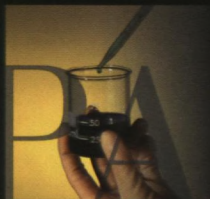


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PARTNER WITH

# CANADIAN INNOVATORS



Government  
of Canada

Gouvernement  
du Canada

Canada



## CANADIANS AS GLOBAL INNOVATORS

Canadian discoveries and breakthrough technologies have been driving global progress for decades.

- From the telephone to the BlackBerry® – Innovative Canadian communications technologies have connected the world.
- From insulin's discovery to development of the pacemaker – Canadian innovators have pushed medical frontiers with life-saving treatments.
- From the robotic Canadarm to Dextre – Canadian ingenuity has brought space exploration and space science to new levels.

Canadians recognize they must continually work to "change the game." Today more than ever, Canadians are determined to push the boundaries of the possible – to go beyond market adaptation to market transformation. That's why the pace of Canadian innovation is accelerating.



## CANADA'S INNOVATION STRENGTHS

Canadian businesses and their partners are maintaining leadership in long-held areas of strength including information and communications technologies (ICT) and aerospace. They're also pioneering technologies in genomics, nanotechnology and photonics. And they're building exceptional strength in the key science and technology-based industries shaping the 21st century: health, energy and cleantech.

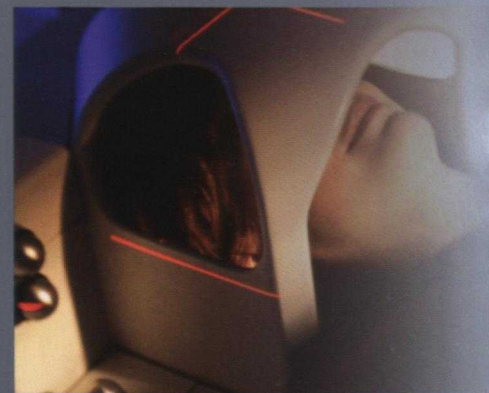
### INFORMATION AND COMMUNICATIONS TECHNOLOGIES (ICT)

An early global leader in ICT, Canada continues at the leading edge of discovery in software, telecommunications and digital media. Canada's broadband and wireless technologies continue to transform world markets in seamless access, mobile data networks, smart antennas and software-defined radio. Canadian companies and their international partners dominate in simulation, gaming, special effects and animation technologies for the global entertainment, military and health markets. And Canadians are recognized as trailblazers in data mining applications, security and authentication, biometrics, web 2.0 and encryption.



### HEALTH AND LIFE SCIENCES

Canada's health science research community consists of over 30,000 investigators in 16 medical schools, and over 100 teaching hospitals and research institutes. Canadian innovators are internationally recognized for research and product development excellence in genomics, proteomics, vaccine development, medical devices, regenerative medicine (stem cells), protein engineering, immunotherapies and drug delivery systems. Canada has the second highest number of biotechnology companies in the world with the majority focused on human health, giving Canada a strong record of achievement in biopharmaceuticals. Canada has been rated the best country in the Group of Seven (G7) industrialized nations for cost-effective clinical trials and medical product testing.

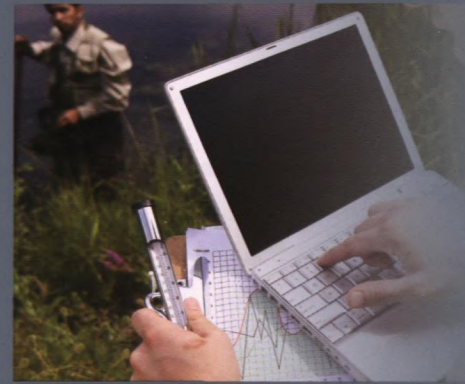




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## ENVIRONMENTAL SCIENCE AND TECHNOLOGIES

Canadian innovators are successfully meeting the global demand for clean technologies that benefit the environment and combat climate change through emissions reduction and fuel efficiency. Canada is a global leader in hydrogen and fuel cell technologies. Canadian researchers are developing transformative clean technologies in such areas as cellulosic bio-ethanol, enzyme bleaching in pulp and paper processes and gas turbine development.



