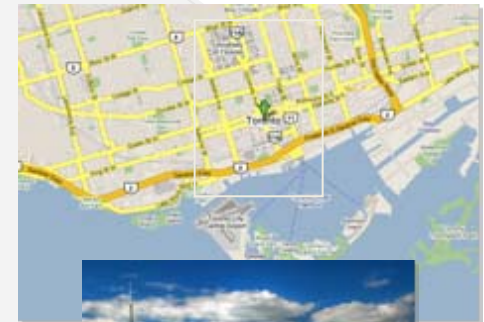
Gardiner Museum of Ceramic Art
Royal Ontario Museum

Women's College

The MaRS Centre

UHN Toronto General
Hospital for Sick children

Ryerson
University







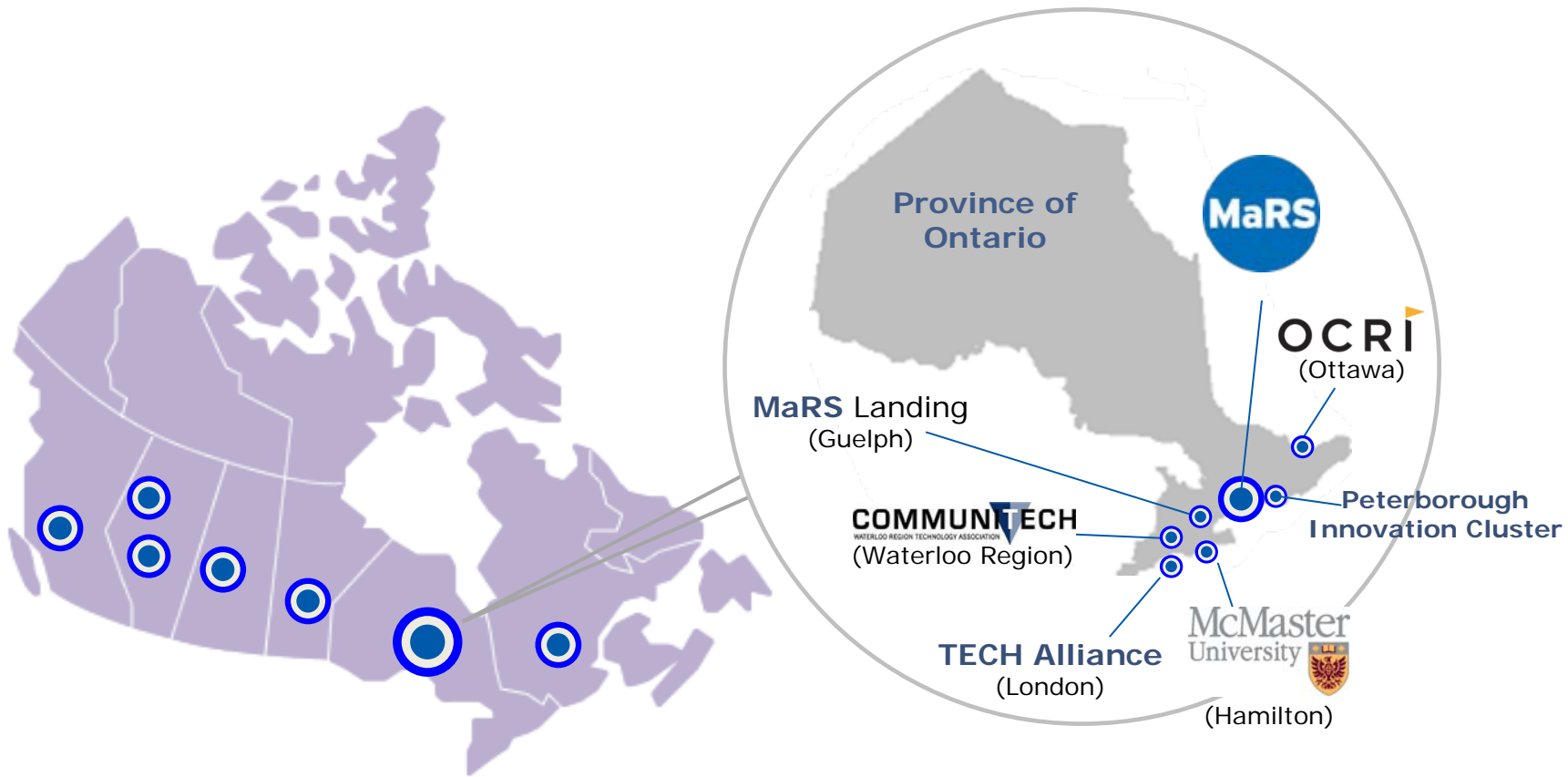
Collaboration Networks

MaRS

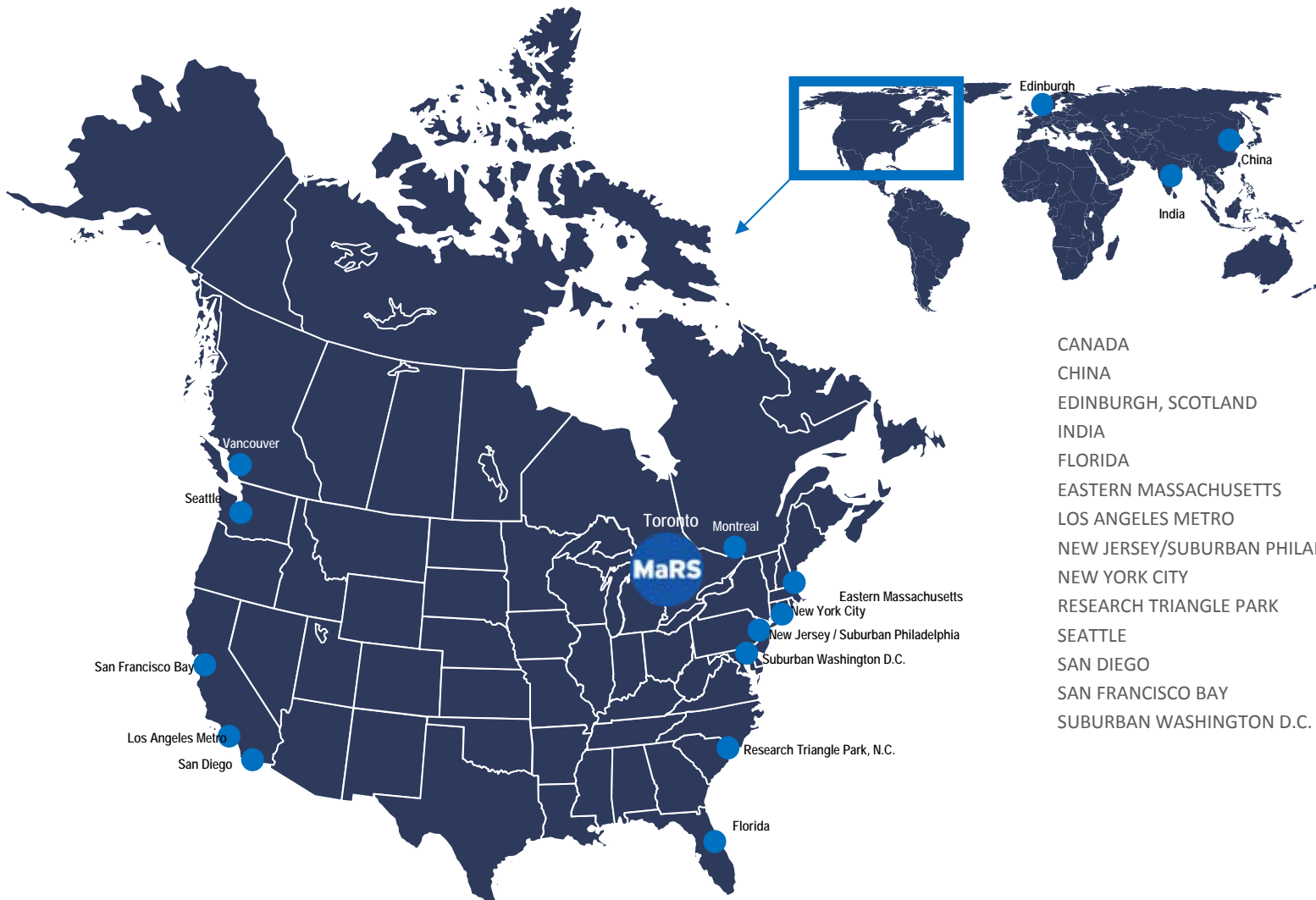
**Shared
Advantage**

MaRS Network

Regional Partnerships



MaRS & Alexandria's Global Network

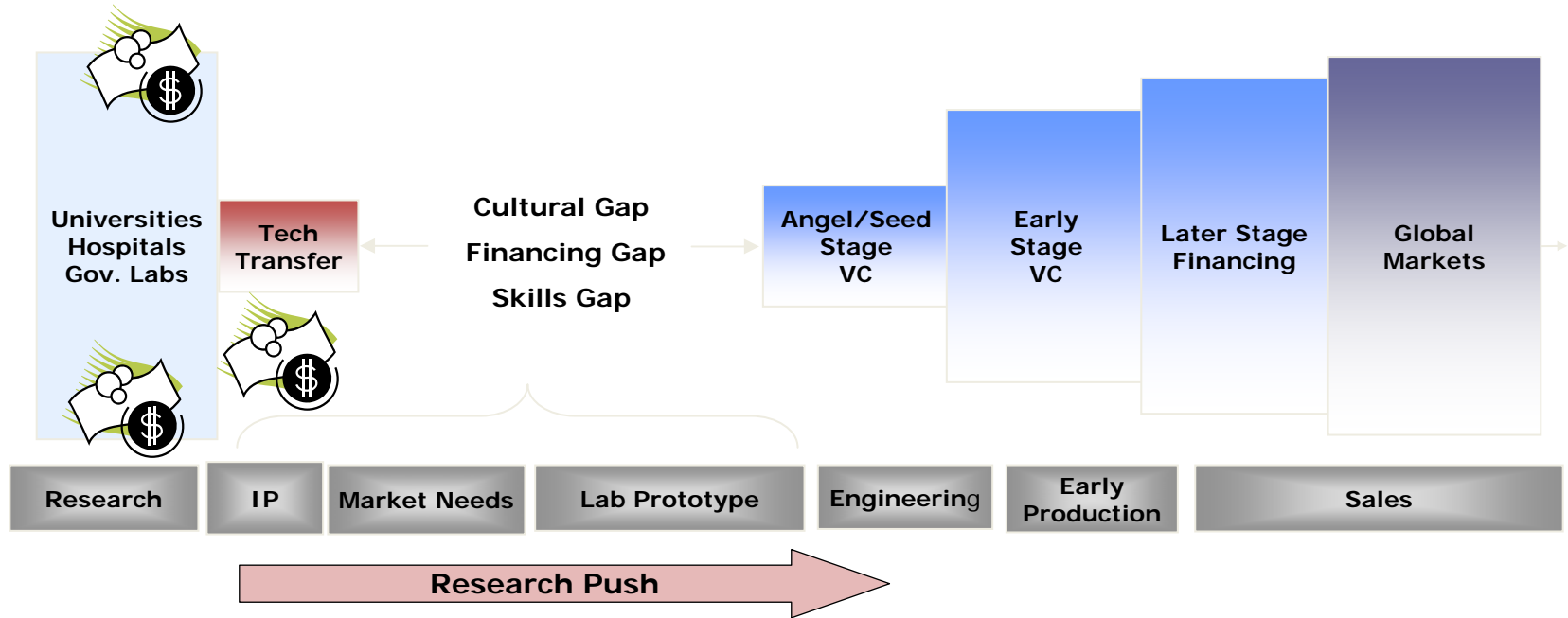


**convergence
innovation**

MaRS

Innovation Gap

Research Push

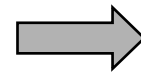


- Cultural gap is a critical challenge
- Mismatch of offerings to VC/market needs
- Limited business focused project management
- High technology risk, lack of pre-seed capital for commercial validation
- Limited strategic bundling of IP or portfolio management

Innovation Gap



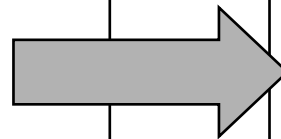
IP/Technology Platform



Product Platform

Entering the Gap

- Knowledge/education focus
- No Management
- Limited IP protection
- High technology risk
- Limited market intelligence
- No product/commercial strategy
- Broad scope, curiosity driven
- Limited understanding of financing options
- Publications



Leaving the Gap

- Product/business focus
- Early management
- Strengthened IP portfolio
- Technology proof-of-concept
- Market/customer feedback
- Focus and development roadmap
- Milestones and timelines
- Positioned for seed funding
- Confidentiality

Science Based Economic Development



The commercial development of academic research results are particularly challenging in Canada:

- Nascent technologies
- Limited number of sophisticated R&D intensive receptors locally
- Limited funding for market validation
- Limited risk capital
- Few serial technology entrepreneurs with global experience
- Small local market for early customer validation

