

# Standing Out in a Crowded Space

Working Collaboratively to become Investment Ready

Ontario East Municipal Conference  
Kingston, Ontario  
September 16, 2015

ONTARIO  
CANADA



# Government's Role in Supporting Businesses in Ontario



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## Business Climate

- ▶ Tax Policy
- ▶ Infrastructure
- ▶ Skilled Workforce
- ▶ Quality of Life



## Business Expansion & Retention

- ▶ Client Account Servicing
- ▶ Government Program Support
- ▶ International Missions, Trade Shows and Events



## Foreign Direct Investment

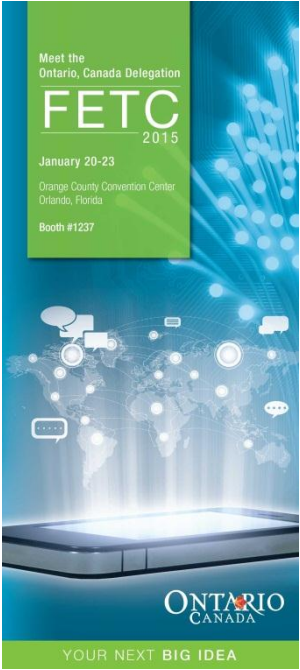
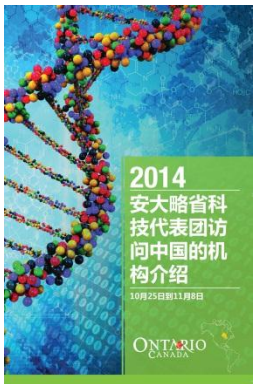
- ▶ Marketing and Communications
- ▶ Lead Generation and International Representation
- ▶ Business Case Development and Intelligence
- ▶ Site Selection



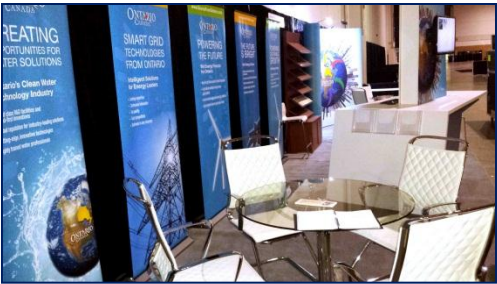
**Collaboration**  
**Federal, Provincial and Municipal Governments**



