

**Canadian Regional
Development**
A Critical Review of Theory,
Practice, and Potentials



**Développement régionale
canadienne**
Un examen critique du théorie, de
pratique et des potentiels

INNOVATION CASE STUDY

The Northern Peninsula Business Network: Cooperation and Innovation

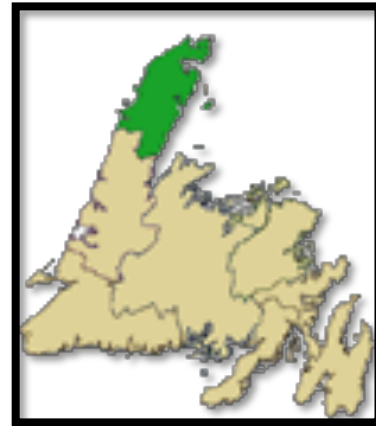
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The Northern Peninsula Business Network provides a compelling case study on innovation and learning. It was formed in April of 2002 with the support of the Department of Innovation, Trade, and Rural Development (INTRD) – now referred to as the Department of Innovation, Business, and Rural Development (IBRD) – and the NORTIP Community Business Development Corporation (CBDC). The network was created to unite businesses that complement each other on the Northern Peninsula (see Figure 1) to provide better, more sustainable services. The Network is composed of business operators in different sectors, thus the members pose no competitive threat to one another. The members of the network are Barbara Genge (Main Brook Waterwork Inc., Tuckamore Lodge Ltd., and Nordhaven Landing Inc.), Ted Lewis (Holson Forest Products Ltd.), Tony Rumbolt (Elite Builders Ltd.), and Hubert Randall (Quality North and Sealand Enterprises Ltd.). A number of these individuals were identified as being ‘innovative’ in research on innovation in the Northern Peninsula.

Figure 1: Northern Peninsula Region



Research has highlighted the importance of business networks in rural regions because they often act as a “surrogate for agglomeration” and support the transfer of entrepreneurial knowledge.¹ The Northern Peninsula Business Network is innovative for several reasons. First, it is unique to the region and it provides a platform for learning and generating new ideas, which are important aspects of innovation. For example, the Network provides members with the opportunity to transfer entrepreneurial knowledge without the fear of competition. Many of the Network’s members have been labelled innovative and having discussions with other innovative people is an excellent way to generate new ideas. These internal discussions also provide Network members the opportunity to share business strategies and success stories. The Network was part also part of a learning expedition to Greenland to search for international markets. The Network has also engaged with business experts from within NL to facilitate learning and innovation. For example, notable business owners, like, former member, Caroline Davis, have spoken to the Network to share successful business stories and introduce new ideas to the region. Finally, members of the Network attend trade shows, forums, conferences and other expeditions that expose them to new ideas, markets, and other innovative ways of doing business.

The Network would not be able to participate in many of these initiatives without the support of external agencies. As noted earlier, INTRD and the NORTIP CBDC helped establish the Network and have continued to fund and support initiatives. Other funding agencies that have supported the network include: the Atlantic Canada Opportunities Agency (ACOA) and Service Canada. The Network has also benefited from training

¹ Copus, A., Dubois, A., Hedström, M., Kairyte, E., Stastna, M., Potočnik Slavič, I., and Wellbrock, W. (2011). WP1: Global Engagement and Local Embeddedness of Rural Businesses, Summary of Research Findings. *DERREG – Development Europe’s Rural Regions in the Era of Globalization*.

from the Canadian Manufacturers and Exporters (CME) on Lean Manufacturing, the Center for Management Development and Manufacturing at Memorial University, and the College of the North Atlantic through its Corporate Training and FITT (Forum for International Trade Training).

A number of challenges confront businesses in the Northern Peninsula. This includes the remoteness of the region, which poses difficulties for marketing and shipping to the rest of Newfoundland and beyond. The population in the region is also small and declining, thus businesses are forced to seek markets elsewhere. The Northern Peninsula Business Network, however, provides an opportunity for businesses in the region to discuss these challenges and seek solutions. If the Network increases its membership and continues to facilitate learning and knowledge flows, then the entire Northern Peninsula will benefit.

References

Interviews conducted with members of the Northern Peninsula Business Network.

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NPBN (2012a). Northern Peninsula Business Network Inc. Retrieved from www.npbn.com

Figure 1 retrieved from: http://nl.communityaccounts.ca/profiles.asp?_vb7En4WVgbWy0nI_