

Networks of Centres of Excellence of Canada

Réseaux de centres d'excellence du Canada

The Networks of Centres of Excellence of Canada 1999–2000 Annual Report

Powerful Partnerships for Innovation



Eighteen Networks of Centres of Excellence

AquaNet	Network in Aquaculture
CAN	Canadian Arthritis Network
CBDN	Canadian Bacterial Diseases Network
CGDN	Canadian Genetic Diseases Network
CANVAC	Canadian Network for Vaccines and Immunotherapeutics
CIPI	Canadian Institute for Photonic Innovations
CITR	Canadian Institute for Telecommunications Research
CSN	Canadian Stroke Network
GEOIDE	Geomatics for Informed Decisions Network
HEALNet	Health Evidence Application and Linkage Network
IRIS	Institute for Robotics and Intelligent Systems
ISIS	Intelligent Sensing for Innovative Structures
MITACS	Mathematics of Information Technology and Complex Systems
Micronet	Microelectronic Devices, Circuits and Systems
PENCE	Protein Engineering Network
SFM	Sustainable Forest Management Network
TL - NCE	TeleLearning Network of Centres of Excellence
Wood-Pulps	Mechanical Wood-Pulps Network

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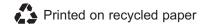


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Message from the Chair

Message from the Chair

The fiscal year 1999-2000 was a period of unprecedented growth for the Networks of Centres of Excellence (NCE) Program.

A \$30 million budget increase made it possible to fund a new network, to launch a competition that led to the establishment of three other new networks, and to start the competition process in four target areas of strategic importance to Canada. The details are given on page 17.

One key to this success was the enthusiastic participation of the university research community and our industrial, government and other sector partners who put forward innovative proposals and invested immense amounts of talent, time, money and effort in the two competitions this year.

We've also had effective co-operation and assistance from the universities and research hospitals of Canada, as well as from the Natural Sciences and Engineering Research Council (NSERC), the Medical Research Council (MRC), the Social Sciences and Humanities Research Council (SSHRC), and Industry Canada.

The granting agencies and Industry Canada provide the base funding while the Canadian universities provide the R&D staff and the pool of students, as well as the infrastructure that enable NCEs to forge innovative partnerships between industry, government and the non-profit sectors.

The NCE peer review process ensures that the selected NCE projects are both excellent and important to society and the economy. All funding decisions are based on an arm's length assessment of applications by Expert Panels and recommendations of internationalcalibre



Photography by Tony Scullion

Selection Committees. The membership of those committees is given on pages 18 to 19.

I am happy to say that in his 1999 report, the Auditor General recognized that the NCEs are well-managed. Some excerpts from it are given on the following page.

Statistics, too, can tell a story and those in the Tables and Illustrations of this annual report demonstrate just how successful the NCEs have been.

I would like to conclude by thanking the Honourable John Manley, Minister of Industry, the Honourable Allan Rock, Minister of Health and the Honourable Ron Duhamel, Secretary of State for Science, Research and Development and his successor, the Honourable Gilbert Normand. Their recognition and support have helped ensure that the NCEs continue to grow in importance in Canada's innovation system.

Thomas A. Brzustowski, P. Eng., Ph.D. Chair NCE Steering Committee



Excerpts from the 1999 Auditor General's Report

"19.93 In addition to our audit criteria, we assessed the NCE grants using the five selection and evaluation criteria for the program, namely: excellence of the research program, highly qualified personnel, networking and partnerships, knowledge exchange and technology exploitation, and network management.

19.94 We concluded that due diligence had been exercised in the grants we audited under the Networks of Centres of Excellence. We found that for each proposal submitted, there was a complete description of the network and its planned research activities, and the files included all relevant information. Each proposal was assessed by an expert panel and examined by the selection committee for final approval by the steering committee. 19.95 All the networks provide regular reports on the progress of the projects and site visits are done. Every agreement defines intellectual property ownership.

19.96 Finally, a 1997 evaluation concluded that the Networks of Centres of Excellence program had succeeded in all of its objectives. While the report did not consider all of the basic evaluation issues, it suggested that the program will provide substantial net economic benefits."

NCE Program at a Glance



NCE Program at a Glance

Networks' Competitive Edge in Canada and Abroad

As Canada is a huge country with a small population, our research institutions and resources are widely dispersed. Because our centres of research excellence are spread across the country, we require a network approach to create critical masses of research capacity for dealing with large problems.