# Marketing Initiatives and Tactics



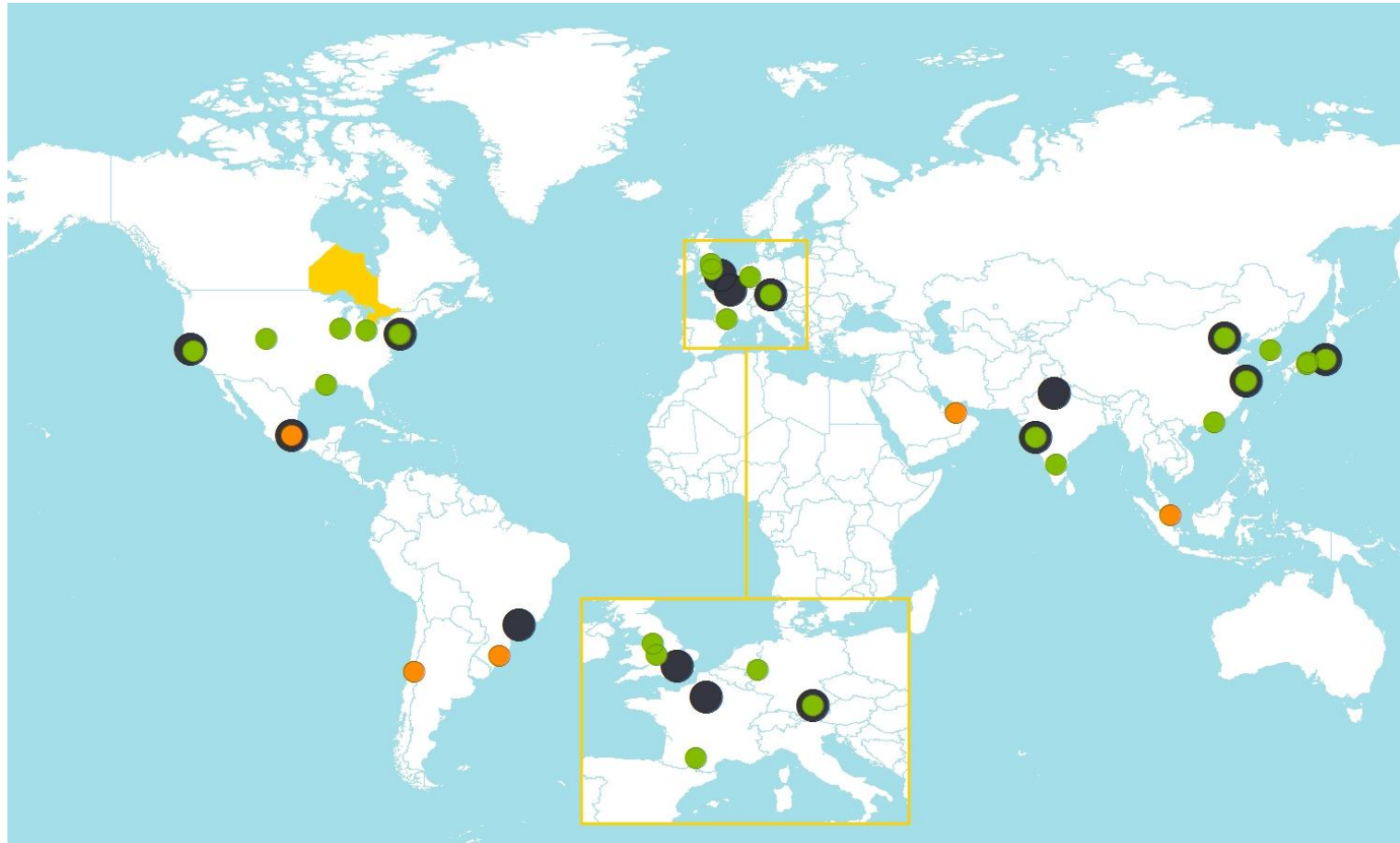
Invest in Ontario @InvestOntario - Apr 10  
How can we help you grow? Pre-qualified industrial properties make your #SiteSelection easier bit.ly/19zO9SB



# Ontario's Presence Abroad



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- International Investment Development Representatives
- International Trade Development Representatives
- International Marketing Centres

