Development Dynamics of a Startup Innovation Cluster Ten Years Later: An Analysis of the New Brunswick ICT Industry

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Economic geographers have long been interested in the processes that shape industrial districts and specialized geographic concentrations of economic activity. However, little scholarly attention has been given to case studies located in smaller cities and peripheral regions, resulting in a lack of nuanced theoretical understanding concerning development dynamics at play in industrial districts outside of the core. This thesis aims to help fill this gap by investigating the growth and trajectory of the New Brunswick information and communications technology (ICT) industry over the past 20 years. Quantitative and qualitative methods are employed to provide an updated statistical and geospatial snapshot of the sector, and to take an in-depth look at the emerging ICT startup community in the region. The theoretical framework developed herein, which focuses on 'hard' and 'soft' factors, grounded in path dependency, that enable and/or challenge local firms, holds great promise for future studies of place-based economic development.

'Hard' Factors

Primary factors considered by New Industrial Spaces scholarship; i.e. details that are formalized, transactionally-based and/or have to do with a firm's 'bottom line'. Some examples include supply chains, markets, the local labour pool, formal knowledge flows, costs, capitalization and public sector programs.

'Soft' Factors

This theme primarily deals with untraded interdependencies: those characteristics of the local social environment that are less tangible on the surface, but may be playing a vital role in enabling economic dynamism behind the scenes. Individual locational preference is also considered here.

Path Dependency

This theme aims to get at the broader arc of economic development in a particular place by analyzing the history of the industry in question, as well as how the collective perceptions, attitudes and experiences shared by people and businesses in a geographic region can both contribute to an industry's success — and pose threats to its future.

Figure 2.4: Synthesized conceptual framework for this study.