

Knowledge Transfers in innovation districts

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From the seminal work of Katz and Wagner, in their Brookings Institute article entitled, [The Rise of Innovation Districts](#), we know that innovation districts contain economic, physical, and networking assets. When these three assets combine with a supportive, risk-taking culture, they create an innovation ecosystem - a synergistic relationship between people, firms, and place (the physical location of the district) that facilitates idea generation and accelerates commercialization.

Networking, as one of those three key assets, is an opportunity for innovation district members to share information, access resources, face challenges, and improve their competitiveness, along with other benefits. It involves learning and other processes that benefit from interaction across different enterprises. Yet, the nature of how networks operate within innovation districts is not clearly defined.

Through a recent [systematic review](#) of over 20 peer-reviewed, scholarly articles on the nature of food innovation districts, it was determined that there are two basic network positions within innovation districts: knowledge/resource generation and knowledge/resource application. Additionally, the composition and interplay of the two network positions are key to the success of innovation districts.

The knowledge and resource generation network position is exactly what one would image. Consider it the supporting position within innovation districts. Members of the innovation district that exist in this network position include knowledge developers within a community, e.g. science/technology institutions, public research institutions, workforce development agents, education assets (grade schools, colleges, trades, continuing ed opportunities, certification programs, etc.). On the resource side, this includes actors such as banking partners, venture capitalists and other investors, grant providers, as well as those individuals and institutions that can provide space, supplies, time, mentorship, and sweat equity. It's considered supporting because it supplies the tools and resources needed for innovation but does not necessarily create commercialized innovation.

The knowledge and resource application network position can be considered the active position in the innovation district. This network position includes companies, competitors, collaborators, suppliers, and customers. This group can take knowledge and resources from the supporting position, apply it to create new good and services, then deliver those goods and services to the market. They are the benefactors of the supporting position. Yet, they add value to commercial markets which benefits the actors of the supporting position.

It was also revealed in the literature that, in networking, the transfer of information and resources occur in two different directions – vertically, between the actors of the two positions and horizontally, between actors within the knowledge and resource application network position.

The first part of this scenario is intuitive. The supporting position within innovation district networks provide resources and knowledge that must be used by the commerce driven members of the district. As such, the knowledge and resources generated transfer from the supporting position to the active position. This is called vertical networking. Vertical networking is important because the deep knowledge and catapulting resources generated in the supporting position only gets turned into innovation if it is galvanized by the transfer to active players.

In the active network position, there is additional networking that occurs amongst the knowledge and resource application actors. In this horizontal networking, customers, suppliers, companies, competitors, and collaborators share information and resources. This leads to the ideas that may transfer from the supporting network position to only a few active position actors, being disseminated across the entire active network position. This is the heart of innovation district networking. Even in the presence of weak or few supporting actors, the activity within the active network position can generate innovation.

The takeaway from this twofold. First, networking within innovation districts is more than just meetups, mixers, and happy hours. It must contain the right players. The second takeaway is that there must be opportunities for networking between the two network positions and between the actors within the active network position.

Getting this right means that the innovation district has the oil flowing to the right parts of the innovation engine. Combined with the economic assets, physical assets, and place, networking within innovation districts can help create next wave of creativity in any industry.