

INVEST TO SUCCEED. INVEST TORONTO.

Presentation to the
Economic Development Committee

June 24, 2014





Invest Toronto is your connection to the global business opportunities found in Toronto. Invest Toronto is responsible for attracting foreign direct investment into the City of Toronto. We offer one-on-one consultations to businesses and site selectors making global business investment decisions.

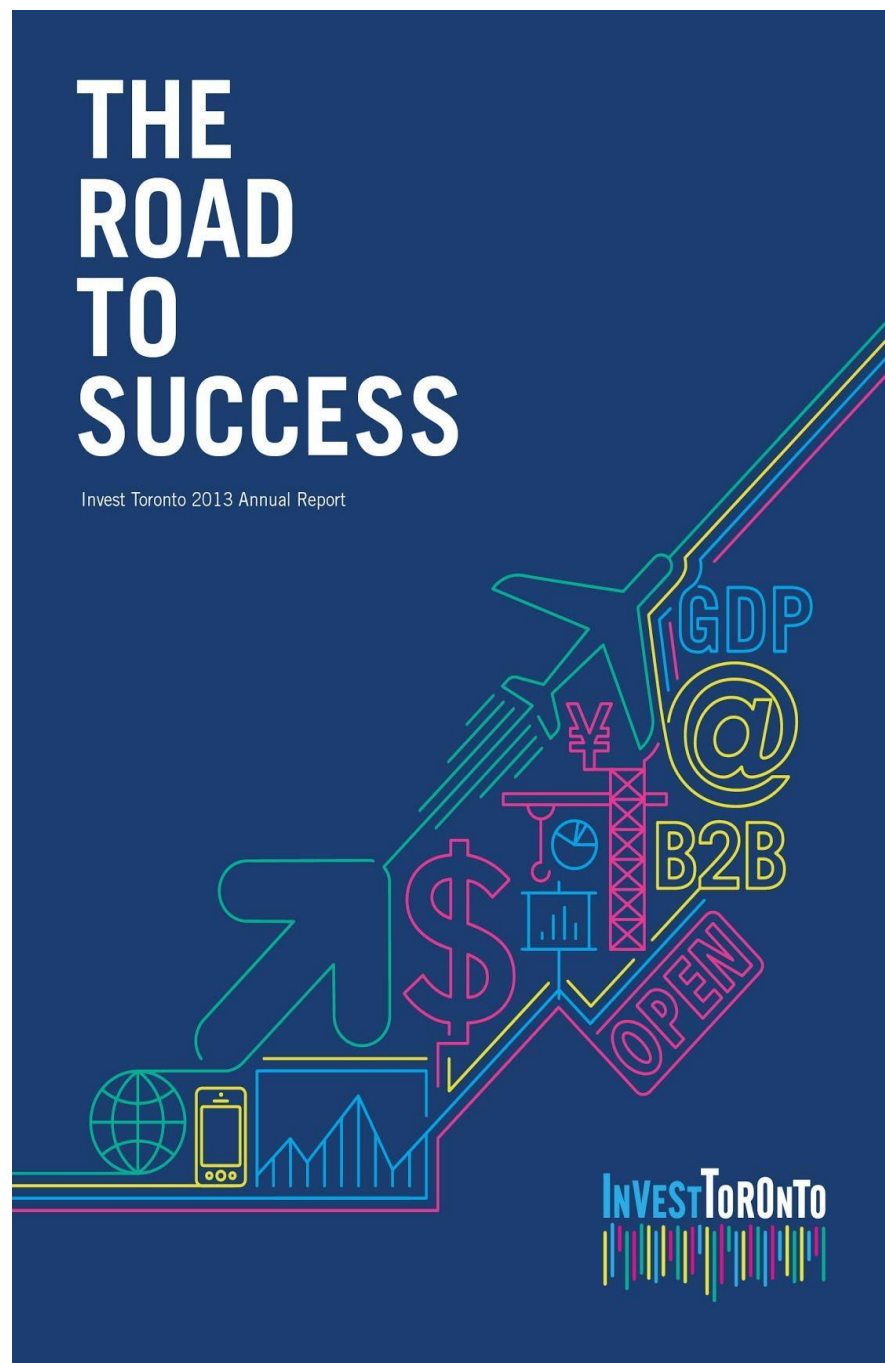
Our Services:

