



IP Summit ²⁰/₂₄

Navigating the Intangible Economy



PRESENTED BY



Intellectual Property
Ontario

| IAC ^{CA} CAI

About the Summit

The 2024 IP Summit brought together leaders in policy, business, and IP to address Canada's economic challenges.

This is the first volume in a series that summarizes key insights and translates them into actionable strategies for reinforcing Canada's intellectual property ecosystem. It serves as a roadmap for stakeholders to address FTO challenges and drive innovation forward.

The 2024 IP Summit was presented by [Intellectual Property Ontario](#) and [Innovation Asset Collective](#), in partnership with [Invest Ontario](#).

Innovation Asset Collective is funded by Government of Canada

Canada 

Intellectual Property Ontario is a provincial agency that provides trusted IP support to help Ontario businesses and researchers innovate and grow.

Ontario 

We Saw Over 200 Attendees From Over 100 Organizations.

A.I. VALI	Enersion Inc.	Quantiu Analytics
Altitude Accelerator	PharmaAla Biotech	Queen's University
Axelys	Export Development Canada	Raven Connected
Baycrest Health Sciences	Exro Technologies Inc.	Ribbit
BluWave Inc.	e-Zinc Inc.	RISC Capital
Brion Raffoul LLP - IP Lawyers	Fetherstonhaugh & Co	RLT Global Consulting
Brock University	FluidAI Medical	Royal Bank of Canada
Bug Mars Inc.	Four DRobotics Corp	RXN Reaction Hub
Business Development Bank of Canada (BDC)	George Brown College	Sandbox Centre
Canada's Tech Network	Georgian College	Sault Ste. Marie Innovation Centre
Canadian Hydrogen Association	Government of Ontario	Sheridan College
Canadian Innovators	Graphite Ventures	Sleaks
Canadian Intellectual Property Office (CIPO)	GravitySlide	Smart & Biggar
Carbonix	Harbour Technologies	Springboard Atlantic
Cattle Scan	HDAX Therapeutics	TechAlliance of Southwestern Ontario
CCRM	InBC Investment	Tenomix
Centre for Aging + Brain Health Innovation	Innovate BC	The Conference Board of Canada
Co. Innovation Centre - St. John's, NL	Innovate Calgary	Toronto Metropolitan University (TMU)
Cohesys	Innovate Niagara	University of Guelph
Communitech	Innovation Asset Collective	University of Ottawa
Conestoga College	Intellectual Property Ontario	University of Toronto
Conference Board of Canada	National Bank of Canada	University of Waterloo
Council of Canadian Innovators	National Research Council Canada	University of Windsor
Council of Ontario Universities	New Ventures BC	Vector Institute
Cpata-Cabamc	Norton Rose Fulbright LLP	Vena Medical
Cyberworks Robotics	Oceansupercluster	ventureLAB
Datec Coating	OmniaBio	Veramito
Dentons	Ontario Bioscience Innovation Organization	Vessl Prosthetics Inc.
Digital Supercluster	Ontario Centre of Innovation (OCI)	Virica Biotech
Durham College of Applied Arts and Technology	Originality.AI	WunderWear
EAGLE Inc.	Osler, Hoskin & Harcourt LLP	Western University
eCampus Ontario	Own Innovation Inc.	Xanadu Quantum Technologies Inc.
ecobee Inc.	Postmedia Network Inc	York University
	Purus	
	QEA Tech Inc.	



Addressing Canada's Freedom to Operate Challenge

Canada's productivity challenges stem from an intellectual property (IP) gap between invention and ownership that puts the country at a disadvantage in the global knowledge-based economy.

At the core of this issue is Freedom to Operate (FTO) – the ability for businesses to innovate, grow, and bring their ideas to market without being stopped by legal barriers or ownership claims.

This gap puts Canada at a disadvantage, especially for small and medium-sized businesses (SMEs)—the backbone of our economy. Without the right tools to protect and own their IP, these companies struggle to compete, scale, and succeed globally.

To secure Canada's future, we need to act now.

By updating outdated IP rules, building better support systems, and helping SMEs own their ideas while reaching global markets, Canada can close the gap, boost innovation, and drive economic growth.

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You have to think of the freedom to operate and the growing of companies in an intangible world as a national project.



Jim Balsillie

Founder & Chair, Council of Canadian Innovators
Founder & Chair, Centre for International Governance Innovation

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Freedom to operate is not one-size-fits-all. It depends on where you are in your product development, the maturity of your company, and the industry you're in.



Raymond Millien

General Counsel & Corporate Secretary, Exro Technologies Inc.

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Canada generates about 4% of the world's science by citations. Canada is 2% of the developed world population. We take 4% of the world's science, and we turn it into less than 1% of the world's intellectual property.



