Welcome to the Webinar
-We will begin shortly-

Economic Development Division Webinar Series

Presents:

The BC Jobs Plan Webinar Series

Technology: The BC Venture Acceleration Program

Thursday November 13th, 2014
1:30 - 3:00pm PST

Audio information:
- Dial-In Number: 1 877 353 9184
- Conference ID: 5012833
- Mute phone: mute button or *6
- Please do not put phone on hold

Visual Information:
Click on “Voice and Video” in the menu bar

Troubleshooting:
Follow instructions in the meeting invitation. Call IT support at 250 356 9600 if issues cannot be resolved.
The LiveMeeting Environment

For the best experience, you’ll want to dock the Attendee and Audio & Video panes.

1. Click and drag the appropriate Menu option on the top left to the bottom left area

2. Release the pane in the shaded area. Repeat for the other desired menu items.
You can post a question to be answered by the presenter at any time. Just click on the **Q&A** button in the toolbar at the top left of your screen, type in your question and hit Enter. We’ll respond to your question as soon as possible.
You can provide feedback during the presentation. From the Feedback drop-down pane in the upper right corner of the toolbar, click the appropriate option from the “feedback to presenter” drop down list.
Quick Poll
Technology in B.C.

• Technology helps drive the B.C. Economy
• Second fastest private sector job creator over the last decade
• Third largest contributor to B.C.’s annual economic activity
• B.C. has remarkable talent in technology
  • Microsoft
  • Amazon
  • Facebook
  • SAP
  • Industrial Light and Magic
  • Sony Imageworks
• Homegrown Companies
  • Hootsuite
  • Saltworks
  • Stemcell Technologies

Sector Facts:

$23 BILLION Annual Revenue
(up from $13 Billion in 2002)

More than 84,000 JOBS
(up from 66,000 in 2002)

$1,440 Sector 2013 Weekly Average Earnings

In 2012 9,010 Technology companies in B.C.
(3% increase over 2011)
Technology in B.C.

- BC Jobs plan progress made:
  - Increased availability of high-speed internet throughout the province – currently 93% with 100% by 2021
  - Clean technology sector is making great strides
  - Software and communications sector provides world-leading solutions

- Spotlights:
  - Great location for technology companies
  - Emerging hubs
  - Technology can happen anywhere
Technology in B.C.

• Looking ahead:
  • Update strategic plan
  • Expand the availability of job-ready graduates
  • Streamline the provincial procurement system to make it easier for local technology companies
  • Work with other levels of government
  • Expand the opportunities for B.C.’s life sciences and natural resource technology companies
  • Review digital, audio and video effects film tax credits
  • Deliver on the Growing Green Jobs plan
Technology in B.C.

• Why does Technology matter to B.C.’s economy?
  • Recent years have seen an influx of investment and growth
  • In the last five years, the sector has outpaced the average growth of the B.C. Economy
  • Technology has the unique ability to transcend sectors

• How can communities and businesses leverage this sector?
Growing Technology and Innovation Entrepreneurship as an Regional Economic Driver

Dean Prelazzi
Managing Director of the BC Acceleration Network and Venture Acceleration Program
BC Innovation Council
Mission & Mandate

At BCIC, we are making BC a great place for technology entrepreneurs and innovation.

We are accelerating the commercialization of technology through the delivery of programs, events and initiatives that support:

1) BC startup companies;
2) The development of entrepreneurs; and
3) Government initiatives.
BCIC is the largest funder of entrepreneurial support programs in British Columbia

The BC Venture Acceleration Program
bcacceleration.ca
• A structured venture growth program designed to train, coach and grow ambitious early-stage technology entrepreneurs and innovators in British Columbia.
• 12 program partners, 358 entrepreneurs, 242 companies, 658 jobs created and $53.6M investment.

BC Innovator Skills Initiative
• Delivers skills, training & experience to post-secondary students through work placements.
• Offers real-world technical, business and entrepreneurial skill development with potential employers in BC.

