



Accomplished speaker leads business model session

Business owners in Sault Ste. Marie are a step closer to turning their ideas into profit after participating in an interactive workshop session last month.

The Sault Ste. Marie Innovation Centre hosted a two-hour event on *Developing a Winning Business Model* led by accomplished professor Brian Silverman of the Rotman School of Management, University of Toronto.

Silverman said the approach to building an effective business model involves a part of the brain that is not necessarily logical.

“There’s a different skillset involved here,” Silverman said as he kicked off the session, “and it’s not always the smart, logical one.”

The Harvard and MIT trained professor mapped out three components to consider and said the business model is the logic by which one approaches these items.

1. Value Creation

2. Global Competitors

4. Personalization



On September 25th, Brian Silverman of the Rotman School of Management, University of Toronto, led a *Developing a Winning Business Model* workshop to attendees at the Comfort Suites Hotel & Conference Centre.

If a company over delivers on the fundamentals of their product or service, Silverman says the value will increase when the cost does not.

And speaking from experience, Silverman said his fundamental reason for working on business models: “I can say I modeled in London.”

For information on Brian’s presentation, please contact Diana Medaglia at 705.942.7927 x. 3138 or dmedaglia@ssmic.com.

3. Organizational Capabilities

The most important of the variables Silverman highlighted? Starbucks’ business model took into account these variables unmet by competitors and reaped the rewards.

1. Specialization of product/service

2. Ambiance

3. Customization

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Contact us: info@ssmic.com

Bring your business into the energy sector at Energy Connections 2012

Tap into the lucrative and growing Ontario energy sector this November!

Canadian Manufacturers & Exporters (CME) and the Ontario Government, in partnership with the Sault Ste. Marie Economic Development Corporation and Sault Ste. Marie Innovation Centre, are hosting Energy Connections workshops at Algoma's Water Tower Inn & Suites in Sault Ste. Marie on November 7, 2012. The event aims to build awareness and linkages for Ontario's manufacturers.

As the Alternative Energy Capital of North America, Sault Ste. Marie is in a unique position. With large-scale wind, solar, hydro, cogeneration and other renewable energy projects, the community generates about 670 megawatts of electricity, enough to power 300,000 to 600,000 homes across the province. Sault Ste. Marie is a net exporter of energy, which gives area companies an

opportunity to serve this growing sector.

The Smart Grid Forum estimates that Ontario will invest \$390 million per year over the next five years into the development of the Smart Grid, which provides further opportunities for the private sector. More than 55% of Ontario's electricity needs come from nuclear power, which remains one of the cheapest power sources (on a dollar per megawatt basis). The refurbishment and continued operation of Ontario's 12 nuclear reactors employs about 24,000 people while providing economic benefits to the province in the order of \$5 billion in labour, fuel and equipment spending. Put simply, significant opportunity lies here as well. Topics covered during this event include:

8:45 am Supply Chain Opportunities for Renewable Energy

- George Mandrapilias, Manager (Acting), Green Energy & Clean Tech, Min. of Eco-

nomics Development & Innovation

- Rob Reid, President and CEO, N-Sci Technologies Inc.

9:30 am Supply Chain Opportunities for the Smart Grid

- Jerry Chwang, Senior Policy Advisor, Smart Grid and Network Policy, Ministry of Energy

- Kaliyur Sridharan, Growth & Strategy Leader, GE Digital Energy

10:30 am Supply Chain Opportunities for Nuclear Energy

- Rahim Ladha, Commodity Manager, Procurement, CANDU Energy

- Mark Zimny, President, Promotion Nuclear Ltd.

This event takes place on November 7th, 2012 and runs from 8:00 AM - 11:30 AM at Algoma's Water Tower Inn.

To register, visit http://bit.ly/EC_SSM.

Nathan Robinson connects local companies to wireless opportunities

On Friday, September 7th, Nathan D. Robinson provided an overview and case study of Wavefront Accelerated Commercialization, a company working to advance wireless/mobile focused companies.

As Canada's National Centre of Excellence for the Commercialization of Research (CECR) in the wireless and

mobility sector, Wavefront operates as a not-for-profit with a mandate to grow the wireless ecosystem in Canada by connecting with companies working on a wireless solution or offering.

"We are considered a national leader."

Says Robinson. "We were benchmarked with Israel, a leader in this capacity."