At the same time, the NCE Program reinforces the scientific capacity of Canada's regions — a pre-requisite for the development of strong local economies. It allows local companies to draw on engineering and scientific expertise available locally across Canada. "For Canada to take full advantage of this knowledge, talent and technology in a timely fashion, it is imperative and urgent that Canadian researchers, universities and companies become integral partners in the international effort in S&T".

Department of Industry Advisory Committee on Science and Technology

These activities respond to Canada's need to compete and co-operate internationally. As the Department of Industry's Advisory Committee on Science and Technology recently stated, "For Canada to take full advantage of this knowledge, talent and

technology in a timely fashion, it is imperative and urgent that Canadian researchers, universities and companies become integral partners in the international effort in S&T."

Most networks are increasingly active

More recently, and from an international perspective, innovation has become critical in the new global, knowledgebased economy. The NCE Program puts research groups at a competitive advantage in Canada while allowing them to link up with their counterparts elsewhere in the world. on the international scene and have initiated collaborations with more than 200 organizations from 20 countries in a variety of spheres ranging from postdoctoral exchanges to technology transfer.



NCE Participating Organizations



Participating Institutions 1999-2000

	Federal	Hospital	Industry	Other	Provincial	University	Total
Northwest Territories	0	0	1	6	1	0	8
British Columbia	5	4	84	30	19	5	147
Alberta	3	0	52	17	12	4	88
Saskatchewan	0	0	4	4	9	2	19
Manitoba	1	0	15	3	6	2	27
Ontario	22	16	180	87	16	14	335
Quebec	8	18	108	46	17	19	216
New Brunswick	1	0	12	1	0	3	17
Nova Scotia	3	1	11	1	2	4	22
Prince Edward Island	0	0	0	0	0	1	1
Newfoundland							
and Labrador	2	0	8	8	4	1	23
Total Canadian	45	39	475	203	86	55	903
Total Foreign	7	7	88	63	0	43	208
Grand Total	52	46	563	266	86	98	1111

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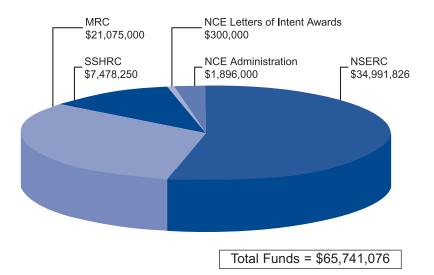
Multiplying the Benefits of "Discovery" Research

The mission of the NCE program is to mobilize Canada's research talent in the academic, private and public sectors and apply it to the task of developing the economy and improving the quality of life of Canadians.

How do NCEs fulfil their mission? NCEs conduct pre-competitive or "discovery" research that benefits many organizations in many sectors such as information and communications technology; health and biotechnology; engineering; natural resources and the environment; agri-food; aquaculture, as well as transportation, trade, finance, and commerce. Once the NCE research is sufficiently advanced, outside organizations can use its results as the basis for their product and process development activities. Many companies can use the findings of an individual NCE research program thereby multiplying the impact — and benefits — of the original research. Companies are proving willing to finance an appropriate portion of the cost of the discovery research phase, and most or all of the cost of the commercialization phase, in line with the balance between risk and reward.

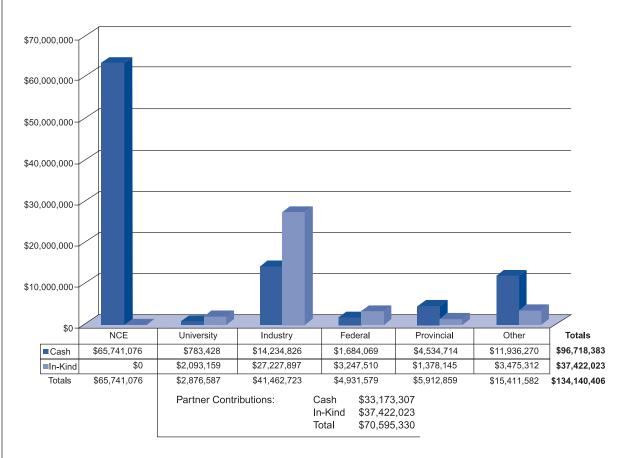
In 1999-2000, the NCE partners' contributions, both in-kind and in-cash, amounted to more than \$70 million, including more than \$41 million from the private sector.