Duncan Stewart

Partner, Deep Tech Venture Fund, BDC

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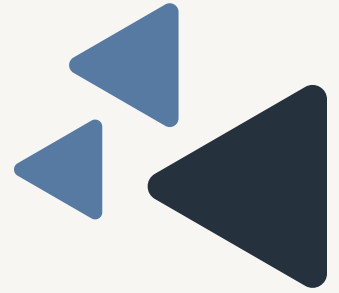
We are one of two countries in the developed world that don't have a policy on the ownership of federally funded research - It's us and Sweden.



Shiri Breznitz

Professor, Munk School of Global Affairs & Public Policy,
University of Toronto

Canada is Falling Short on Freedom to Operate



Canada's outdated IP policies and underinvestment in infrastructure expose its innovators to litigation, royalty burdens, and restricted market access.

During his keynote, Jim Balsillie, IAC's Board Chair revealed a startling reality: more than half of Canadian IP is foreign owned, a figure that has surged dramatically over the past 20 years. This alarming trend underscores the urgent need to modernize policies and protect domestic innovation.

Although Canada produces 4% of the world's science, it owns less than 1% of global IP. This imbalance, as noted by Duncan Stewart, Partner, Deep Tech Venture Fund at BDC, underscores Canada's struggle to commercialize its research. With 2% of the developed world's population, Canada generates twice as much science per capita but performs four times worse at commercialization. This gap is a

stark reminder of the systemic issues preventing Canadian companies from achieving Freedom to Operate.

During his Fireside Chat with IPON's Board Chair, Karima Bawa, Jim Balsillie emphasized Canada's reliance on traditional industries like manufacturing and resource extraction while ignoring intangibles. Since these industries are less IP focused, we never built the skill set and infrastructure. He stressed the need for modern IP policies that retain groundbreaking research domestically, ensuring it translates into economic value.

The urgency of this was echoed by Shiri Breznitz, Professor of Innovation at the University of Toronto's Munk School of Global Affairs & Public Policy, during the panel on Research Commercialization, where she highlighted, that Canada is one of only two developed nations without a policy on federally funded research.





Challenges

1

Dependence on Traditional Economic Models

Canada's continued focus on manufacturing and resource-based industries prevents full participation in the intangible economy, allowing foreign entities to dominate critical, innovation-driven markets.

2

Underdeveloped IP Infrastructure

Without strong funding, expertise, and commercialization support, Canadian businesses struggle to protect their innovations. This leaves them exposed to foreign competition and the risk of losing ownership of their IP to international companies.

3

IP Leakage

Canada lacks clear policies to retain ownership of IP generated through publicly funded research. This allows valuable innovations to be commercialized abroad, depriving Canada of economic benefits.



Actions to Take

These actions address the structural barriers preventing Canadian businesses from increasing Freedom to Operate.

1

Modernize IP Policies

Develop frameworks to ensure Canadian businesses retain ownership of IP, including federally funded research, while enabling international growth and commercialization. Prevent early foreign buyouts to keep economic benefits—like jobs and revenue—within Canada.

2

Strengthen IP Infrastructure and Align Efforts

Develop systems to help SMEs protect and scale their innovations through predictable funding, IP expertise, and access to IP resources. Programs across government, academia, and industry should collaborate to maximize impact and ensure Canadian research delivers economic value.

3

Learn from Global Leaders

Adopt proven IP strategies like Germany's Fraunhofer model¹ and South Korea's coordinated funding and education systems² to drive commercialization and innovation.

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Policymakers must sustain funding strategies and invest in infrastructure to retain IP ownership in Canada. Collaborative initiatives like IAC and IPON provide a foundation, but a unified effort across sectors, provinces, and territories is necessary to enable Canadian businesses to optimize their FTO.

¹ Fraunhofer model of performance-based basic funding

² Republic of Korea Funds-in-Trust for IP Education

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Far too often, early-stage innovators have a simple approach: file a patent, treat everything as a trade secret, and rely on NDAs. But understanding your external IP environment and competitive risks is critical to long-term success.



Mike McLean
CEO, Innovation Asset Collective

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You want to be similar enough to an existing product for an easier regulatory pathway, but not so similar that you risk stepping on someone else's IP. It's a thin line, and your IP and regulatory strategies must work together.



Armen Bakirtzian
Co-founder & CEO, Intellijoint Surgical

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You need to protect yourselves against some of the large incumbents. China obviously has a large grip on the energy storage products. So, making sure that we're able to protect our uniqueness is critical.



