

THE QUEBEC STARTUP ECOSYSTEM FOR THE BENEFIT OF QUEBEC'S COLLECTIVE WEALTH

BRIEF IN THE CONTEXT OF THE CONSULTATION
OF THE MINISTÈRE DE L'ÉCONOMIE ET DE L'INNOVATION
ON THE 2022 QUÉBEC RESEARCH AND
INNOVATION STRATEGY



SUBMITTED BY BONJOUR STARTUP MONTRÉAL AND LE MOUVEMENT DES ACCÉLÉRATEURS
D'INNOVATION DU QUÉBEC

MAY 15, 2021

WITH THE CONTRIBUTION OF:

(In order of appearance of the contributions)

- Axelys
- Montréal International
- Groupe de travail Innovation ouverte: CENTECH, Cycle Momentum, Esplanade Québec, La Piscine, MT Lab, Zú (for challenges and solutions linked to large corporations)
- Polytechnique Montréal
- Réseau Capital
- IVADO
- Regroupement d'organismes de l'écosystème des technologies et de l'innovation du Québec, initiated by the Council of Canadian Innovators (CCI): ADRIQ, AQT, Centech, CCI, CRIM, FCCQ (Comité de travail sur les TIC et l'innovation), MAIN, Numana

COSIGNATORIES:

(In alphabetical order)

- Arrivage
- Axelys
- Batimatech
- Carebook
- Centech
- Cycle Momentum
(anciennement EcoFuel)
- Dialogue
- DigiHub
- Eli.Health
- Esplanade Québec
- Groupe 3737
- Institut de développement de produits (IDP)
- IVADO
- Jalon
- La Piscine
- Le Wagon
- Montréal International
- Montréal InVivo
- MT Lab
- Polytechnique Montréal
- Réseau Capital
- Zú

Executive Summary

Innovation is deeply rooted in every startup's DNA. Their agility and quickness in deploying innovative solutions are key ingredients for the much-needed transformation of the economy and society of Québec, especially in these times of crisis recovery.

To allow the startup ecosystem to contribute at its full potential, it is important to recognize its specificities within the Québec ecosystem and develop appropriate actions. The solutions proposed in this brief pertain to the challenges of commercialization, attracting talent, business growth, relations between startups and large corporations, and exchanges between the metropolis and Québec's regions.

This brief also proposes to implement three priority projects for the Québec startup ecosystem. These projects, which can be accomplished in the very short term, are first an optimum **support program** throughout the progress of the startup; the **creation of a world-class hub** bringing together, under the same roof, startups with strong growth potential and services, organizations and strategic players; and, a **platform to activate hypergrowth** of the best Québec startups, offering them services that can increase their international sales considerably.

Collaboration with startups is a tremendous innovation engine that makes it possible to go much faster and transform the culture of large and medium companies along the way. Bonjour Startup Montréal and le Mouvement des accélérateurs d'innovation du Québec, supported by the contributions and signatures that enrich this brief, offer a collaborative vision of all the stakeholders in the Québec startup ecosystem, for the benefit of our society's economic growth and collective wealth.

Summary Table: Challenges and solutions for the development of the Québec startup ecosystem

Commercialization

Challenges	Solutions
Commercialization initiatives are fragmented and uncoordinated	Promote the value of startups to government decision-making bodies
Export assistance programs are not adapted for startups	Match international opportunities and startups
Startups are not priorities for Québec delegations abroad	Adapt the export support services to the startups' reality
Major corporations and the Québec government provide little support for startups in the validation phase	Mutualize resources, networks and expertise in commercialization between regions
Research organizations do not do enough to facilitate startups by researchers	Favour companies that do business with local startups in government purchasing processes
	Increase the offering of specialized training in commercialization
	Facilitate access to international coaches and mentors
	Develop an outreach strategy

Talent

Challenges	Solutions
The startup ecosystem is threatened by acqui-hire operations, outsourcing and the flight of talent	Create attraction, mutualization and measuring tools
The necessary expertise for startup development is rare in Québec	Adapt immigration policies
Immigration policies limit the possibilities to hire and attract new talent	Adapt requalification programs and employment subsidies
The startup ecosystem is unrepresentative of the diversity of Québec society	

Startups journey

Challenges
The offer of support and financing services is not well-known
More mutualization initiatives and exchanges of expertise are necessary
Stronger relations are necessary between Québec startups and investors
Learning institutions lack connections with support organizations

Solutions
Clarify the offer of support on the Québec scale
Pool the resources offered by the innovation network's major stakeholders
Create stronger relations between startups and investors
Ensure researchers are supported by recognized startup support organizations

Medium and large corporations

Challenges
Collaborations between startups and large corporations are limited
Startups and large corporations have very different constraints and expectations
Best practices in collaboration between startups and large corporations are little known
Startups and large corporations do not rely on the available support resources

Solutions
Support the establishment of sponsorship programs, collaborative project and experimentation areas
Develop competencies and hire open innovation program managers
Adapt the business support programs
Document successes in collaboration between large corporations and startups

Connections between urban centres and regions

Challenges
The existing expertise in each region is little known
Service mutualization mechanisms are rare
Mobility and exchanges are not encouraged by innovation policies

Solutions
Facilitate collaboration initiatives between support organizations
Mutualize the expertise and resources present in each region
Favour an interregional approach within the support organizations in place
Identify and share best practices in support and promotion of startups