Paths Through Which NCE Program Funds Flow to the Networks

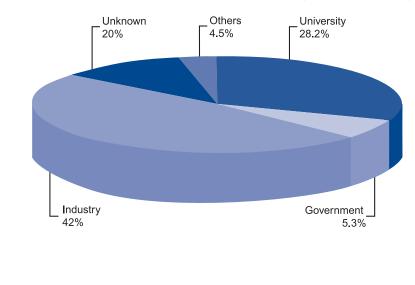




Contributions to the NCE Program



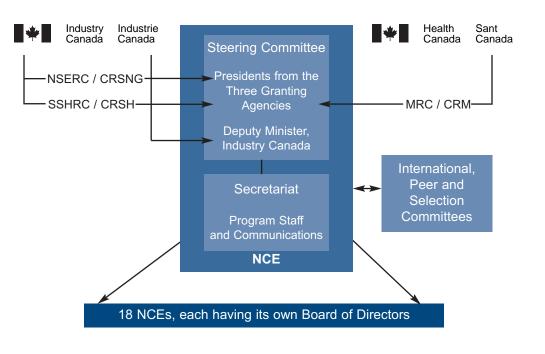
Post Network Employment by Sector



A Unique Approach to Program Administration

The NCE program is jointly administered by Canada's three granting agencies, the Medical Research Council (MRC), the Natural Sciences and Engineering Research Council (NSERC) and the Social Sciences and Humanities Research Council (SSHR), in partnership with Industry Canada. The unique relationship with the three granting agencies and Industry Canada helps ensure both the requisite collaborative and responsive features of the NCEs. The program is managed by a Steering Committee comprised of the three agency presidents and the Deputy Minister of Industry (or their delegates). The NCE Directorate, the majority of whose staff is from the three agencies, undertakes day-to-day program management and communications.

Governance Structure



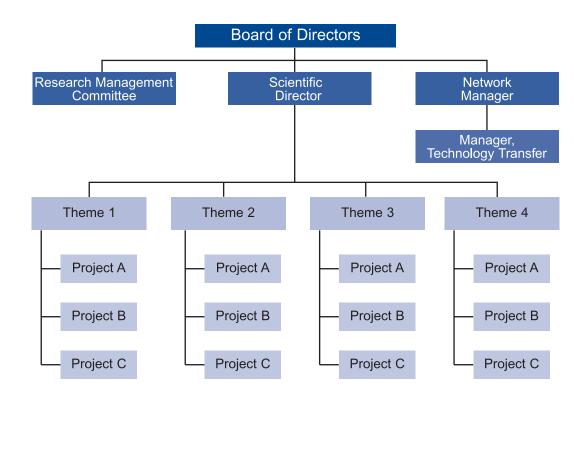


NCEs Foster Collaborative Management

Networks successfully manage many diverse interests as they form a consortium of researchers, companies, universities, federal and provincial governments, as well as other organizations.

A Board of Directors is responsible for overall policy, management direction, and financial accountability of the network. It is accountable to the NCE Steering Committee. The Scientific Director provides scientific leadership, promotes collaboration and often chairs the Research Management Committee, amongst various functions. The Network Manager directs daily business, ensuring control and accountability, as well as internal and external communications. The Host Institution, normally a university, hospital or other partner, provides suitable space for the network's Administrative Centre.

A Typical NCE Organization Chart



Program Highlights for 1999–2000



Program Highlights for 1999–2000

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Discovery, Innovation and Training Benefits for Canada

During the fiscal year 1999-2000, the NCE program continued to produce significant research discoveries and innovations, while ensuring their rapid transfer to potential industrial users and public policy-makers in areas of strategic importance to Canada. Indeed, 31 patents were awarded, 71 licences were granted and 14 spin-off companies were created.

Canada has derived both social and economic benefits from the commercialization of specific marketable products and processes originating from the networks.

Network Accomplishments 1999 – 2000					
Patents Filed:	66				
Patents Awarded:	31				
Licences Under Negotiation:	43				
Licenses Granted:	71				
Spin-Off Companies Created	: 14				

The NCEs also effectively facilitated critical public and private sector collaboration. The latter made cash and in-kind contributions in excess of \$41 million of a total \$134 million NCE annual budget. Such private sector financial commitment is critical if Canada is to reach the science and technology goals it has set.

The NCE program is also training young researchers to ensure

Canada's expertise throughout the current century. Of the more than 5,000 personnel involved in the NCE program, 3,600 are research associates, postdoctoral fellows, graduate and summer students. One thousand one hundred and seventy NCE graduates found directly related industry employment. These figures bode well for the future of innovative Canadian research and development.



