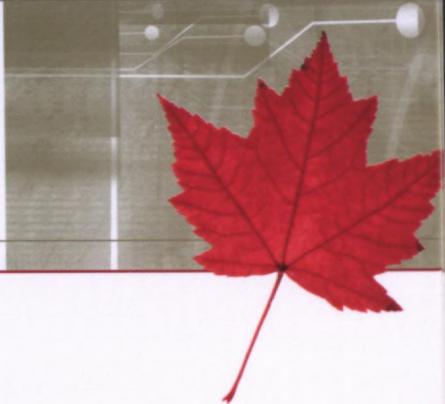


Wireless Communications



Canada's talent pool in the wireless technologies and applications sector has resulted in major global players establishing operations in wireless industry clusters across the country.

Canada's core strengths in wireless technologies and services are complemented by the presence of R&D units set up by global giants such as Nokia, Ericsson, Siemens, Alcatel-Lucent, and Microsoft. These companies join Canada's home-grown technology stars which include Research in Motion (RIM), Nortel Networks, and Sierra Wireless—all global leaders in their respective market segments.

Strong wireless cluster activity in Canada

Canada plays host to a network of regional wireless clusters where prominent players in the industry coordinate activities, source R&D expertise, test products and applications, and develop content across the country. Wireless equipment, products and solutions are now delivered by more than 400 companies located in Canada with 21,000 employees, generating \$18 billion in annual revenues. Wireless services generate an additional \$14 billion in revenues, with annual growth approaching 17 percent.²⁵ These services are delivered through a digital network that spans 1.3 million square kilometres—larger than the UK, Germany and France combined.

Wireless technology activity in Canada has been driven by the establishment of flagship multinational R&D centres, among them Ericsson's Canadian Centre of Excellence in Montréal (the largest outside Sweden), and Nokia's Product Creation Centre in Vancouver. These centres are engaged in leading-edge research and benefit from generous tax credits and other government incentives at both the federal and provincial levels.

These benefits include the Scientific Research and Experimental Development (SR&ED) program which provides \$1.5 billion in expenditures supporting over 11,000 companies for up to 65 percent of their total R&D investment.²⁶

²⁵ Foreign Affairs and International Trade Canada. *Canada—A Strategic Choice: Canada as an investment destination for wireless and multimedia*. 2008. p. 1

²⁶ Kazam Technologies. *Promoting Wireless Investment into Canada*. January 2008. p. 30