## NATURAL RESOURCES AND ENERGY

Canada's abundant reserves of oil, natural gas and coal have made Canadian energy production a choice investment opportunity and have spurred development of innovative technologies for resource recovery, refining and upgrading. With some of the harshest operating conditions on earth, Canada is an outstanding incubator for new technology in the oil and gas sector. The rising cost of traditional energy and climate change impacts are driving Canadian innovation in the renewable energy sector, with particular strengths in wind energy, hydropower and biofuels. Canada has also long been a leader in geomatics/mappings technology for sustainable management of water, fisheries, natural resources and coastal defence.

INNOVATION CENTRE

## JOIN CANADIAN PARTNERS AND TAKE ON THE GLOBE

Canadian innovators are open for business with partners from around the world.

Canadian businesses know the next big idea can come from anywhere. They know it's important to make science and technology (S&T) connections across industry sectors and national borders. In today's global marketplace, innovation requires the sharing of ideas, technologies and strategies to stay at the cutting edge.

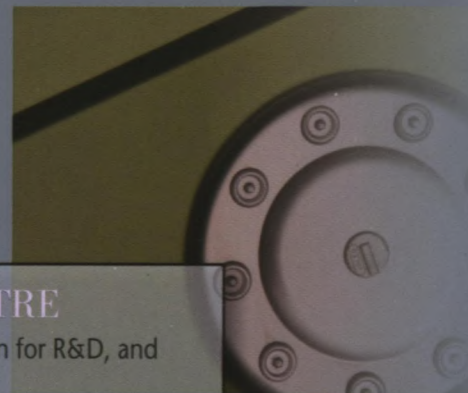
## GROW AND COMPETE WITH CANADIAN INNOVATION PARTNERS

Canada has a strong record of innovation and the right environment for innovation to flourish in the future. As a result, growing numbers of foreign-based and international companies are conducting and commercializing R&D in Canada and with Canadian business partners.

There are many ways your business can tap into Canadian ideas, knowledge and talent – through strategic alliances, joint ventures, licensing and technology transfer agreements, and venture capital and private equity investments.

Explore the opportunities to make Canadian innovators your technology development and commercialization partners:

- Join forces to commercialize Canadian innovations in global markets
- Source Canadian technology to advance your products and to enter new markets
- Combine your technology with Canadian capabilities and increase your performance
- Bring your technology and products to the Canadian marketplace
- Partner with a Canadian venture capital firm to tap Canada's technological base
- Invest in an early-stage Canadian innovation company



## CANADA – A GROWING GLOBAL INNOVATION CENTRE

The world's business community increasingly recognizes Canada as an ideal location for R&D, and Canadian businesses, large and small, as ideal partners in innovation.

Xerox, Google, Toyota, Microsoft, Hewlett Packard, Nokia, Pratt & Whitney, and Merck Frosst are just some of the leading multinationals who've established world-class R&D facilities in Canada to develop new products to serve their global customers.

