

# The National Research Council's strategies for SMEs

Canada's role in technology transfer

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**Small and medium-sized enterprises (SMEs) need to harness technology to enhance their national and international competitiveness. With technology-based innovation playing an increasingly important role in developing global niche markets and opportunities, the old modes of technology transfer have had to evolve in new ways. This article discusses various Canadian programmes with a direct technology and innovation focus and covers a number of government instruments. More specifically, it outlines the expanded roles and approach of the National Research Council of Canada in working with innovative SMEs on international collaboration.**

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*The authors gratefully acknowledge the  
inputs received from Mr. M. D. Mirola.*

## Introduction

Innovation is a global issue. All countries are making efforts to be included in the knowledge-based economy. But innovation is rooted in the ability to create, exploit and transform knowledge into innovative products, which will result in competitive margins in global markets. Unless and until countries and their firms become capable of spanning the innovation spectrum, by creating, developing, producing and successfully marketing their own products and services, alone or in collaboration, nations - both large and small - will not be able to fully transform into entities capable of participating in the knowledge-based

economy that aims for world production, trade and national prosperity.

Like a number of other countries, Canada produces only four per cent of the world's knowledge and must access key parts of the remaining 96 per cent if it wants to be able to innovate and compete in world markets. For example, 65 per cent of all technology used by industry in Canada comes from international sources.<sup>1</sup> Although Canada must increase its R&D efforts at home, it must also be systematically more efficient at reaching out to access global technologies. This can be achieved through collaborative research projects and programmes to create new knowledge