Convergence Innovation

A Novel Commercialization Approach



Linear Approach



=

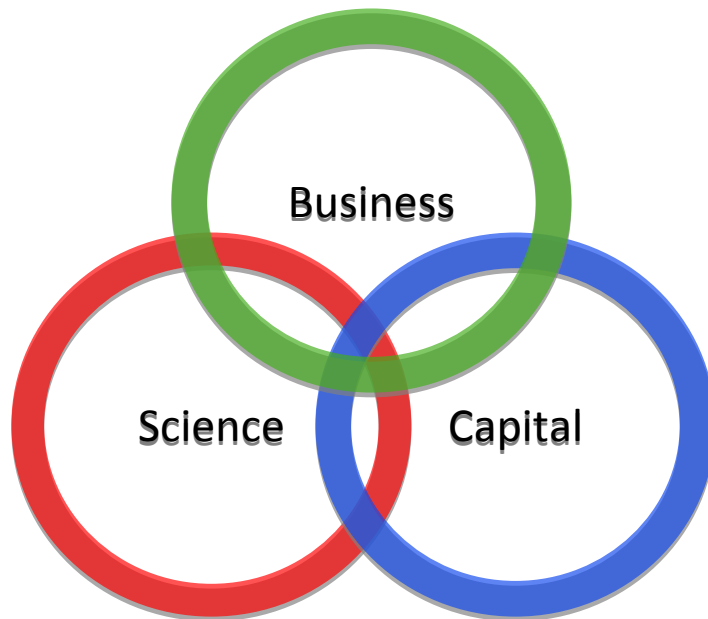
Slow Process
High Risk

Convergence Innovation

A Novel Commercialization Approach



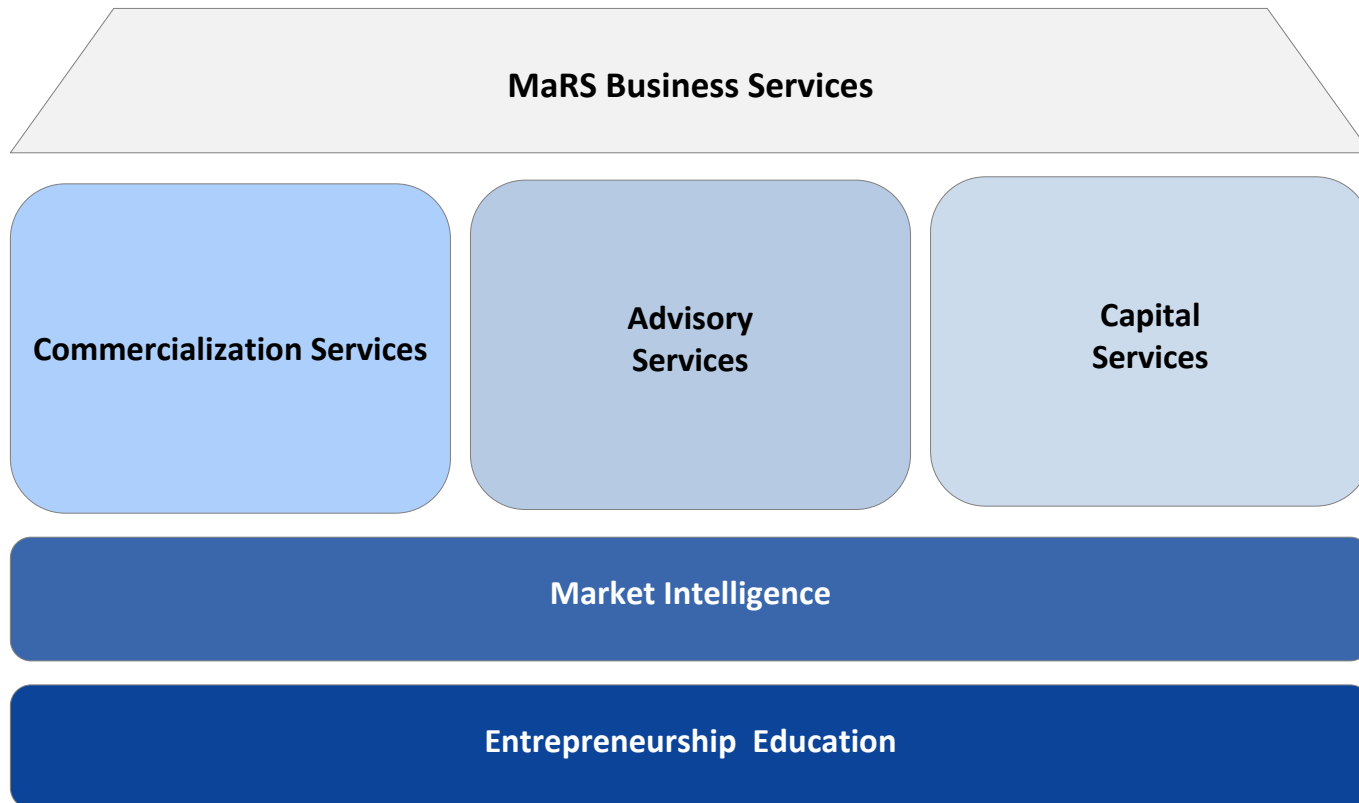
Synergistic Approach



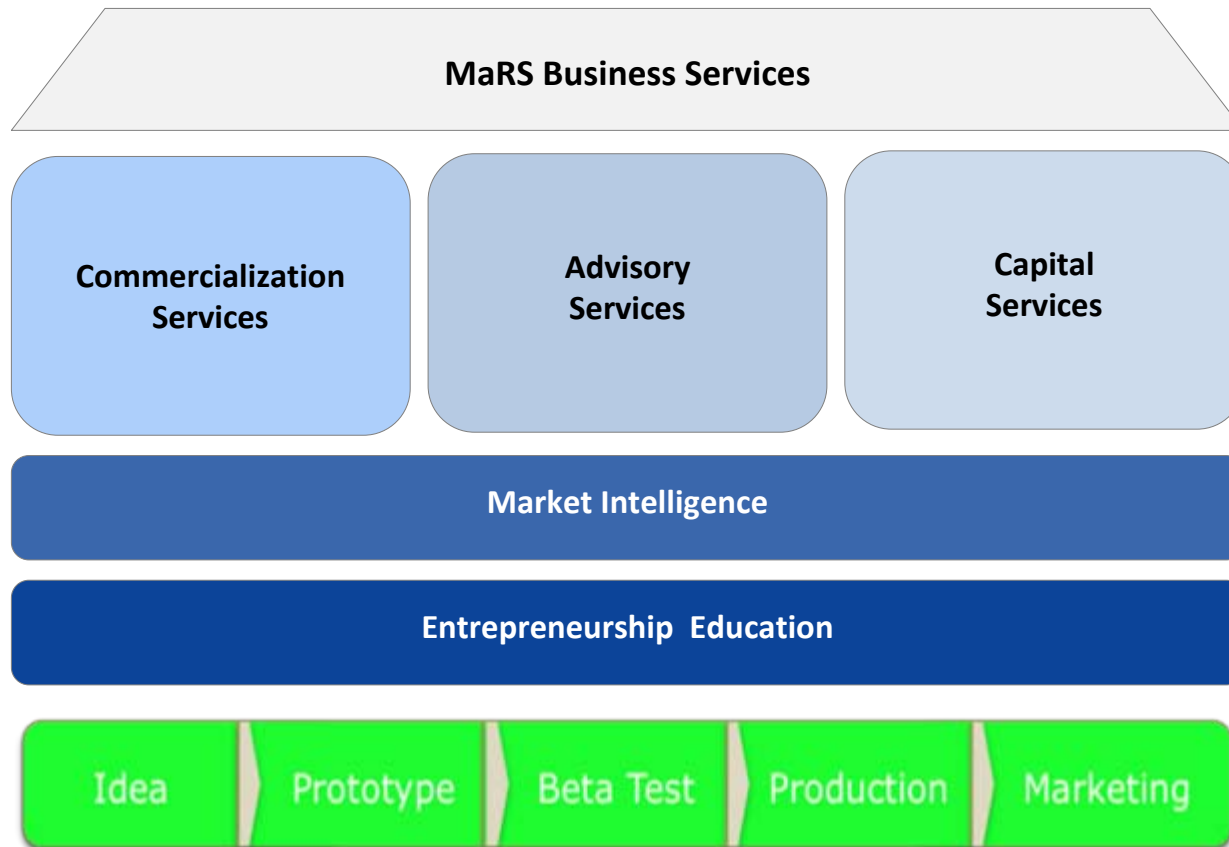
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- ◆ Demand-based, market focused innovation
- ◆ Increased speed
- ◆ Improved scope
- ◆ Scalability
- ◆ Multi-dimensional resources

MaRS Business Services



MaRS Business Services



A large container ship, the 'ACE MA', is being pushed by a tugboat, the 'LADY HANDELSON'. The ship is heavily loaded with multi-colored shipping containers (red, blue, green, grey). The ship's hull is blue with 'ACE MA' written on it. The tugboat is white with yellow cranes. The scene is set on a body of water under a cloudy sky.