- Complimentary concierge service for businesses
- Answer all questions and enquiries on investment opportunities in Toronto
- Facilitate introductions with sector experts and all three levels of government
- Provide guidance on site location and selection
- Facilitate business-to-business linkages
- Provide industry and economic benchmarking analysis
- Connect clients to qualified professional service individuals

“Frankly, we were a bit overwhelmed, being a U.S. firm trying to open a Toronto office. Invest Toronto was incredible in bringing all the right people to us. From legal and financial services to real estate and employee recruitment support, Invest Toronto coordinated everything. It was like a business start-up concierge service. I tell anyone that will listen how lucky Toronto is to have a service and great people like this. We’re proud to say our office is open, we’re fully incorporated, and we’re well on our way to growing in Toronto.”

- Dan Gliatta, Managing Director, The Cargo Agency Inc. (2013 Close)

Invest Toronto: The Road to Success



- Invest Toronto's 2013 Annual Report entitled *The Road To Success* provides a summary of our work in 2013, and includes an overview of the Invest Toronto Business Investment Lifecycle
- 2013 was an exciting year for Invest Toronto. We welcomed new investments into the City of Toronto and celebrated the city's many achievements
- We worked with our partners to enhance international recognition of Toronto as a competitive global city
- We conducted five investment missions to key markets to promote Toronto as an ideal investment destination and hold B2B meetings with new and existing clients

Invest Toronto 2013 Close-Won FDI Opportunities

- The Invest Toronto team facilitated **23 new investments** in Toronto and the Greater Toronto Area in 2013
- These investments facilitated the creation of:
 - ✓ **100 immediate jobs**, with an **additional 236 jobs** projected by the end of 2014
 - ✓ **CAD\$10,050,000*** contributed to **GDP**, projected to be **CAD\$23,718,000** by the end of 2014

*Based on estimates provided by the City of Toronto (2013), \$3/square foot and \$100,500/employee (This number is an average of GDP in current dollars for all industries)



Invest Toronto 2013 Close-Won FDI Opportunities (continued)



The End of a Long Road

- Invest Toronto's FDI opportunities came from **23 countries**. The European Union was a lead source of FDI opportunities in 2013 as a result of the business mission to the EU in November
- After the EU, the top three countries for FDI opportunities were China, India, and the United States

The Invest Toronto Business Investment Lifecycle as of December 31, 2013



PROSPECT STAGE

64

CLIENTS

QUALIFY STAGE

54

CLIENTS

PROPOSE STAGE

54

CLIENTS

CLOSE - WON

69

CLIENTS



The End of a Long Road (continued)

- Throughout the Business Investment Lifecycle, Invest Toronto works with our shareholder, the **City of Toronto** and a full range of public and private sector partners to identify, engage, and bring business investment to Toronto
- The **Sector Specialists** within the City of Toronto's Economic Development and Culture Division provide valuable sector expertise and insights
- The City's **Business Retention and Expansion** team helps businesses navigate municipal programs and processes
- Leveraging our presence in market by working with the **provincial** and **federal** governments allows Invest Toronto to expand our reach in global markets



The End of a Long Road (continued)



- As Canada's largest city and the destination of choice for new immigrants to the country, the influx of talent from all over the world has produced **thriving business sectors** that benefit from new skills and new and innovative ideas
- The top sectors for investment continue to be **technology, financial and business services, manufacturing, and life sciences**
- Toronto is defined by a rich collection of all the key sectors, which become the vital ingredients to creating **new industries**