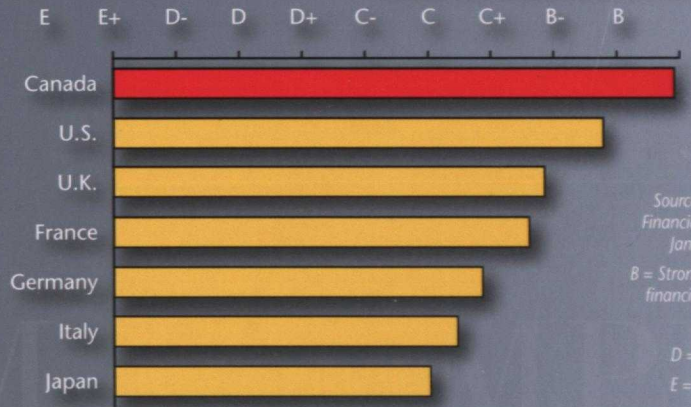


# THE CANADIAN INNOVATION ADVANTAGE – STRONG FUNDAMENTALS

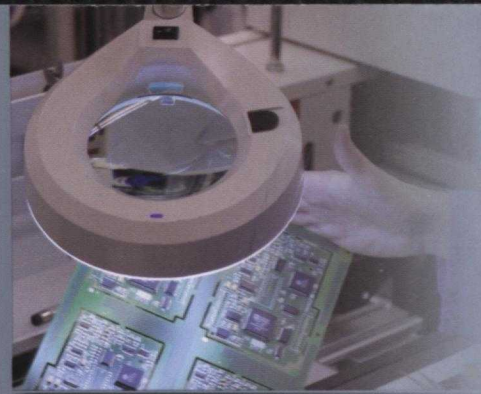
Innovation flourishes in a positive overall business environment and when it comes to the fundamentals, Canada is getting it right.

- Low inflation, low interest rates and low debt
- Supportive regulatory policies
- High employment rates
- Corporate tax framework among the best in the world
- Stable and globally competitive financial services sector
- Sophisticated system of intellectual property protection
- Advanced transportation infrastructure
- Fully integrated with North American supply chains (NAFTA)

Moody's Average Bank Financial-Strength Rating



Source: Moody's Financial Services, January 2008  
 B = Strong, intrinsic financial strength  
 C = Good  
 D = Adequate  
 E = Very weak



## LEADING THE G7

Leading global organizations including the OECD continue to recognize Canada as the strongest economic performer in the G7.

- Highest rate of growth since 2000
- Strongest job creation record for past decade
- Lowest payroll taxes
- Lowest business costs (calculated at par with the US\$)
- Lowest debt to GDP ratio
- For more than a decade, the G7 member with consistent national government surpluses



## OUR PEOPLE

Canada's economy is driven by talented and enterprising people with the education and expertise to compete.

- Canada has a highly educated and skilled knowledge workforce. It ranks #1 in the OECD for the proportion of the population with post-secondary education and Canada spends more on education, as a percentage of GDP, than any other country in the world.
- In a business world gone global, Canada's multicultural work force provides a great advantage for firms working internationally. More than 200 languages are spoken in Canada and Canadian knowledge workers have strong abilities to communicate across cultures.

**CANADA RANKS #1 IN THE G7 AS "THE BEST PLACE TO INVEST AND DO BUSINESS"**  
 according to the *Economist Intelligence Unit's* global business rankings forecast 2008-2012.

**INVESTORS VALUE CANADIAN COMPANIES**  
 Canada has one of the highest flows of venture capital investment in the OECD. In 2007, venture capital firms invested \$2.1 billion into innovative Canadian companies, an increase of 21% from 2006 investments. (*Canadian Venture Capital & Private Equity Association, February 12, 2008*)

