The industrial biotechnology industry is developing novel consumer and industrial products from biomass in response to demand for new products and rapid advancements in available technology. Canada has the potential to become a major player in the global bioproducts industry, due in part to an abundance of biomass stocks from agriculture and forestry sectors. However, little is known about firms’ bioproduct development and production activities due to the newness of the sector and a lack of current research. This study uses data on firm characteristics, availability of capital, business practices and strategies, the regulatory environment, intellectual property, and R&D spending patterns from Statistics Canada’s 2003 and 2006 Bioproducts Development Surveys to identify determinants of innovation success and to evaluate industry changes in recent years. Exploring these relationships will help to explain the current state of the industry and provide insights for both firms and policy makers pertaining to current trends, challenges and opportunities in Canadian bioproducts.