Wavefront works to assist Canadian companies in the wireless and mobility space through four key areas:

- 1) Education
- 2) Engineering Services

- 3) Business Advisory Services
- 4) Market Linkages

Wavefront also operates an International Business Development Program with focus in the following areas:

- 1) M2M
- 2) Wireless Build & Emerging Markets

3) Industry Connections & Market Exploration

Nathan emphasized the growing need for Machine to Machine (M2M) commercialization in Canada and Wavefront's interest in this space.



Nathan's presentation took place in Bioscience and Technology Convergence Centre located on the Algoma University campus

and was hosted by the Sault Ste. Marie Innovation Centre (SSMIC) as part of a monthly series of Technology Advisory Group (TAG) Luncheons.

For information on this or upcoming TAG sessions, please contact Diana Medaglia at 705.942.7927 x. 3138 or dmedaglia@ssmci.com. For more on Wavefront, visit www.wavefrontac.com.

MaRS: Community, commitment and crowd funding

By Karen Schulman Dupuis @ MaRS

September 25, 2012

If I were to tell you that a successful female business owner who grew her core business product by 200% in her first year, and whose overall business experienced growth of 136% in that first year, went to her bank for a \$20,000 leaseholder loan and was told that she needed to have her husband act as a co-signer, you'd probably think this was a story from 1955. Sadly, this true tale took place less than six months ago.

As the owner-operator of the immensely successful Revel Caffè in Stratford, Ontario, Anne Champion is a visionary. She travels to the farms where her coffee beans originate to participate in the harvest. She knows not only exactly where her coffee comes from, but makes conscientious choices about her sourcing. Back at the café, coffee sales aside, Anne creates and hosts exceptional dinners, concerts, speaking events and art installations in a space that has quickly become a favourite of both locals and those who visit the Stratford Shakespeare Festival.

When Anne realized that she would have to expand her business to keep up with Revel Caffè's growth and popularity, she chose an abandoned space in the heart of Stratford's downtown that would cost her \$20,000 to renovate and revitalize. What Anne wasn't expecting was being told by the bank she had done business with for years that her husband had to co-sign her loan to make it happen. To say that she was insulted and appalled would be a gross understatement.

Perhaps not surprisingly, Anne has been called a force of nature by many who know her, and her innovative approach to funding her business shows just how appropriate that moniker is. Anne had a conversation with another force of nature in Perth County, Ruth Klahsen, the owner and lead cheesemaker of Monforte Dairy,

and she decided to follow Ruth's lead in going directly to her community for support and financing using a community-supported agriculture (CSA) model.

In 2009, with help from a team of friends and supports, Ruth put the wheels in motion to create a campaign that would allow her to open her own dairy so she could create the cheeses that she had become well known for. In 2010 her community of 899 supporters (of which I am happily one) purchased subscriptions totaling \$400,400.

Opening a dairy is more complex than renovating a storefront, but Anne took Ruth's model and created her own campaign called Community Shared Beans. Within 14 days her community responded and she surpassed her \$20,000 goal.

These two entrepreneurs are examples of how women, in particular, have had to take charge of funding their businesses in their own ways—and how they've successfully tapped into their communities to make it happen. As successful as Anne and Ruth have been in moving their own businesses forward, I fear, with apparently good cause, that funding opportunities for women are becoming "ghettoized."

Women-owned businesses are being forced into crowd-funding ventures either through CSA, Kickstarter or Indiegogo campaigns or micro-financing models as seen in developing economies, mainly because their short-term financing options are not as plentiful as men-led businesses, as stated in Industry Canada's Women Entrepreneurs report from 2010.

There's plenty of talk about the dearth of funding and investments by venture capitalists in Canadian startups as a whole, and this reality is even more concerning when considered through the lens of women and their opportunities for funding. American venture capitalist Cindy Padnos' white paper, titled "High Performance Entrepreneurs: Women in High-Tech," outlines many of the challenges that women face in

funding their businesses and clearly articulates why availing women to funding is not only an imperative, but smart business.

"Today, women make up more than 30 percent of the high-tech workforce and yet they receive less than 10 percent of venture funding."

It's a well-known fact that small and medium-sized enterprises (SMEs) are responsible for the majority of new jobs created in our country and women-led SMEs are responsible for over \$117 billion per annum in Canada. Clearly, these businesses are helping to drive our economy forward. We have a clearer picture of the economic impact of women-led businesses in the US, and we need to drive that awareness in Canada as well.