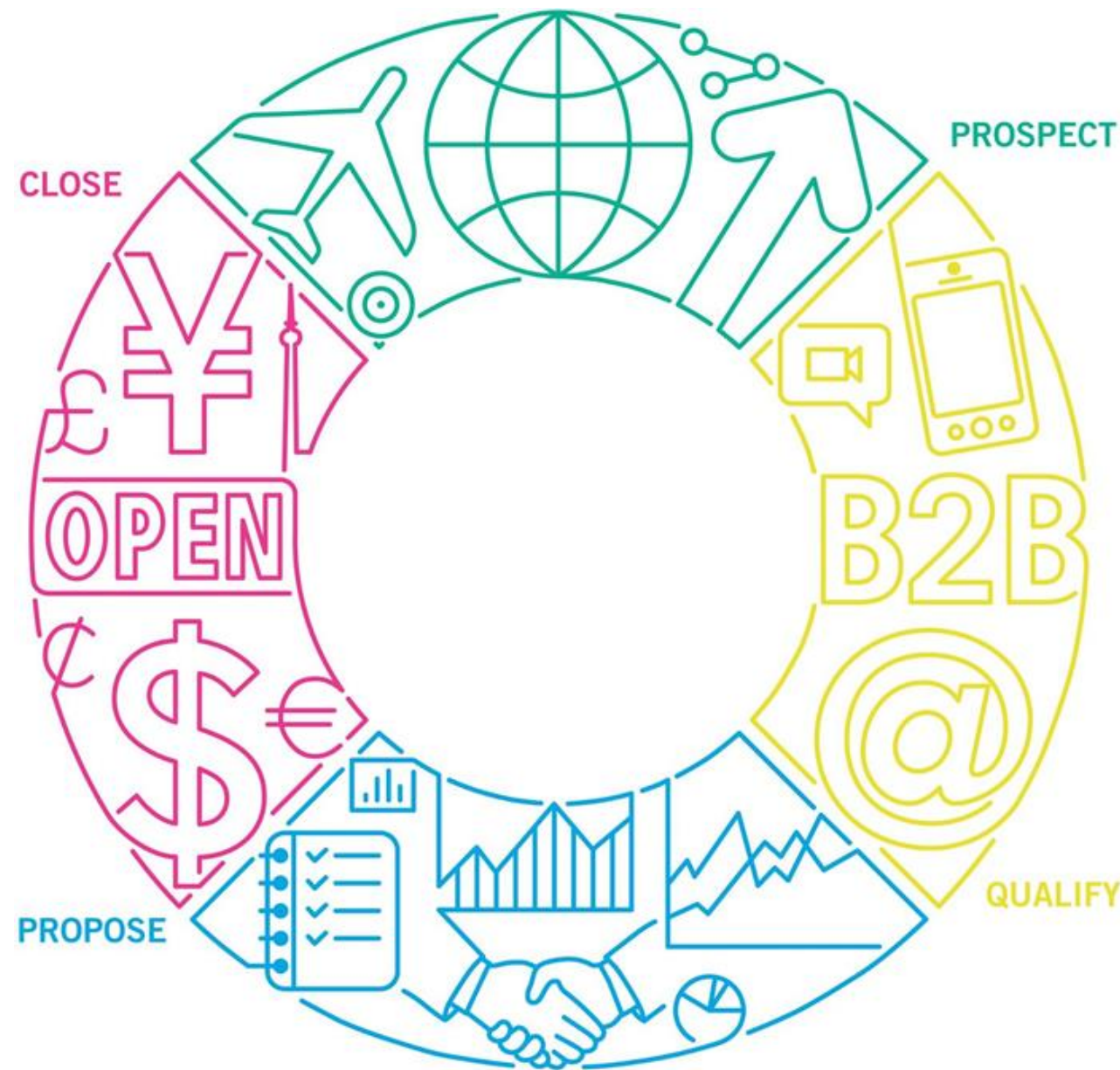
Invest Toronto's Business Investment Lifecycle

Close:

When an opportunity is closed, Invest Toronto assists clients in opening up their new business in Toronto

Propose:

The Investment Services team provides customized research and analysis based on specific client needs to encourage an investment decision



Prospect:

Invest Toronto pursues and engages global businesses that have expressed an interest in expanding their operations into North America

Qualify:

The Investment Services team works to better understand the client's needs and goals to advance an investment in Toronto

The Business Investment Lifecycle (continued)