Scale and Leverage

MaRS

**Innovation
Capacity**

MaRS Innovation

Integrated Commercialization Platform



UNIVERSITY OF
TORONTO



University Health Network

Toronto General Hospital | Toronto Western Hospital | Princess Margaret Hospital



ST. MICHAEL'S HOSPITAL

A teaching hospital affiliated with the University of Toronto

RYERSON
UNIVERSITY



Everything Humanly Possible



MaRS Innovation

Bloorview
KIDS REHAB



Centre for Addiction and Mental Health
Centre de toxicomanie et de santé mentale



Ontario Institute
for Cancer Research
science → discoveries → solutions



MaRS

Baycrest

Enriching Care
Enhancing Knowledge
Enlightening Minds



BioDiscovery Toronto

The New Women's College Hospital



MaRS Innovation will, for the first time, aggregate the exceptional discovery pipeline of 14 leading Toronto academic institutions to build a diversified portfolio of assets, and harness the economic potential of the best opportunities.

MaRS Innovation Objectives



- Build a professionally managed, business accelerator platform as a **single point of entry** for industry partners and investors
- Increase the scale, scope and viability of IP offerings, and the quantity and quality of deal flow from partner institutions
- Facilitate strategic research collaborations with industry partners
- Launch and grow robust spin-off companies
- Attract new talent
- Catalyze and attract sources of risk capital for translational research, market validation, company formation and growth
- Best in class performance, with significant impact



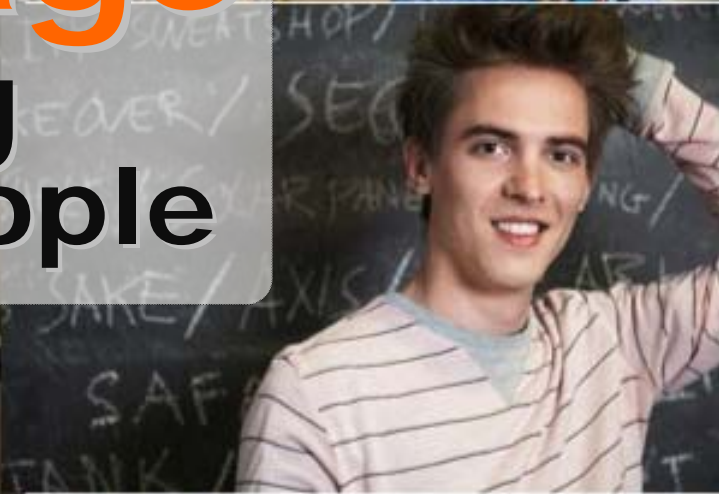
Culture of Entrepreneurship

MaRS

Culture Draws
Talent



Engage Young People





Talented new Canadians
Fuel Growth



Public/Private Partnership

MaRS

**Private/Public
Partnerships**

The MaRS Centre

Public & Private Mix



Private

Partnerships

Public

Transition therapeutics inc.
RBC Financial Group
Octopz
CONSTAB PHARMACEUTICAL
NeurAxon
Interface Biologics
BIOsign
axela BIOSENSOR
MERCK FROSST
Clera
OGILVY RENAULT
AstraZeneca INTERNATIONAL
ambit BIOSCIENCES
SKYMETER
Critical Outcome Technologies Inc.
Vasogen
LARIAL
bioQuest innovations inc.
Heenan Blaikie
Celtic House VENTURE PARTNERS
axes biomedical animation studio
WALLACE Wireless
CVCA
PRICEWATERHOUSECOOPERS
BioScience Managers Limited
KCT KANATA CHEMICAL TECHNOLOGIES

SickKids
Canadian Biotechnology Education Resource Centre
University Health Network
Ontario Cancer Biomarker
Rotman
htx.ca
Ontario Institute for Cancer Research
Innovation Institute of Ontario
Ontario Genomics Institute
McEwen Centre for Regenerative Medicine
OnSETT
TBI
BioDiscovery Toronto
bioFinance
Ontario Cancer Research Network
TRRA
University of Toronto Asset Management