Women-owned businesses—whether potentially high-growth ones in the tech market or smaller scale businesses that are successful in their own right—need to be given more regard and more money. Full stop.

Many of us at MaRS believe that this issue is not only an important discussion on gender, but also an issue with tangible and far-reaching economic impacts.

The PARO Centre for Women's Enterprise is currently conducting a Technology and Your Business Survey as they work to expand the use and training of technology for businesses in Northern Ontario.

The purpose for this project is to increase production and profitability through better use of technology.

**To participate in the survey, visit:
<http://www.surveymonkey.com/s/XMXSTT8>**

October

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

October 12th

12:00 p.m.—1:30 p.m.

TAG Luncheon

October 19th

9:00 a.m.—2:30 p.m.

ARTIE (Advanced Research Technology & Innovation Expo)

October 24th

9:00 a.m.—11:00 a.m.

Trends in IT Workshop

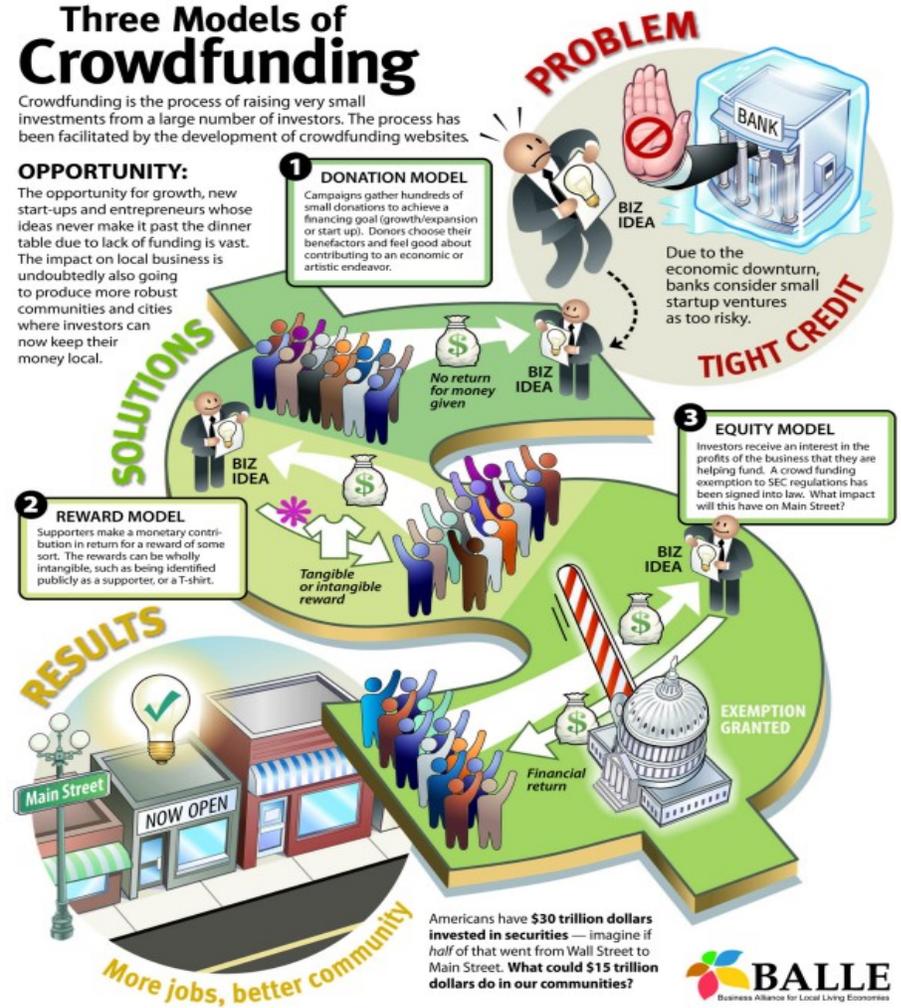
For information on these events, please contact Diana Medaglia, Marketing and Communications Manager, at 942.7927 x. 3138 or dmedaglia@ssmic.com.

Three Models of Crowdfunding

Crowdfunding is the process of raising very small investments from a large number of investors. The process has been facilitated by the development of crowdfunding websites.

OPPORTUNITY:

The opportunity for growth, new start-ups and entrepreneurs whose ideas never make it past the dinner table due to lack of funding is vast. The impact on local business is undoubtedly also going to produce more robust communities and cities where investors can now keep their money local.



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