BCIC-New Ventures Competition
newventuresbc.com
• One of North America’s largest technology idea competitions, supported by BCIC since 2008.
• More than 1,700 entrepreneurs participated, $200M in financing raised and 3,100 jobs created.

entrepreneurship@UBC
• Supports the development and growth of UBC-linked ventures. BCIC was a founding partner in establishing the initial capitalization for the e@UBC Seed Accelerator Fund.
• Has supported 122 companies, incorporated 15 new startups and has offered 12 networking events attracting 700 participants to date.

Entrepreneurial Development
• Sponsorship of numerous industry conferences, competitions and events including:
  • BC Technology Impact Awards
  • Metabridge annual retreat
  • Grow Conference
  • TED 2014
• 48 Hours in the Valley (San Francisco)
• Regional Startup Weekends
• Student entrepreneur competitions

Launch Academy
launchacademy.ca
• A non-profit organization that helps entrepreneurs execute on their startups through education, mentorship, lean metrics and networking opportunities.

Cross-Sector Strategy
• Linking resource industry (LNG, oil & gas and mining) problems to BC solution providers in order to increase jobs, encourage exports and build IP by bridging small and large companies.
Mission: Technology-related economic development and job creation by supporting and growing startups and innovation-driven tech companies.

Purpose: Help technology companies and innovators accelerate the process of defining a proven business model for sustained profitability, and to help them effectively grow their business.
Impact of the Venture Acceleration Program since it was launched in 2011.

275 BC Companies Participating

$18.9M Revenue Generated

758 Jobs Added to the BC Economy

$62.9 Million in Investment Attracted

30 Executives in Residence

428 Entrepreneurs Trained

12 Delivery Partners

Updated September 2014
Validate market big enough & viable business model exists
The VAP Delivery Model

Entrepreneur

Executive in Residence
Entrepreneurship Experience

Market Validation Training

Books:
1. *The Startup Owner's Manual*
2. *The Lean Startup*
3. *Crossing the Chasm*
4. *Business Model Generation*
“Ideal” Program Client

- Innovators, Tech Startup Entrepreneurs or Founders/CEOs of established Tech companies who are ambitious, and whose company’s growth potential exists beyond the borders of B.C. – and Canada too – thereby representing significant potential for company expansion, job growth, and export revenue.
Definition of Technology

- Products and productized services, with engineering attributes in advanced communications technologies, digital media & web, electronics design and manufacturing, software development, mechanical and industrial technologies, and/or other advanced engineering disciplines.
“The whole is greater than the sum of its parts.” - Aristotle

Connecting:
- Entrepreneurs
- Industry Sectors
- Executives in Residence
- Personal Networks
- Regions
- Knowledge & Know How
Opportunity – the Virtual VAP
Chapter 1 - Welcome

- The Market Validation Training (MVT) Course

Chapter 2 - Customer Development Model

- Customer Development Model
- Customer Development Model
- Worksheets

Chapter 3 - Discover Your Customer

- Customer Discovery Intro
- Discovering Your Customer

You started this course on June 17, 2014.

7%

1 / 5 Multimedia
0 / 10 Texts
0 seconds remaining
Building the Regional Technology Community
Vancouver Island Style
Paris Gaudet
Executive Director
Mission

To support technology entrepreneurs with **starting** and **growing** successful companies.
Regional Scope

79 Municipalities
8 Regional Districts
13 School Districts
Community Partners

Key to Regional Engagement

Support innovative entrepreneurs with connecting to the resources and expertise they need to move their idea forward.

Chambers of Commerce, Economic Development, Community Futures
Technology in the Region

Innovation is All Around

• Identify who is doing what within the region
• Connect them with appropriate resources
• Explore the true potential of their idea
• Become anchor companies in the community
Area of Focus

Community Building

Developing the regional technology ecosystem and fostering broader community engagement.

*Such as workshops and networking events*
Entrepreneurial Development

Programs and initiatives focusing on increasing the success of individual companies and entrepreneurs.

The Venture Acceleration Program
Venture Acceleration Program

A structured business development program that assists startup and early stage technology companies with accelerating their growth.
Since Launching in January 2013

The Venture Acceleration Program has...