Regional Distribution of NCE Researchers, Highly Qualified Personnel and Funds

One thousand five hundred researchers and 98 universities both in Canada and abroad were involved in NCE projects, initiating and augmenting various dynamic synergies. The 18 networks reported partnerships with 200 foreign organisations from the university, industry, hospital and government and other sectors.

Region	NCE Researchers		NCE supported	NCE HQP supported by	Total personnel
	University	Non-university	HQP	other sources	
Alberta	122	24	222	201	569
British Columbia	173	25	338	301	837
Manitoba	21	19	50	37	127
New Brunswick	20	2	17	30	69
Newfoundland & Labrador	15	3	3	9	30
Northwest Territories	0	2	0	11	13
Nova Scotia	37	3	25	20	85
Ontario	414	171	661	580	1,826
Prince Edward Island	4	0	0	0	4
Quebec	312	107	484	518	1,421
Saskatchewan	22	3	20	49	94
Total	1,140	359	1,820	1,756	5,075

Regional Distribution of NCE Researchers and Highly Qualified Personnel for 2000–2001

Regional Distribution of NCE Personnel and NCE Funds for 2000-2001

Region	NCE Researchers			y Qualified sonnel	Total NCE Expenditures by Region		
	# total	Percentage	# total	Percentage	\$ total	Percentage	
Alberta	146	9.7	423	11.8	\$6,750,134	15.6	
British Columbia	198	13.2	639	17.9	\$9,375,833	21.7	
Manitoba	40	2.7	87	2.4	\$1,307,361	3.0	
New Brunswick	22	1.5	47	1.3	\$323,979	0.8	
Newfoundland & Labrador	18	1.2	12	0.3	\$55,001	0.1	
Northwest Territories	2	0.1	11	0.3	\$0	0	
Nova Scotia	40	2.7	45	1.3	\$434,695	1.0	
Ontario	585	39.0	1241	34.7	\$14,693,332	34.1	
Prince Edward Island	4	0.3	0	0	\$10,502	0.02	
Quebec	419	28.0	1002	28.0	\$9,437,028	21.9	
Saskatchewan	25	1.7	69	2.0	\$757,253	1.8	
Total	1499	100	3576	100	\$43,145,118	100	

An NCE researcher is a researcher from the academic, public or private sector responsible for certain aspects a network-funded research project.

Highly Qualified Personnel includes research associates, postdoctoral fellows, graduate students and summer students.

The regional Distribution of NCE Funds shows only reported expenditures by each participating institution for 2000-2001.

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A Program That Supports the Best

In open competitions, potential applicants submit proposals in any area. In targeted competitions, a list of relevant and timely topics is approved by Cabinet. In either case, a "blue ribbon" Selection Committee reviews Letters of Intent to determine which applicants should be invited to develop full applications. Only those applicants whose letters of intent demonstrate excellence are asked to develop full proposals.

Other criteria upon which applications are assessed include:

- the ability to develop and retain Highly Qualified Personnel
- the building of critical mass through nation-wide multidisciplinary and multisectoral university/ industry and government partnerships

- the acceleration of knowledge exchange and technology transfer to the receptor community and
- efficient network management.

The Selection Committee subsequently reviews the full applications taking also into account the reports of Expert Panels, one for each application or target area. This committee makes its funding recommendations to the Steering Committee, which approves them if there is no reason to question the integrity of the evaluation process. All recommendations are subject to funding approval from the Treasury Board of Canada.

Network progress is assessed in the fourth year of operation as a condition of funding. The seven-year period of funding may be extended to fourteen provided the network succeeds in a national competition.

Innovation in Photonics

The budget increase in February 1999 made it possible to fund another network that had been recommended by the 1998 Selection Committee : the Canadian Institute of Photonic Innovations (CIPI). CIPI is actively harnessing and developing the talents of researchers in 19 universities, 34 industries and 14 government departments and agencies to ensure that Canada is at the forefront of photonic research. Photonics is associated with generating, transmitting and detecting light. Historically, this new science comes out of the vast field of modern optics that emerged at the beginning of the 1960's after the invention of the laser.

Thus photonics is a broad field encompassing various aspects of optics such as lasers, fibre optics, image and information processing, and ultrashort and ultraintense optical pulses to name a few. It is a field that is revolutionizing communication.



Three More Networks

In addition to the funding of the new network in photonics, the NCE Program launched a competition for new networks in any discipline. Twelve groups (from among 45 letters of intent) were invited to submit full applications. After careful deliberation by a Selection Committee, three new networks were announced on February 11, 2000.

