

**9th International Conference on
Agricultural Biotechnology: Ten Years After**

organized by the:

**International Consortium on Agricultural Biotechnology
Research (ICABR)**

and the:

Catholic University of Leuven

CEIS - University of Rome "Tor Vergata"

Centre of Sustainable Resource Development, University of California at Berkeley

Economic Growth Centre, Yale University

Ravello (Italy), July 6-10, 2005

**“Facilitating Innovation in Agricultural Biotechnology: An
Examination of the Ag-West Bio Inc. Governance Model”**

Camille D. Ryan
Ph.D. Candidate, Interdisciplinary Studies
University of Saskatchewan

Stuart Smyth
Post-doctoral Researcher
University of Saskatchewan

ABSTRACT

Arms' length government organizations have long held a vital role in the development and sustainability of the agricultural biotechnology industry in Saskatchewan. In particular, the Saskatoon based agricultural biotechnology cluster has evolved into a world-renowned research center for canola. Its success in large part is due to the support from federal, provincial and municipal governments pertaining to infrastructure, investment and funding. Rapidly changing world agricultural markets and changing consumer perceptions have necessitated government intervention to encourage continued investment and sustainable innovation in the industry.

The evolving nature of the global biotechnology industry and international trade issues with respect to food safety has necessitated responsiveness on the part of all industry actors. Institutional changes in the wake of controversies and consumer perceptions require evolving organizational models to respond to these changes. Government is no different. Governments have developed arms' length organizations to advocate, support and service the agricultural biotechnology industry. In this paper we examine such an

organization. Ag-West Bio Inc. (AWB) is a non-profit venture funded by the Saskatchewan government which has delivered a wide range of services to the Saskatchewan biotechnology industry, including acting as a mediator between business and government, a project facilitator and financier, and offering visible leadership and direction for the biotechnology sector.

In this paper, we examine the AWB governance model, its history and its role in the evolving agricultural biotechnology industry. In Part I, we present the history and development of Ag-West Bio. In Part II, we examine innovation theory to provide a background for business model evolution and the justification for the AWB model. In Part III, we introduce our methodology for analyzing the AWB governance model regarding facilitating innovation, consisting of a blend of activities: financing, networking and advocacy. In Part IV, we apply and assess the model. Finally, in Part V, we offer some potential next steps for continuing the innovation process.

Key Words: Innovation; Strategy; Governance Models