The MaRS Centre

Public & Private Mix



Private

Partnerships

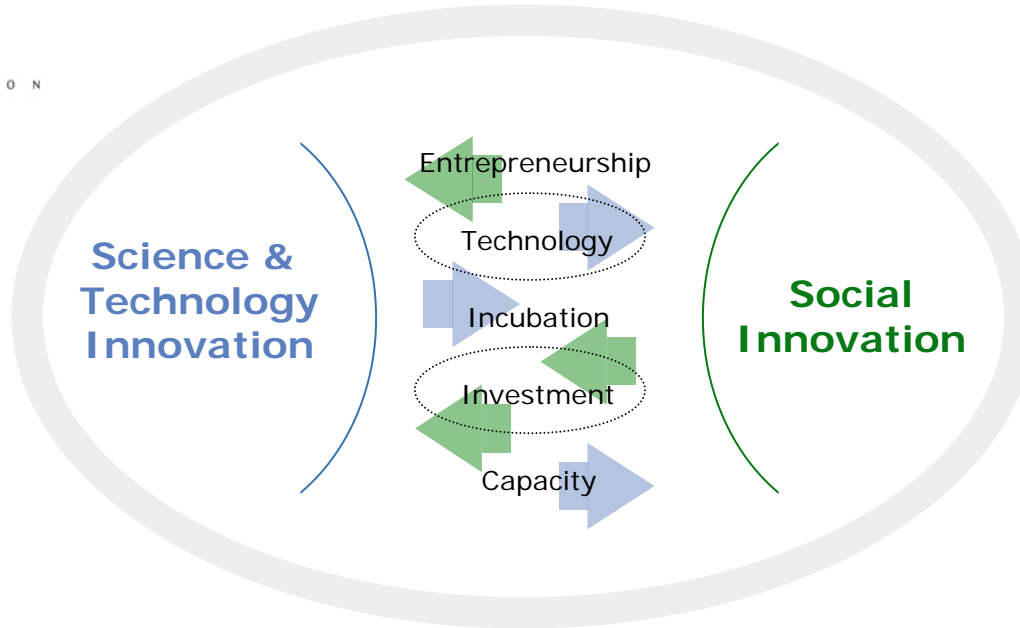
Public

Technology & Social Innovation

Porous Boundaries



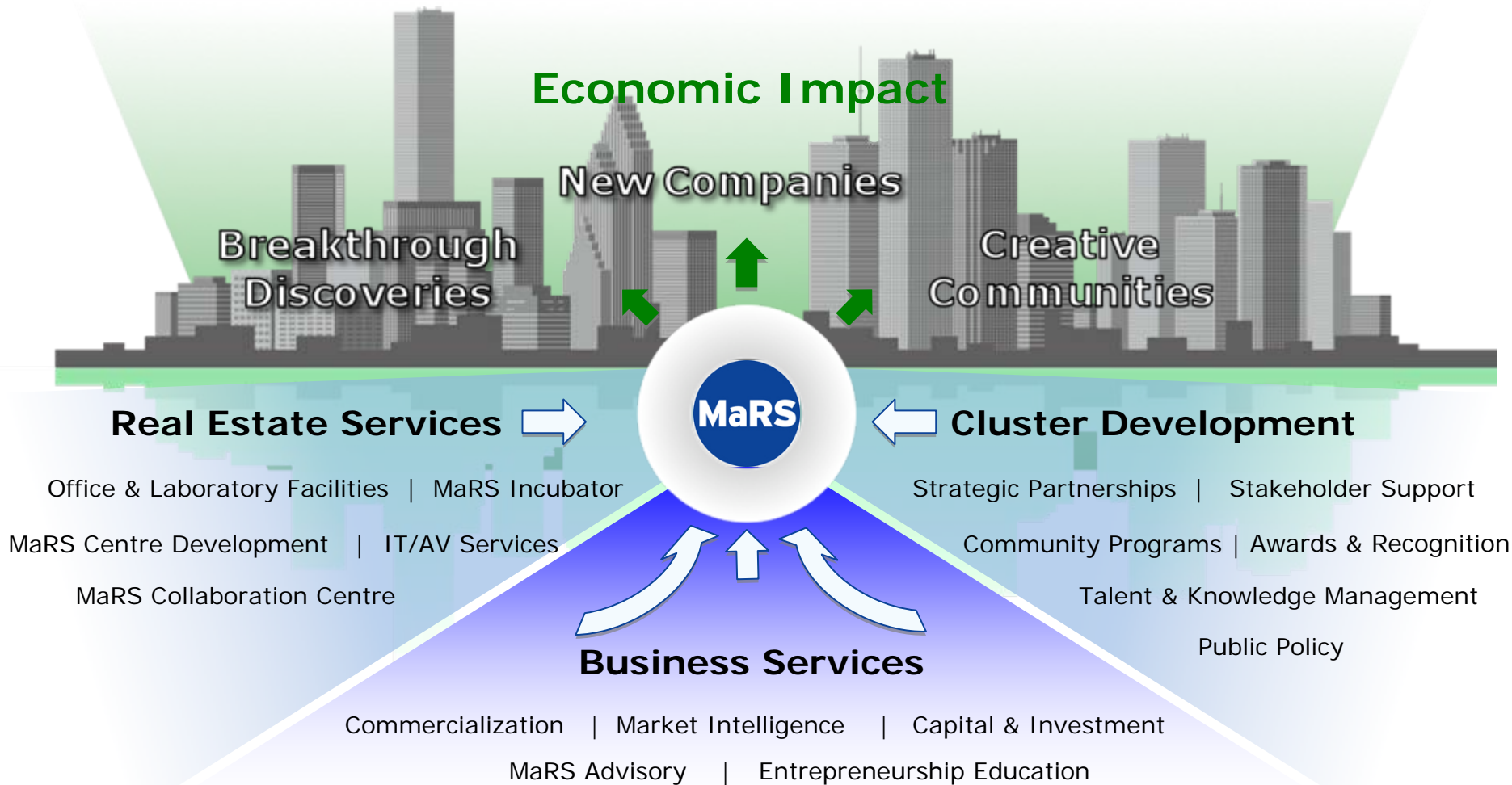
THE J.W. MCCONNELL
FAMILY FOUNDATION



Could a \$**100** Laptop
Eliminate
Poverty?