The Best in Aquaculture

AquaNet's goal is to help secure the future of the Canadian aquaculture industry by increasing the efficiency of production through species diversification, biotechnology, environmental sustainability and training of Highly Qualified Personnel.

Innovative Vaccines and Stroke Treatments

The Canadian Network for Vaccines and Immunotherapeu-

tics (CANVAC) specializes in the fields of immunology, virology and molecular biology. In partnership with Canadian biopharmaceutical companies, it aims to develop safe and effective vaccines to protect people from cancer and life-threatening viral infections, such as hepatitis C and AIDS.

The Canadian Stroke Network

(CSN) aims to break the barriers of stroke treatment by developing innovative prevention and recovery strategies through multidisciplinary and multisectoral research. The network proposes a broad approach which would link education, prevention strategies for recovery and rehabilitation, and research to further our understanding of brain injury, repair and functional recovery after a stroke.

Looking Ahead

In addition to the open competition, the 1999 NCE budget facilitated a Targeted Competition for up to four new networks. A call for new applications was made January 12, 2000 in the following areas critical to our economic future, the well-being of our children and the safety of our environment:

- the automobile of the 21st century
- · genomics technologies and society
- meeting environmental challenges for clean water
- the impact of early child development on society.

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NCE Selection Committees

Stage 1: Letters of Intent – June 21 and 22, 1999

Chair

Martin Godbout President, Hodran Inc. Quebec, PQ

Members

Ruth Arnon Professor, Weizmann Institute of Science Rehovot, Israel

Gérard Duhaime Director of GÉTIC, Laval University, Beauport PQ

Richard Fuchs Futureworks Inc. Torbay NF

Pierre Tremblay President, Tecta Inc. Chicoutimi PQ Bill Cheliak Director, Progressive Genetics Systems Ltd. Ottawa ON

Ian Dowdeswell President, Delian Consultants Ltd., West Vancouver BC

Mark W. Rosenberg Professor, Department of Geography Queen's University Kingston ON

Eva Turley Division of Cardiovascular Research The Hospital for Sick Children Toronto ON



Stage 2: Full Proposals – January 13 and 14, 2000

Chair

Martin Godbout President, Hodran Inc. Quebec PQ

Members

Ruth Arnon Professor, Weizmann Institute of Science Rehovot, Israel

Brian Garside President, Opto-Electronics Inc., Oakville ON

Richard Fuchs Futureworks Inc. Torbay NF

Gilles Brassard Département d'information et de Recherche opérationnelle, Université de Montréal Montréal PQ

Bruce Smith Chairman, Smith Institute Guilford SURREY UK

Camille Limoges Président, Conseil de la science et de la Technologie du Québec Sainte-Foy PQ Bill Cheliak Director, Progressive Genetics Systems Ltd Ottawa ON

Ian Dowdeswell President, Delian Consultants Ltd., West Vancouver BC

Mark W. Rosenberg Professor, Department of Geography, Queen's University Kingston ON

Eva Turley Division of Cardiovascular Research, The Hospital for Sick Children Toronto ON

David B. Shindler President and CEO, Milestone Medica Corporation Toronto ON

David Owen Director, Industrial Collaboration & Licensing, Technology Transfer Group Medical Research Council London UK

Eighteen Networks of Centres of Excellence

Health and Biotechnology

Canadian Arthritis Network (CAN) www.arthritisnetwork.ca

Funding Cycle: 1998 - 2005 NCE Award in 1999 - 2000: \$3.2 M Network Researchers¹: 106 Highly Qualified Personnel: 174 Universities²: 26 Industries²: 34 Government departments, agencies and others²: 49

Canadian Bacterial Diseases Network (CBDN) www.cbdn.ca

Funding Cycle: 1989 - 2005 NCE Award in 1999 - 2000: \$3.8 M Network Researchers¹: 27 Highly Qualified Personnel: 223 Universities²: 18 Industries²: 50 Government departments, agencies and others²: 39

Canadian Genetic Diseases Network (CGDN) www.cgdn.generes.ca

Funding Cycle: 1989 - 2005 NCE Award in 1999 - 2000: \$4.5 M Network Researchers¹: 50 Highly Qualified Personnel: 175 Universities²: 11 Industries²: 28 Government departments, agencies and others²: 60

Canadian Network for Vaccines and Immunotherapeutics (CANVAC) www.canvacc.org

Funding Cycle: 1999 - 2003 NCE Award in 1999 - 2000: \$4.7 M Network Researchers¹: 85 Highly Qualified Personnel: 116 Universities²: 13 Industries²: 22 Government departments, agencies and others²: 24