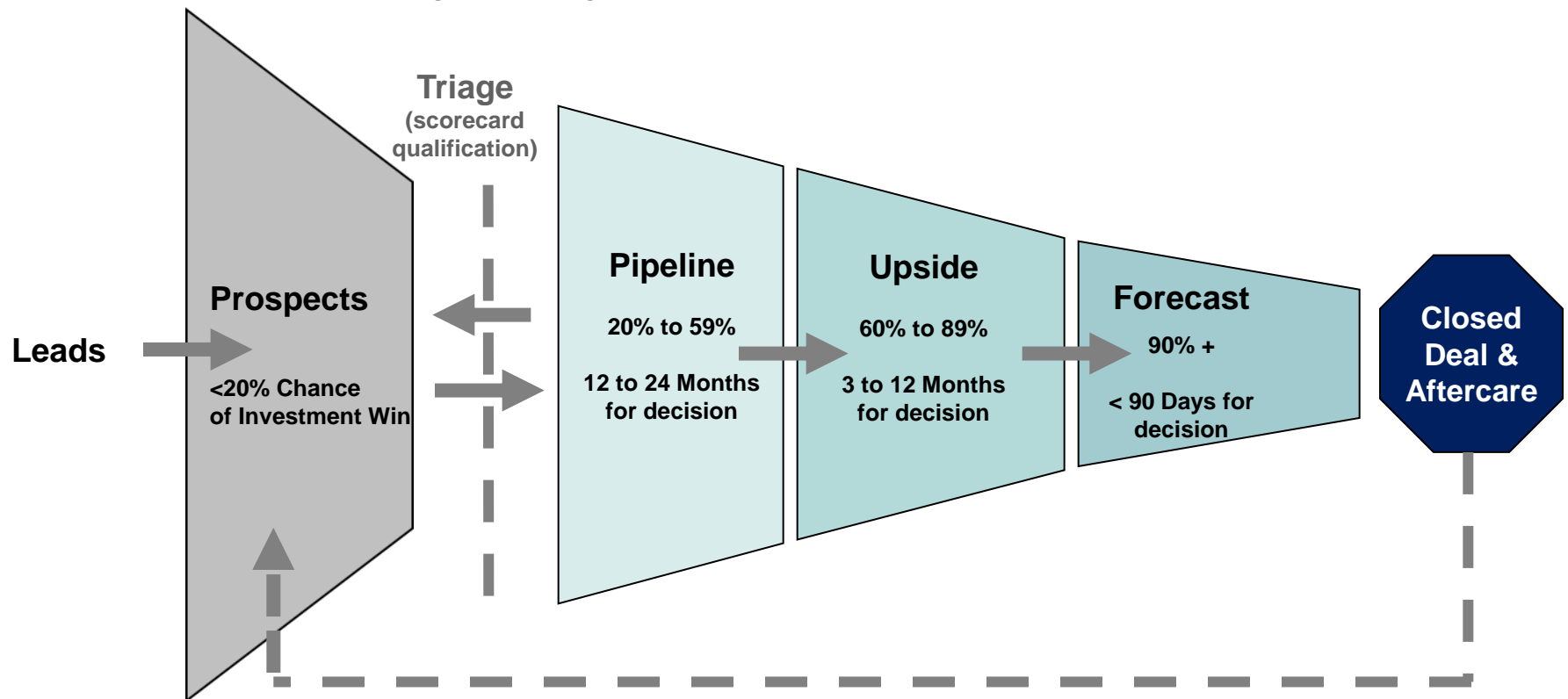
# Structured Sales Model



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**A structured sales methodology tracks progress towards success:**

- Contract management/performance measures
- Identifying barriers and next steps
- Helpful for forecasting/directing resources






# Journey of a Site Selector



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	Interest	Learn	Evaluate	Justify	Purchase
					
What is a site selector's motivation at each stage?	<ul style="list-style-type: none"> <li>General industry knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Interest in specific jurisdiction for potential opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Client has a specific project</li> </ul>	<ul style="list-style-type: none"> <li>Long list to short list</li> </ul>	<ul style="list-style-type: none"> <li>Short list – close the deal</li> </ul>
What questions is a site selector asking at each stage?	<ul style="list-style-type: none"> <li>What else is going on out there in the world. What are the new communities I need to be watching</li> </ul>	<ul style="list-style-type: none"> <li>What specific areas does this jurisdiction excel in?</li> </ul>	<ul style="list-style-type: none"> <li>How does this compare to other competing communities/ jurisdictions. What sets these apart?</li> <li>What sites are available, business conditions?</li> <li>RFI process</li> </ul>	<ul style="list-style-type: none"> <li>What is the long term business success of this</li> <li>What incentives do they offer? Cost comparison,</li> <li>What are the specific sites available?</li> </ul>	<ul style="list-style-type: none"> <li>What would most align to my clients criteria and his business culture, objectives. Quality of life, emotional factors</li> </ul>
What is a site selector most likely to respond to?	<ul style="list-style-type: none"> <li>Events</li> <li>Fam tours</li> <li>Webinar</li> <li>Newsletter –general info</li> <li>Web</li> </ul>	<ul style="list-style-type: none"> <li>Sector specific, industry specific news, videos,</li> <li>Testimonials, companies currently here</li> <li>Sector specific info</li> <li>Web</li> </ul>	<ul style="list-style-type: none"> <li>Detailed reports, spreadsheets, tables, easy to understand comparable data that you cannot easily find anyone else</li> <li>Site information</li> </ul>	<ul style="list-style-type: none"> <li>Community effort, bring together community, government representatives</li> <li>Site inspection</li> <li>Incentives, training</li> </ul>	

# Spotlight on Ontario Value Proposition



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## Competitive Taxes



Our combined federal-provincial manufacturing income tax rate is **11 percentage points below the U.S. average**. Labour costs in Ontario are among the lowest in the G7 countries, and our **generous R&D tax credits** apply to a broader range of eligible costs than in the U.S. and many other countries.