Economic Impact



Focus on Key Challenges

Building Growth Companies



Human Capital

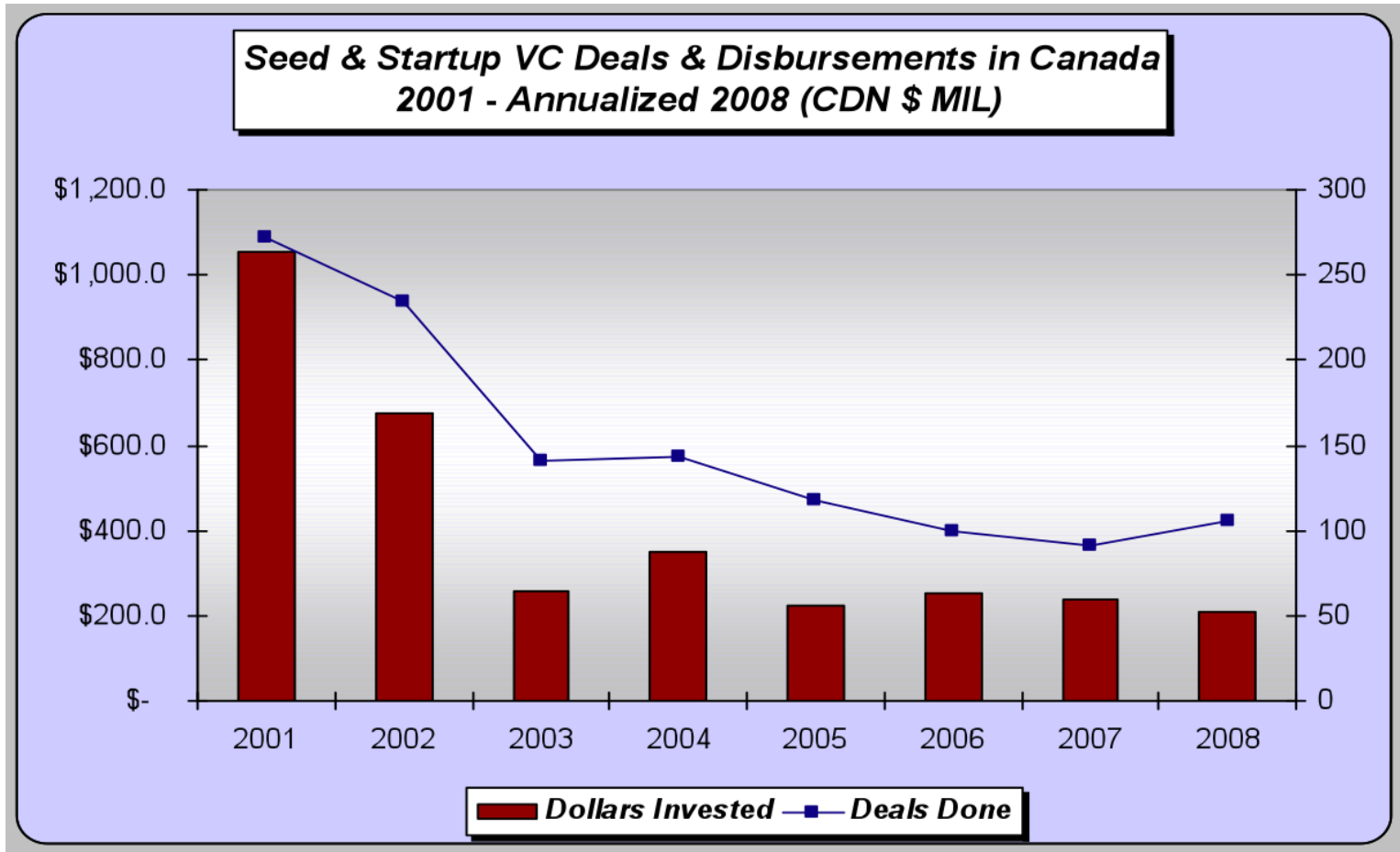
- Sales & Marketing
- Business Development
- Product Engineering
- Finance
- Operations
- etc..

Risk Capital

- Proof of Concept
- Angel & Seed
- Venture Capital
- Growth & Expansion
- etc...