Canadian Stroke Network (CSN) www.canadianstrokenetwork.ca

Funding Cycle: 1999 - 2003 NCE Award in 1999 - 2000: \$4.7 M Network Researchers¹: 145 Highly Qualified Personnel: N / A Universities²: 24 Industries²: 22 Government departments, agencies and others²: 39

HEALNet – Health Evidence Application and Linkage Network http://healnet.mcmaster.ca/nce

Funding Cycle: 1995 - 2002 NCE Award in 1999 - 2000: \$2.4 M Network Researchers¹: 101 Highly Qualified Personnel: 122 Universities²: 23 Industries²: 22 Government departments, agencies and others²: 81

Protein Engineering Network (PENCE) www.pence.ca

Funding Cycle: 1989 - 2005 NCE Award in 1999 - 2000: \$4.5 M Network Researchers¹: 56 Highly Qualified Personnel: 153 Universities²: 12 Industries²: 55 Government departments, agencies and others²: 24



Information Technology

Canadian Institute for Photonic Innovations (CIPI) www.cipi.ulaval.ca

Funding Cycle: 1999 - 2005 NCE Award in 1999 - 2000: \$5.7 M Network Researchers¹: 80 Highly Qualified Personnel: 312 Universities²: 22 Industries²: 38 Government departments, agencies and others²: 16

Canadian Institute for Telecommunications Research (CITR) www.citr.ece.mcgill.ca

Funding Cycle: 1989-2002 NCE Award in 1999- 2000: \$2.5 M Network researchers¹: 57 Highly Qualified Personnel: 221 Universities²: 18 Industries²: 17 Government departments, agencies and others¹: 2

Geomatics for Informed Decisions Network (GEOIDE) www.geoide.ulaval.ca

Funding Cycle: 1998 - 2005 NCE Award in 1999 - 2000: \$2.6 M Network Researchers¹: 268 Highly Qualified Personnel: 176 Universities²: 29 Industries²: 33 Government departments, agencies and others²: 28

Institute for Robotics and Intelligent Systems (IRIS) www.precarn.ca

Funding Cycle: 1989 - 2005 NCE Award in 1999 - 2000: \$4.4 M Network Researchers¹: 96 Highly Qualified Personnel: 255 Universities²: 22 Industries²: 63 Government departments, agencies and others²: 18

Micronet – Microelectronic Devices, Circuits and Systems www.micronetrd.ca

Funding Cycle: 1989 - 2005 NCE Award in 1999 - 2000: \$2.3 M Network Researchers¹: 72 Highly Qualified Personnel: 328 Universities²: 18 Industries²: 42 Government departments, agencies and others²: 3

Natural Resources

AquaNet www.aquanet.ca

Funding Cycle: 1999 - 2003 NCE Award in 1999 - 2000: \$3.6 M Network Researchers¹: 72 Highly Qualified Personnel: N / A Universities²: 18 Industries²: 26 Government departments, agencies and others²: 12

Mechanical Wood-Pulps Network www.ppc.ubc.ca/wood-pulps

Funding Cycle: 1989 - 2002
NCE Award in 1999 - 2000: \$2 M
Network Researchers¹: 38
Highly Qualified Personnel: 96
Universities²: 15
Industries²: 32
Government departments, agencies and others²: 9

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Sustainable Forest Management Network (SFM) www.ualberta.ca/sfm

Funding Cycle: 1995 - 2002 NCE Award in 1999 - 2000: \$3 M Network Researchers¹: 103 Highly Qualified Personnel: 337 Universities²: 26 Industries²: 12 Government departments, agencies and others²: 5

Infrastructure

Intelligent Sensing for Innovative Structures (ISIS) www.isiscanada.com

Funding Cycle: 1995 - 2002 NCE Award in 1999 - 2000: \$2.7 M Network Researchers¹: 69 Highly Qualified Personnel: 189 Universities²: 15 Industries²: 56 Government departments, agencies and others²: 25

Human Resources

TeleLearning NCE www.telelearn.ca

Funding Cycle: 1995 - 2002 NCE Award in 1999 - 2000: \$3.7 M Network Researchers¹: 50 Highly Qualified Personnel: 384 Universities²: 41 Industries²: 29 Government departments, agencies and others²: 103

¹ Includes Canadian and foreign researchers from all sectors

² Includes Canadian and foreign organizations