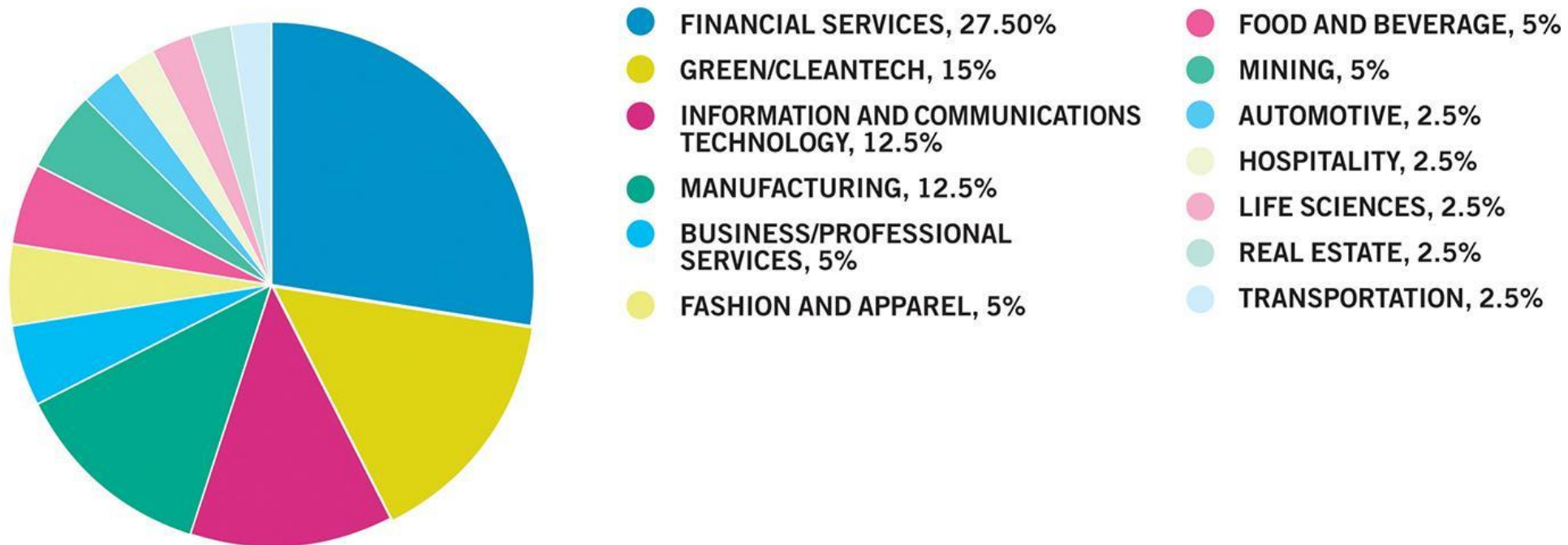
- The duration of the **Business Investment Lifecycle** varies according to each client, the nature of their business, and the business culture from their home country
- While some clients can move through the process in less than a year, others may take several years to make their ultimate decision to invest in Toronto
- Invest Toronto works hard to build business relationships based on trust and respect
- We are there every step of the way to answer questions and provide customized information to assist clients with making the decision to expand into a new market



Invest Toronto Business Missions

- During the Prospect Stage of the Business Investment Lifecycle, Invest Toronto promotes our city to international businesses primarily through in-market **B2B meetings** during our investment missions in strategic markets
- In 2013, our team conducted three missions to **China**, and one each to **India** and **Europe**

MEETINGS IN CHINA
BY SECTOR



Invest Toronto Missions to China

- With a population of **1.4 billion** and a GDP of **USD\$8.23** trillion, China is a very important market for Invest Toronto
- We visited China in April 2013 as part of a **Consider Canada City Alliance** delegation, holding B2B meetings in the cities of Beijing, Shenzhen, and Hong Kong
- We returned to China in June and October 2013, meeting with new and existing clients in the cities of Beijing, Shenzhen, Guangdong, Foshan, Guangzhou, and Dongguan
- Toronto now has the **largest Chinese population in Canada** with over **600,000** people of Chinese ethnic origin living in the Toronto area (Statistics Canada 2013)