Tyler Schon
VP of Technology Development, e-Zinc

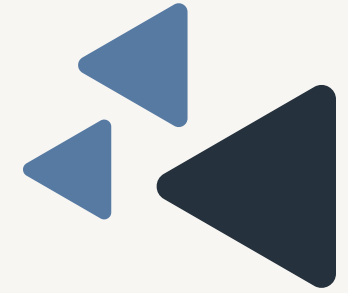
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SMEs holding formal IP are twice as likely to be high-growth firms and four times as likely to export.



Konstantinos Georgaras
CEO, Canadian Intellectual Property Office (CIPO)

Empowering SMEs to Increase Freedom to Operate



SMEs contribute 63.8% of private-sector jobs and nearly half of private-sector GDP.³ However, their ability to increase Freedom to Operate is constrained by systemic challenges, including limited resources, insufficient IP strategies, and significant exposure to foreign competition.

SMEs often face aggressive tactics, such as the “spray and pray” approach, where patent asserters target less IP-savvy businesses according to Raymond Millien, General Counsel of Exro during the panel on Navigating Freedom to Operate. The panel furthermore highlighted how these practices increase costs and restrict operational freedom.

A lack of reliable commercialization data further compounds these

challenges, as Elias Collette, Director General at the Canadian Intellectual Property Office (CIPO), pointed out during the panel on IP Metrics. Without comprehensive data, SMEs struggle to identify competitive opportunities and develop robust IP strategies.

In highly regulated industries like MedTech, patents play a crucial role in protecting innovations and enabling partnerships. However, as Armen Bakirtzian, Co-founder and CEO of Intellijoint Surgical, explained, misaligned IP and regulatory strategies can lead to costly delays, market exclusion, or infringement claims. Strategic, forward-looking IP management is essential to maximize market opportunities, mitigate risks, and ensure SMEs remain competitive in global markets.



³ Key Small Business Statistics 2023 – Innovation Science and Economic Development Canada



Challenges

1

Foreign IP Ownership

More than half of Canadian patents are owned by foreign entities. This limits SMEs' ability to create robust IP strategies and compete effectively in global markets.

2

Vulnerability to Patent Assertions

SMEs often face aggressive "spray and pray" tactics where patent asserters target them with broad claims, increasing costs and limiting operational freedom.

3

Gaps in Commercialization Data

Without reliable data on commercialization, SMEs struggle to identify competitive opportunities or develop strategies to leverage market "white space".

4

Reactive IP Strategies

Many SMEs lack the knowledge to adopt offensive and coordinated IP strategies across the product lifecycle resources, leaving them vulnerable to competitive pressures.



Actions to Take

These actions focus on helping SMEs access the tools, strategies, and data they need to compete globally and scale their businesses.

1

Expand Support Programs

Grow initiatives like IAC and IPON to provide SMEs with tailored funding, IP education, and tools to navigate IP challenges. Ensure outreach efforts help SMEs recognize IP as a core business strategy.

2

Align IP Policy with Business Needs

Develop sector-specific policies that make it easier for SMEs to protect and scale their innovations. Simplify regulatory pathways to reduce compliance costs and support market entry.

3

Close Commercialization Data Gaps

Improve access to reliable commercialization data, including patent trends, ownership changes, and market-entry insights, so SMEs can identify competitive opportunities and build proactive IP strategies that position them for growth in global markets.



Conclusion

The 2024 IP Summit delivered a clear message: Overcoming Canada's productivity challenge requires uniting and collaborating to prioritize IP ownership and expanding Freedom to Operate for Canadian innovators.

Outdated policies, weak infrastructure, and IP leakage leave Canada's SMEs struggling to protect their innovations, scale their businesses, and compete internationally.

To change course, Canada must act now.

Modernizing IP policies, strengthening infrastructure, and adopting proven global strategies will help secure Canadian innovation and its economic value. Empowering SMEs with sector-specific support, predictable funding, and streamlined policies will enable them to protect their IP while scaling in global markets.

By building a cohesive, forward-looking IP ecosystem, Canada can close its IP gap, empower its innovators, and secure a competitive future in the global knowledge economy.



Call to Action

To address Canada's IP gap and productivity challenge, we must take immediate, coordinated steps across the ecosystem:



Start with Awareness and Support

Leverage organizations like IAC and IPON to provide SMEs with essential tools, funding, and expertise. Expand education efforts to ensure SMEs recognize IP as a core business strategy and take ownership of their innovations.



Foster Ecosystem Collaboration

Unite policymakers, academia, businesses, and IP experts through regular forums and partnerships to share best practices, align strategies, and create a cohesive national approach to IP.



Build Infrastructure for Long-Term Growth

Commit to consistent funding for IP development, retain and grow IP expertise, and establish robust systems that empower SMEs to scale and compete globally.



Canada's Innovators are Ready

Canada's innovators are ready. By acting now, we can close the IP deficit, position Canada as a leader in the global knowledge economy and ensure long-term economic growth and global competitiveness.