



MEMORANDUM

To: Economic and Community Development Committee

Date: November 10, 2009

From: Annie Byrne, Associate Regional Planner

Re: Innovation Project: Summary of brainstorming session

The Committee's October meeting included a follow-up discussion on the innovation recommendations and the possible next steps. This memo provides a brief background and a summary of the discussion. This will be discussed at the November Committee meeting in order to decide the Committee's priorities and next steps.

Background

Innovation emerged as an important element to be included in the *GO TO 2040* plan at the beginning of the planning process, which began with developing the regional vision. There are three overarching themes in the vision: innovation, sustainability, and equity. Innovation is a complex and somewhat abstract concept, but one that is recognized as essential to the economic prosperity of the region. CMAP contracted RCF Economic and Financial consultants to help us better understand how innovation is taking place in the region and to suggest recommendations that will enhance innovation. While the *GO TO 2040* plan will be complete in October 2010, there are activities that can occur before the plan is complete; these may enhance the description of innovation recommendations in the plan and give a head start to implementing the plan's recommendations that involve innovation.

The Economic and Community Development Committee have discussed the recommendations suggested by RCF and have brainstormed ideas and priorities to move forward in better understanding what needs to occur for the region to improve innovation development and the benefits it brings. The committee has shown great interest in pursuing a role to guide the plan's innovation components. A first important step in this project is developing an action plan and identifying leadership roles. The committee proposed three types of action areas to be considered to guide the action plan and leadership model: targeted research to answer specific questions, convening key players involved in the creation of innovation to achieve greater collaboration and coordination, and raising the importance of innovation in the plan and

highlighting attempts and successes of innovation to help communicate a culture of innovation. These three action areas may not be mutually exclusive, but the committee will need to prioritize first steps. Below is a description of the purpose, outcomes, and details of each activity, provided by the committee's discussion.

Action Area: Research

Purpose: The main purpose is to better understand several key factors that affect innovation, which will be used by CMAP and other stakeholders to focus recommendations regarding strategies and policies that will enhance innovation. We must have a more comprehensive understanding of the components of innovation, the existing conditions of these components in the region, and the policies and tools that can enhance innovation and its benefits.

Outcomes: The research would be used by CMAP and other stakeholders and leaders to develop recommendations and implementation strategies for policy changes, collaborative efforts, funding priorities, and other goals and objectives as identified.

Details and first steps: We should develop a list of entities to be involved in designing and conducting the research and the group's structure and action plan should be established. A comprehensive list of research topics and priorities should be developed. The Economic and Community Development Committee's discussions have generated many ideas on important topics to research, including:

- Successful models of innovation and which factors our region is strong in that contribute to innovation; description of key innovators, "serial entrepreneurs," and successful small business entrepreneurs
- Key challenges facing the product developers and entrepreneurs that contribute to innovation in our region
- Major factors that influence, attract, and inhibit investment in firms (small and large) that need capital to innovate and strategies to overcome this (who is putting capital at risk, and what are the current issues regarding access to capital)
- What types of innovation and innovation strategies have the greatest impact on job creation and retention
- In what existing industries and big companies are innovations occurring and spurring new product lines, and how does this affect growth and employment? For example, what are the effects of Motorola's new Android OS and Droid phones on the Chicago region, and how much of that innovation occurred here?
- What can be done to foster collaboration and who is currently collaborating (case studies by geography and industry to show this)
- The top innovations that are needed
- The role of the public sector role
- How to overcome the current fear of failure and transform the region toward a "culture of experimentation"

Action Area: Convene innovation stakeholders and key players

Purpose: To identify opportunities for coordination and collaboration between key stakeholders and players in innovation.

Outcomes: The meetings or roundtables would be facilitated and designed to help answer key questions, explore opportunities, and develop actions that need to occur to achieve collaboration. This would lead to greater collaborations and strategic coordination needed to for innovation.

Details and first steps: The participants and topics should be focused and the meetings should be facilitated with clear objectives to ensure they provide useful information and are outcome-oriented. A first step is to decide the entities to lead this initiative, create an action plan, and draft the topics to focus on and the goal of each meeting. Suggested roundtable participants include: investors, entrepreneurs (by industry), product developers, researchers, and technical assistance providers. Topic ideas include: commercialization challenges, policy development priorities, access to capital, collaboration verses competition, innovation measurement, and talent supply availability.

Action: Identify innovation as a critical component to economic prosperity in the *GO TO 2040* plan and celebrate successful innovations and attempts to innovate.

Purpose: To highlight the importance of innovation and to create a culture of innovation; this will lead to strategies that encourages innovation.

Outcomes: The need for innovation will be described in the *GO TO 2040* plan. Case studies of successful innovators and innovations as well as attempts to innovate will be created and marketed.

Details and first steps: We should continue developing how innovation will be integrated into the plan and identify examples for case studies.

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