Toronto's China Town on Spadina
Photo: www.maryelizabetharmstrong.ca

Invest Toronto Mission to India

- With a population of **1.2 billion** and GDP of **USD\$4.735** trillion, India continues to be one of the fastest growing economies in the world
- Invest Toronto maintains a regular presence in India. We visited Ahmedabad, Pune and Mumbai in May 2013 to meet with new and existing clients
- We partnered with the **Ontario International Marketing Centre** in Mumbai to co-host investment seminars in Pune and Ahmedabad
- We also co-hosted a seminar in Mumbai with the Ontario government and the **Bombay Stock Exchange**

“A series of seminars to engage Indian Small and Medium Sized Enterprises (SMEs) interested in expanding operations into North America via Toronto, Ontario are scheduled to take place on May 6 & 7 in Ahmedabad and Pune, respectively. Organized jointly by the Ontario International Marketing Centre in India and Invest Toronto, the seminars will guide Indian SMEs to set up operations in Toronto, access facilities and incentives, and also establish networks that will enable them to capitalize on local business opportunities from Toronto.”

- News Track India, April 24, 2013



Invest Toronto Mission to Europe

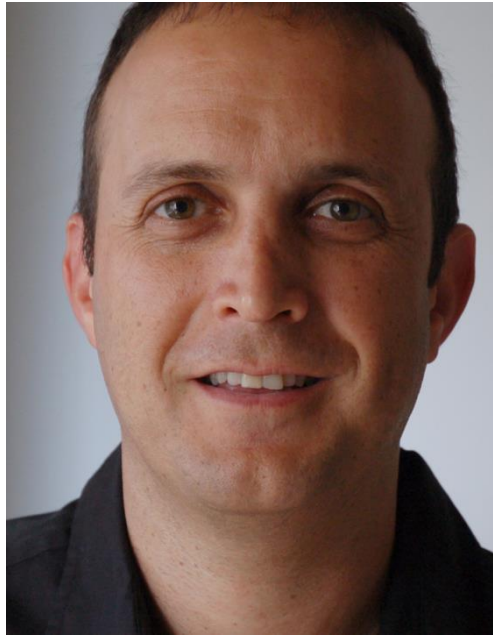
- Recognizing the massive opportunity of the **Comprehensive Economic and Trade Agreement** between Canada and the European Union signed in October 2013, Invest Toronto joined a **Consider Canada City Alliance** delegation on a mission to the European Union
- The delegation visited the cities of Madrid, Amsterdam, and Milan in November 2013
- The mission focused on investment seminars and match-making sessions between European companies, private investors, and investment attraction/economic development executives from Canada's major cities



NAFTA (North American Free Trade Agreement) and **CETA** (Canada-European Union Comprehensive Economic and Trade Agreement) combined provide open access to **1.03 billion** consumers with a combined GDP of over **\$35 trillion**



Testimonials



“Toronto is a great city for kids’ content developers and producers. It offers a lot of great opportunities for creating and growing. The professional team at Invest Toronto helped us to identify these opportunities and seize them! They were there for any question concerning establishing a Toronto office and finding strategic partners for our new exciting projects.”

- Yuval Levy, CEO, Smartoonz Ltd.



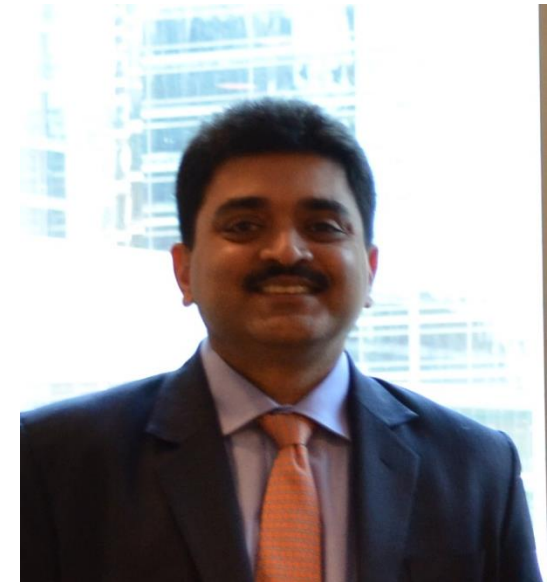
“The decision was obvious when we decided to expand our geographical territory. The Toronto region is one of the largest IT sectors in North America and has the strongest IT infrastructure in the country. Toronto provides market access to millions of consumers in Canada, the United States, and Mexico, thus paving the way for opportunities in the IT segment in the North American market space.”