- Assisted 17 innovative entrepreneurs
- Located in five different communities
- Has resulted in hiring 25 FTEs
- Generated $561,500 in investment
- Secured $165,500 in government grants

Committed to remaining in the region
Graham Truax
Executive in Residence
Clients

Entrepreneurs - Innovators - SMB’s

- Scalable product/market opportunity
- 1 to 5+ person teams pursuing growth
- Over 70% have previous business experience
- 63% are at revenue
- 45% have Global market opportunity
- 37% need to hire staff within 12-24 months
- 1/3 are financeable
Mentoring & Access

Guidance with program materials, objective feedback and experienced advice. Flexible to the needs at hand while holding clients capable and accountable.

- One to one meetings
- Workshops and events
- Online (Skype)
- Document file share
Curated Content

The best of classical thinking and the most up-to-date writing and methodologies.

- Saving clients time and energy
- Focus on learning-based activities
- Results-based outcomes
Key Concepts

Lean Start-up

The “Lean Start-up” ([Eric Ries](http://example.com)) movement, and the concept of “Minimum Viable Product” (MVP) is foundational to the Start-up ecosystem.
Lean startup cycle

IDEAS

BUILD

PRODUCT

MEASURE

DATA

LEARN
Key Concepts

Business Model Canvas

The work of Alex Osterwalder in his book *Business Model Generation* and use of the “Business Model Canvas” is a core tool in customer development methodology.
<table>
<thead>
<tr>
<th>Key Partners</th>
<th>Key Activities</th>
<th>Value Propositions</th>
<th>Relationships</th>
<th>Customer Segments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content Partners</td>
<td>Platform Development</td>
<td>Connect with your friends, Discover &amp; Learn, Express yourself</td>
<td>Same-side Network Effects</td>
<td>Internet Users</td>
</tr>
<tr>
<td>(TV Shows, Movies,</td>
<td>Data Center Operations Mgmt</td>
<td>Reach, Relevance, Social Context, Engagement</td>
<td>Cross-side Network Effects</td>
<td>Advertisers and</td>
</tr>
<tr>
<td>Music, News Articles)</td>
<td></td>
<td>Personalized and Social Experiences, Social Distribution, Payments</td>
<td></td>
<td>Marketers</td>
</tr>
<tr>
<td></td>
<td>Facebook Platform</td>
<td></td>
<td></td>
<td>Developers</td>
</tr>
<tr>
<td></td>
<td>Technology Infrastructure</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Resources</th>
<th>Channels</th>
<th>Revenue Streams</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Website, Mobile Apps</td>
<td>Free</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Facebook Ads, Facebook Pages</td>
<td>Ad Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Developer Tools and APIs</td>
<td>Payment Revenues</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost Structure</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Data center costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing and Sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

www.businessmodelgeneration.com
Key Concepts

Customer Development Methodology

Steve Blank is a leading expert in the start-up industry who teaches entrepreneurs how to treat their start-up with a scientific mindset, or make decisions with their heads and not their hearts.
Customer Development

Customer Discovery
- Problem-Solution Fit
- Proposed MVP
- Proposed Funnel(s)

Customer Validation
- Product-Market Fit
- Business Model
- Sales & Marketing Roadmap

Company Creation
- Scale Execution

Company Building
- Scale Organization
- Scale Operations

pivot

INNOVATION ISLAND
Technology happens here
Key Concepts

Technology Adoption Life Cycle (TALC)

Based on the book *Crossing the Chasm*, Geoffrey Moore identifies consumer buying characteristics and the gaps between early adopters and mainstream buyers.
Technology Adoption Life Cycle Model

Mainstream Market

Early Market

Visionaries (Early Adopters)

Pragmatists (Early Majority)

Conservatives (Late Majority)

Skeptics (Laggards)

Chasm
Key Concepts

Go-to-Market Plan

1. **WHO** are the targets within the market?
2. **WHAT** will be the product(s) for target customers?
3. **HOW MUCH** will we charge?
4. **HOW** will we promote to target customers?
5. **WHERE** will we promote and sell?
Business Intelligence

- Competitive Analysis / SWOT
- Intellectual Property (IP)
- Road Map & Documentation
- Corporate Structuring
- Financing Instruments
- Team Building (HR)
- Pitch & Presentation
- Exit Strategies
Thank You!

