

We examine the effects of place-based innovation policies on firm performance by leveraging Türkiye's staggered rollout of innovation zones (technoparks). Combining rich administrative data on all non-financial Turkish firms (2009-2023) with a matched difference-in-differences design, we document three key findings: incumbent firms in districts with newly established technoparks increase automation by 8.2%; they significantly increase their engagement in technology-intensive trade (both domestically and internationally); and they display substantial medium-term gains in total factor productivity. Our findings demonstrate how local innovation zones can accelerate technological upgrading and generate productivity gains that benefit the broader regional economy.