- Jaimin Shah, Co-Founder & Managing Director, DEV IT

Testimonials (continued)

“We were approached by Invest Toronto nearly five years ago to help us set up our business in Canada. Invest Toronto worked with us over the first three years when we were contemplating our set up in Canada and provided us valuable assistance and advice on establishing our entity in Toronto. They organized meetings with consultants, the Toronto Financial Services Alliance, and other agencies that provided valuable information on the market in and around Toronto in the areas of our strengths. They also helped us obtain permits for key personnel, which helped us scale operations in Canada. What I really admire about Invest Toronto and the Ontario government agencies is that they continue to provide us guidance whenever we require assistance, even two years after our initial entry into Canada, which demonstrates their commitment and spirit of partnership with businesses that they attract to invest in Ontario.”

- Rajesh Mirjankar, CEO, Infrasoftware



“Invest Toronto are a great bunch of people. They gave us a wonderful personal welcome, advice, and support. We feel like Toronto is home already, and a lot of that is thanks to them. The connections and doors they opened for us in the tech and IT software community are invaluable. We love being part of such a vibrant and active community. There are exciting, positive, educated, and lovely people in Toronto to work with and employ. We love it here!”

- Vaughan Roswell, Founder and CEO, Vend



Success Story: China Longyuan Power Group



- Invest Toronto first met with China Longyan Power Group (CLYPG) in February 2011 in Beijing
- Invest encouraged CLYPG to visit Toronto that year to discuss opportunities in the region for renewable energy ventures
- CLYPG created a Canadian subsidiary, Longyuan Renewables Canada, which is headquartered in Toronto's Financial District
- In July of 2011, CLYPG held an official signing ceremony in China for its new Canadian subsidiary and invited Invest Toronto to attend as a gesture of our solid partnership



"We had a very positive experience working with Invest Toronto. As a new participant in the Toronto market, it was great to rely on them for advice and support, and their team was very professional, customer-focused, and effective. With Invest Toronto's help, we were able to open our Canadian subsidiary office in downtown Toronto, and we are confident that our new wind project will be in service on schedule. Thanks so much."

- Wu Hao, President, Longyuan Renewables Canada

Success Story (continued)



- CLYPG had developed plans for an ambitious **100,000 KW Wind Power** project in Ontario
- Over the course of 2012 and early 2013, Longyuan Renewables Canada worked with a local public relations firm, law firms, consulting firms, and China's Embassy in Canada, as well as with the Ontario government to obtain all of the necessary approvals for the project to move forward
- This historic project is expected to be complete in 2014, and will supply clean electric power to over **30,000 Ontario households**
- Invest Toronto worked with CLYPG every step of the way to connect them with the government and professional service providers they needed to make their project a reality
- Working with CLYPG over the course of several years has been Invest Toronto's most successful example of establishing **guanxi** with a Chinese company, a practice that we continue to build upon with Chinese officials and business leaders

"The Chinese like to do business with people that they already know and trust – good guanxi is needed for this. In order to achieve the right kind of guanxi, a company and/or individual must show strong qualities of dependability, trustworthiness and respect."

- Forbes Magazine

Invest Toronto Recognized as Best Canadian EDO



@Invest_Toronto is considered
“best in class” for marketing
their region to C-level executives
+ location advisors.

<http://ow.ly/rn1cF>

28 Nov 13

CANADIAN ECONOMIC DEVELOPMENT ORGANIZATIONS THAT MOST EFFECTIVELY MARKET THEIR METRO REGIONS



Development Counsellors International, November 2013

Toronto: A Leader in the Americas



The year 2012 signified Toronto's best for FDI since fDi Markets records began in 2003. Ranking fourth for economic potential, Toronto was a key destination in the region, with FDI up 40%.

Toronto ranked:

- 3rd overall in all American Cities of the Future
- 2nd overall in North American Cities
- 2nd in Business Friendliness
- 2nd for FDI Strategy
- 4th in Economic Potential
- 6th in Infrastructure
- 10th in Human Resources

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