

### Diagram 3. The Planning and Implementation of a Regional Small Business Innovation System

Deal Mapping:  
Analysis

Existing Economic Structure

Feser Regional Industrial Affinities Model Generates Possible Technology Investment Opportunities Between Technology in Regional Value Chains

Firms that share technology and markets in regional clusters

Existing Business and Market Networks

Deal Creation Networks of Existing Firms and latent entrepreneurs and serial entrepreneurs

Knowledge Networks of scientists, engineers, R&D professionals

Deal Creation:  
Analysis and  
Planning

Emergent Clusters

Entrepreneurial Networks for New Ventures

Existing Small Manufacturing Firms With Innovation Projects

Emergent Business Development Networks

Professional 3<sup>rd</sup> Party Support Networks

Product Design and Development Network of Engineering Consulting Firms For Fuzzy Front End Work

Sales, Marketing and Distribution Networks, Including Export Linkages to MNC Global Value Chains

Deal Funding  
Implementation

Regional Private Capital Market Infrastructure

Capital For Startup Ventures

Growth Capital for Existing Firms

Networks of Private Capital Market Exchange Mechanism for Private Security Initial and Secondary Market Transactions

Deal Exits  
Next Generation  
Of Innovation

Capital Gain and Profit Reinvestment. Repeat Chronology for Second Generation of Innovation. Tax Credit Policy on Reinvestment of Capital Gains

Analysis of Trajectory of Technology to Future Clusters

Merger and Acquisition Networks of Investment Bankers