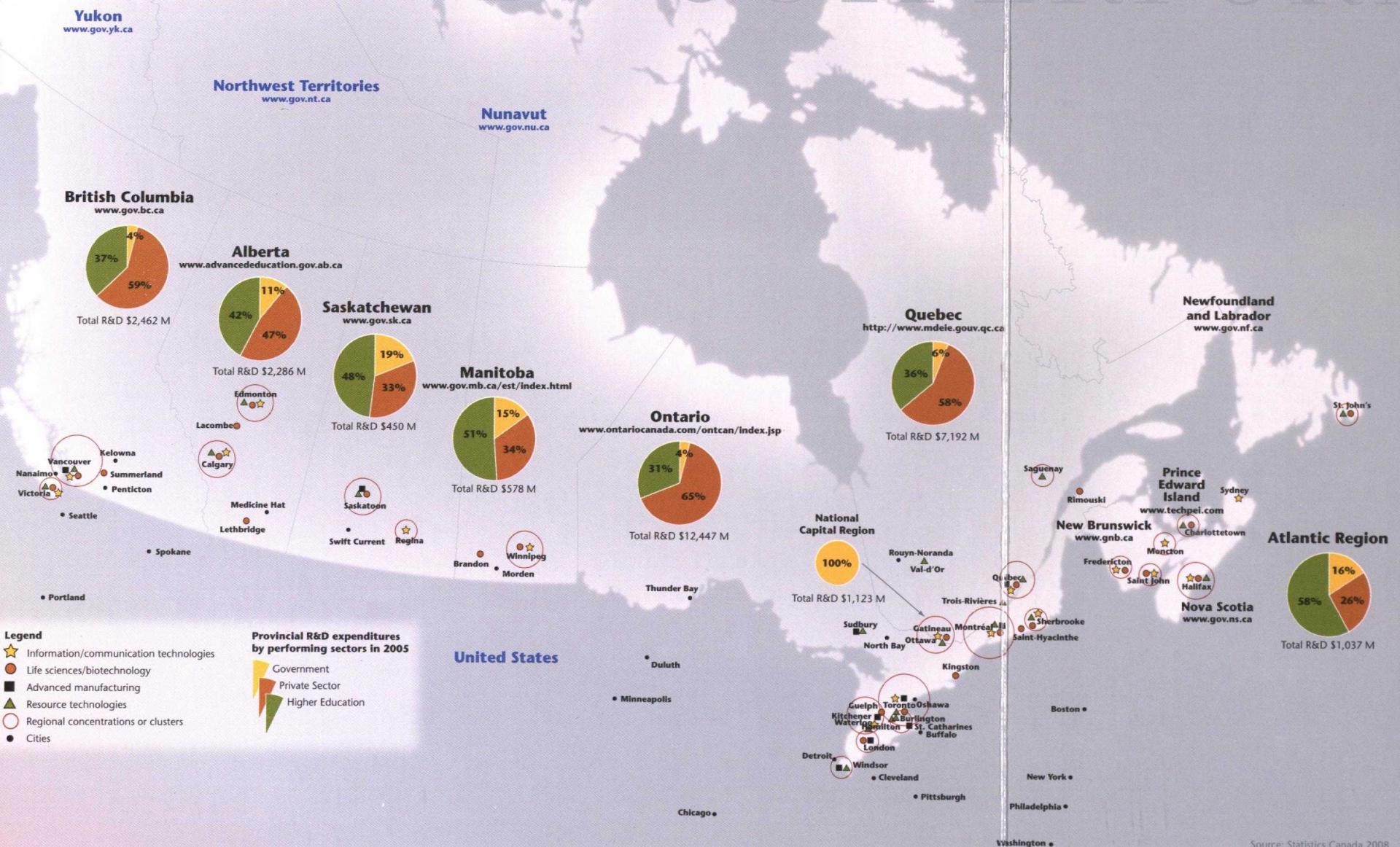




## CRITICAL MASS MULTIPLIES THE POWER OF CANADIAN INNOVATION

Many of the companies in sectors collect around geographical clusters with high levels of R&D and high-tech business activity. Anchored by major universities and government labs, these clusters offer access to core research capabilities and highly skilled pools of scientific and technical labour. Their critical mass attracts venture capital and international R&D partnerships, and fuels competition-spurring innovation and development of best industry practices.

# EXPAND - OUTPERFORM





"Canada is an excellent environment for clinical research. It combines excellent academics and top class researchers with good patient populations, excellent cost structures and leading R&D tax credits. In Canada you can reach your recruitment goals, and achieve extremely high quality research and quick performance with superior economics."

John Suk,  
President & CEO,  
Nycomed Canada Inc.

"We want to hire the best people to create the best products for our users. That's why we've come to an area well known for developing great engineering talent. Waterloo is a globally recognized leader in both the technology business and education. By being physically located here we benefit from close proximity to the University of Waterloo and the city's tech sector."

Alex Nicolaou,  
mobile engineering manager  
at Google Waterloo

## EXPLORE THE POTENTIAL

### LEARN MORE ABOUT CANADIAN INNOVATORS SEEKING DEVELOPMENT AND COMMERCIALIZATION PARTNERS

Important information for businesses wanting to partner with Canadian companies or organizations can be found at:

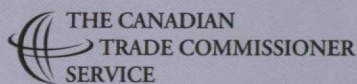
- Canada: [www.canadainternational.gc.ca](http://www.canadainternational.gc.ca)
- Foreign Affairs and International Trade Canada [www.international.gc.ca](http://www.international.gc.ca)
- Science and Technology [www.infoexport.gc.ca/science](http://www.infoexport.gc.ca/science)
- Investing in Canada [www.investincanada.gc.ca](http://www.investincanada.gc.ca)
- Innovation in Canada [www.innovation.gc.ca](http://www.innovation.gc.ca)

## PRODUCE - INNOV

### Every day, companies and organizations from around the world turn to Canada as a source of innovation, creativity and expertise.