New companies struggling

Seed & start-up funding at a 7-year low



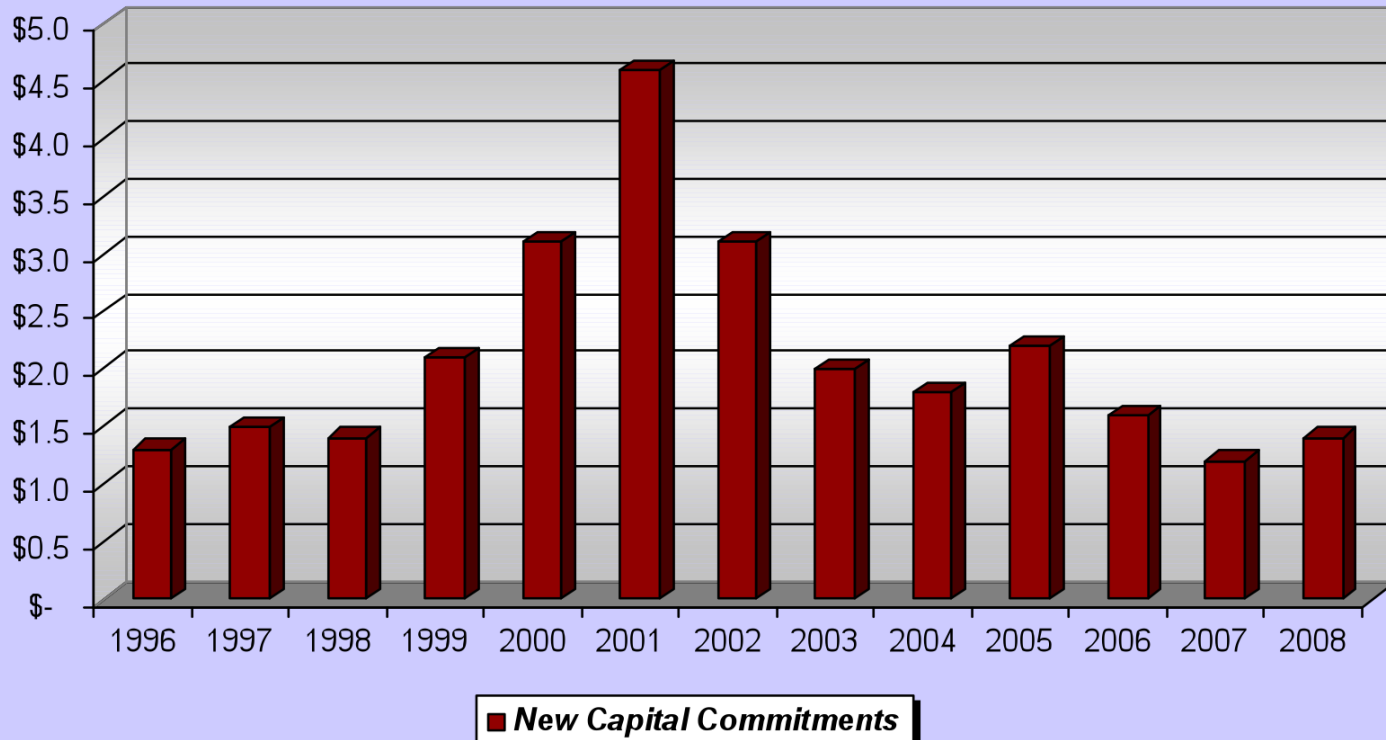
Source: Thompson Reuters Data, 2008/06/30

New venture capital funds

Canada at lowest level since mid-1990s



**New Commitments to VC Funds in Canada
1996 - Annualized 2008 (CDN \$ BIL)**



Source: Thompson Reuters, as of 2008/06/30

MaRS Evolution

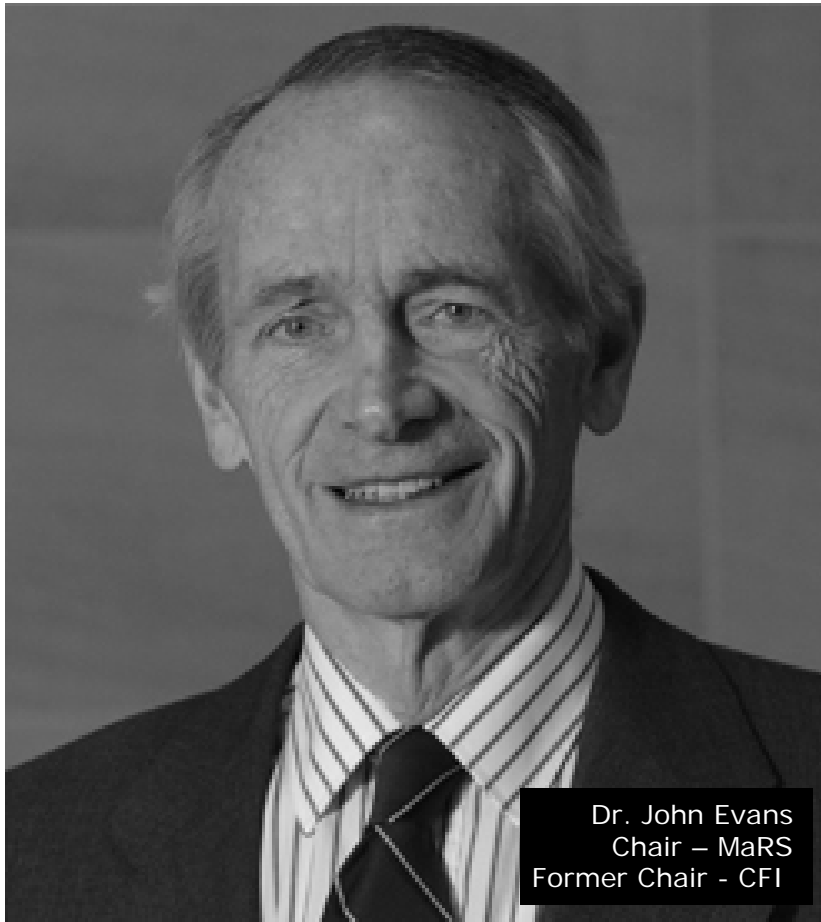
Lessons, Opportunities and Challenges



MaRS is still a start-up

- Leadership: Private sector leadership, sense of urgency
- Place: Location, urban setting, convening power
- Innovation Pipeline: Quality and scale
- Model: Market facing, outside academe
- Partnership: Harnessing of public & private resources
- Values: Inclusiveness, collaboration, public purpose
- Culture: Entrepreneurial
- Position: Neutral territory, independence

Civic Leadership



Dr. John Evans
Chair – MaRS
Former Chair - CFI

“Collaborative leaders have a natural or trained tendency to see connections and possibilities where others might see barriers or limitation. And the connections are usually to a larger purpose, one that gives them energy and hope.”



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www.marsdd.com

"There are no limits to the majestic future which lies before the mighty expanse of Canada with its aspiring, cultured and generous-hearted people."

Sir Winston Churchill

Contact Information



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