Find us at SquareOne:
38 Victoria Crescent
Nanaimo, BC V9R 5B8
Tel: 250.753.8324
Toll Free: 1.877.664.7842
Email: info@innovationisland.ca
Web: www.innovationisland.ca
Sasha Angus
Chief Executive Officer
Nanaimo Economic Development Corporation
Venture Acceleration Program
BUSINESS
The IT Crowd
Input Logic leading the edge of technology wave in Harbour City

Genuine Hub City
Easy access via land, water or air aids in Nanaimo's growth and expansion

Mid-Island Trade Gateway
Nanaimo proves to be an economic import/export trade machine

I LOVE THE QUALITY OF LIFE THAT NANAIMO OFFERS FOR MY TEAM AND MY FAMILY.

Colin Dobell, CEO
Inuktun
www.inuktun.com

With commercial lease rates up to 60% lower than Victoria, and workforce housing 45% more affordable than Victoria, Colin and his employees enjoy an incredible quality of life in Nanaimo, and a great environment in which to grow their business and prosper.

Nanaimo is the place of infinite possibilities for your business. Contact Sasha Angus and find out why.

sasha.angus@investnanaimo.com
(250) 824-0152

Nanaimo, British Columbia, Canada

Nanaimo ECONOMIC DEVELOPMENT CORPORATION
I LOVE THAT NANAIMO IS AN AFFORDABLE HUB FOR MY BUSINESS.

Charles Hamer, CEO
Resonance Software
www.worksight.net

With a great talent pool of graduates from Vancouver Island University and amazing digital and physical business connections, Charles enjoys not only an incredible quality of life, but a great environment in which to grow his tech start-up business.

Nanaimo is the place of infinite possibilities for your business,
Contact Sasha Angus and find out why.
sasha.angus@investnanaimo.com
(250) 824-0152

I LOVE THAT NANAIMO IS GROWING WITH THE FUTURE OF MY BUSINESS.

Jim Hogan, CEO
VMAC
www.vmacair.com

With light industrial tax rates 23% lower than Victoria, and access to available industrial land for future growth, Jim enjoys not only an incredible quality of life, but a great environment in which to grow his business and prosper.

Nanaimo is the place of infinite possibilities for your business,
Contact Sasha Angus and find out why.
sasha.angus@investnanaimo.com
(250) 824-0152
Regional Economy - $3.955 Billion
Knowledge Based Industry
Share of Business Incorporations

Nanaimo share of BC

Nanaimo ECONOMIC DEVELOPMENT CORPORATION
Michael Reid
Co-founder, CEO
Red Scotch Software
POSITIONING STATEMENT

FOR: Small Business Owners

WHO: want data security, personalized functionality & API ownership

KUBE is: a cloud platform

THAT PROVIDES: easy to deploy SaaS solutions

UNLIKE: products such as Microsoft Sharepoint and Salesforce

OUR PRODUCT: delivers enterprise power at SMB affordability
SMB CHALLENGES

- Data Security
- IT support / setup
- Scalability / Flexibility
- App Overload
- Monthly Cost
KUBE SOLUTION

Complete Data Control

Assured Data Ownership / Security

Intuitive visual builder

Linux

Windows

Apple
Use Case Scenario / Current SaaS

**Natural Elements - Beauty Spa**

- **Usability:** MODERATE
- **Features:** TOO MANY
- **Control:** LIMITED
- **Satisfaction:** 50%

**Cost Breakdown:**

- Inventory Software = $79
- Financial Software = $19
- Auto Reminder / SMS = $44
- Electronic Forms = $20
- Cloud Backup = $10
- Photo Editing = $0
- Calendar / Scheduler = $16
- CRM = $14

**Total Monthly Cost:** $202

( AVG SMB spend on Software / IT per month $208 )
NATURAL ELEMENTS beauty spa

Usability = EASY
Features = AS NEEDED
Control = UNLIMITED
Satisfaction = 100%

TOTAL MONTHLY COST = $5.80

Inventory Software = $1.50
Financial Software = $1.50
Auto Reminder / SMS = $0
Electronic Forms = $0.75
Cloud Backup = $0.25
Photo Editing = $0.25
Calendar / Scheduler = $0.25
CRM = $0.80
THANK YOU
for your participation in this webinar

Questions?