If you're seeking a technology or commercialization partnership with Canadian business, you can count on **Canadian Trade Commissioners** in embassies/consulates across the globe to help you identify the right partner. In countries with strong science and technology relationships with Canada, a specialized trade commissioner has been dedicated to innovation, science and technology.

Consult [www.infoexport.gc.ca/ie-en/EServices.jsp](http://www.infoexport.gc.ca/ie-en/EServices.jsp) to find the **Canadian Trade Commissioner** closest to you.

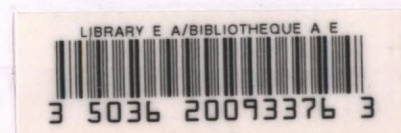


This publication, sponsored by The Canadian Trade Commissioner Service (TCS), Department of Foreign Affairs and International Trade has been produced in collaboration with federal Science-Based Departments and Agencies. It is available on the TCS website at: [www.infoexport.gc.ca/science](http://www.infoexport.gc.ca/science).

Aussi disponible en français à la même adresse.

March 2008

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## THE CANADIAN INNOVATION ADVANTAGE – R&D AND INNOVATION SUPPORT

Canada is one of the best locations in the world for pursuing sophisticated, cost-effective S&T partnerships and industrial R&D. Building on a business tax regime that encourages entrepreneurship, Canada provides the most generous R&D tax credit program in the G7.



### SCIENTIFIC AND EXPERIMENTAL DEVELOPMENT TAX CREDIT (SR&ED)

The SR&ED is a federal tax incentive program that helps Canadian businesses of all sizes and in all sectors reduce the cost of R&D into new, improved, or technologically advanced products or processes. Every year, this program saves innovative Canadian companies and their partners a total of \$4 billion.

The net after-tax cost of R&D expenditures can be less than 0.44 cents for each dollar spent, depending on the type of corporation and the province where the R&D is conducted.

In the 2008 budget, the Canadian government further strengthened the SR&ED. Changes included a new measure to support the increasing internationalization of innovation, by making 10 per cent of R&D undertaken by Canadians outside Canada eligible under SR&ED.

### IN THE DECADE BETWEEN 1997 AND 2007,

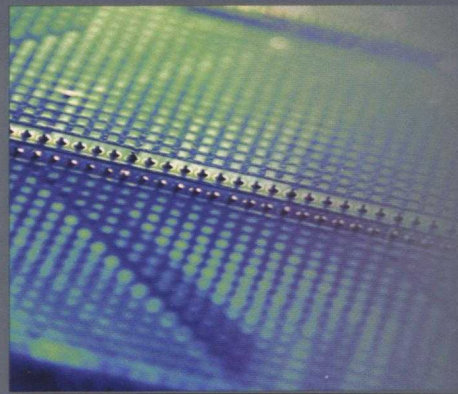
foreign direct investment in Canada grew 168 per cent to \$521.1 billion. (Statistics Canada, 2008)

## SCIENCE AND INNOVATION INFRASTRUCTURE

With state-of-the-art research facilities, significant and growing public sector investment in R&D, and a global reputation for science excellence – Canada's S&T base is one of the strongest in the world.

Business innovators benefit from this research infrastructure. Partnerships among industry, government and university researchers provide the impetus for much of Canada's success in the knowledge-based economy.

- Canada leads the G7 in public sector research funding on a per capita basis.
- University R&D in Canada is almost twice that of any other G7 country. Universities are on track to double R&D activities and triple their commercialization successes by 2010.



## THE CANADIAN INNOVATION ADVANTAGE – INNOVATION POWERHOUSES

Canada's sophisticated labs and research facilities, centres of excellence, and funding programs are key drivers of the nation's innovation system. Below is information on just some of Canada's "innovation powerhouses".

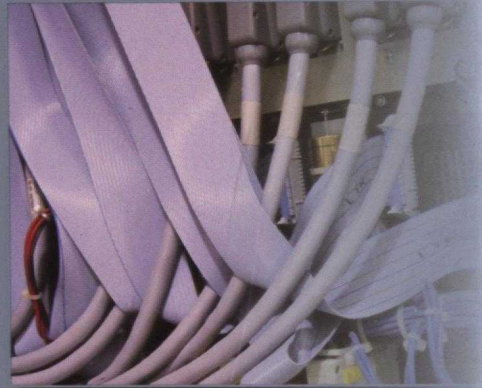
### CANADA FOUNDATION FOR INNOVATION (CFI)

Since its inception in 1997, the CFI has funded research infrastructure (state-of-the-art equipment, buildings, labs and databases) for more than 5,700 projects at 128 research institutions across Canada. CFI investments totaling more than \$3.8 billion have attracted additional dollars from public and private partners, and have supported discovery commercialization and the development of numerous spin-off ventures. [www.innovation.ca](http://www.innovation.ca)



## GENOME CANADA

A leader in the global genomics and proteomics arena, Genome Canada co-funds large-scale research projects in key selected areas such as health, agriculture, environment, forestry, fisheries, and new technology development with both domestic and international partners. With cumulative federal funding of \$840 million, it will yield a total investment of over \$1.6 billion in innovative research projects and sophisticated science and technology platforms. [www.genomecanada.ca](http://www.genomecanada.ca)



## CANARIE INC.

Mandated to accelerate Canada's advanced Internet development and use, operates CANARIE's advanced network, the nation's ultra-high-speed optical research and education network is used to demonstrate and test prototype ICT products, applications and services. CANARIE has enhanced Canada's R&D Internet speeds by a factor of almost one million since its inception in 1993 and has provided 500 companies with research funding for innovative applications. [www.canarie.ca](http://www.canarie.ca)

## NATIONAL INSTITUTE FOR NANOTECHNOLOGY (NINT)

NINT is an integrated, multi-disciplinary institution involving researchers in physics, chemistry, engineering, biology, informatics, pharmacy and medicine. Established in 2001, it is operated as a partnership between the National Research Council and the University of Alberta, and is jointly funded by the Government of Canada, the Government of Alberta and the university. [www.nint-innt.nrc-cnrc.gc.ca](http://www.nint-innt.nrc-cnrc.gc.ca)



## THE CANADIAN LIGHT SOURCE (CLS)

The CLS is Canada's national synchrotron research facility located at the University of Saskatchewan in Saskatoon. One of the largest science projects in Canadian history, this facility is a critical tool for both basic and applied scientific research. The CLS is working to grow Canada's synchrotron research community and promote the use of synchrotron techniques to industry. This includes a globally-unique focus on industry partnerships, with a target of 25 percent industrial usage. [www.lightsource.ca](http://www.lightsource.ca)

## MaRS DISCOVERY DISTRICT

MaRS is a Toronto-based innovation centre and network linking scientists, businesses and investors to advance commercialization of Canadian scientific discoveries in life sciences and information technology and other sectors. MaRS has helped strengthen Toronto's medical and biotech cluster, one of the largest of any metropolitan area in North America. MaRS Innovation, a partnership of 14 hospitals and universities, was named one of Canada's New Centres of Excellence for Commercialization and Research in February 2008, with funding and a mandate to accelerate commercialization of promising research from its members. [www.marsdd.com](http://www.marsdd.com)

## MONTREAL INVIVO

Montréal, Quebec is home to one of the world's leading clusters in life sciences. Known as Montréal InVivo, it includes the National Research Council's Biotechnology Research Institute (Canada's largest biotech research facility), l'Institut de recherches cliniques de Montréal (IRCM), and the Montreal Heart Institute, as well as research and production facilities for major global pharmaceutical companies, including Merck Frosst, AstraZeneca, Sanofi-aventis, GlaxoSmithKline and Pfizer. The Montréal region ranks first in Canada for contract research organizations (CROs).

[www.montreal-invivo.com](http://www.montreal-invivo.com)