## Skilled, industry-tailored workers



**A network of 20 universities and 24 colleges trains students in every field**, from the skilled trades to the most advanced areas of science, engineering and business, ensuring that our talent pool keeps growing. **65% of our population has at least one post-secondary degree or certificate**, more than double the average of OECD nations.

## An innovative R&D hub



Our R&D tax incentives are among the most generous in the world. A **\$100 R&D expenditure can be reduced to an after-tax cost of about \$61, or \$37 for small businesses**. Approximately half of Canada's full-time R&D personnel are in Ontario where **over \$14.6 billion is spent annually on R&D**.

## Access to Global Markets



Located in the heart of North America's industrial heartland, **Ontario is within a day's drive of 141 million consumers** and is part of the **US\$19-trillion market under the North American Free Trade Agreement**. Our extensive road, rail, air and marine transportation infrastructure offers **easy access to global markets**.

## Infrastructure & Supply Chain



We have **five international airports** (Toronto, Hamilton, London, Ottawa, Thunder Bay). Toronto's Pearson International Airport offers same plane service via 75 carriers to 29 Canadian, 50 U.S. and 105 other international destinations. **We have 14 border crossings with U.S. and streamlined trans-border transportation system**.

## Lifestyle & Culture



**Ontario offers a unique combination of sophisticated lifestyles, creative opportunities and a comparatively low cost-of-living** – all of which makes it easier to recruit and retain globally mobile talent. **Close to 150 languages are spoken here**, creating a staffing advantage for companies working with international supply and distribution chains.

# RFI Process: Lessons Learned



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- The Ministry receives requests for information (RFI) from companies, investors and site selectors for specific sites.

## Good Responses

Wastewater: Service Provider	Rochelle Minicupal Utilities
Wastewater: distance from site to wastewater line capable of serving site	21 inch line at site
Wastewater: distance from site to nearest wastewater treatment facility	5 miles
Wastewater: current capacity (GPD) available through line capable of serving site	115,000 GPD
Wastewater: what capacity (GPD) could be available in the future to serve the site?	1.2M GPD
Wastewater: what would the timing be to complete the increase in capacity?	2 years
Please describe the availability of any differentiating excess energy sources that are proximate to the site:	Subject site is across from Illinois River Energy, ethanol plant, owners believe steam is available for purchase. Possibly 2M gallons of gray water would be available with improvements within 2 years.
Real Property: Taxes Paid Last Year	Farmland, Est \$50 per acre
Real Property: % of Mkt Value Assessed	
Real Property: Tax Rate per \$100 Assessed	8.34129
Substation #1 Distance:	4500' from site
Substation #1 Capacity:	22.4 MVA
Substation #2 Distance:	11,600'
Substation #2 Capacity:	22.4 MVA
Electric: Additional Info	
Fiber Optic: Distance in miles (rounded to the nearest tenth of a mile) from site to nearest PoP (Point-of-Presence)	6.1 MILES
Water: Service provider capable of serving the site with water	Hardin County Water District # 2
Water: distance from the site to water line capable of serving the site	water line at site
Water: size of line capable of serving site	12
Water: current capacity (GPD) available through line capable of serving site?	The current waterline capacity is 2.25 million gallons per day peak. The current available source capacity is 1.5 MGD average.
Water: what capacity (GPD) could be available in the future to serve the site?	4 million gals. per day if main upgraded to 16
Water: what would the timing be to complete the increase in capacity?	The waterline upgrade could be completed within a 6 month period once funded. The connection with Louisville Water Company is 3 to 5 years out but already has a funding solution.

## Unconstructive Responses

Archaeological issues/features (Yes/No, Describe)	Speak w/broker
Environmental (contamination issues)	Speak w/broker
Seismic, weather, etc. issues	Speak w/broker
Any natural disaster risk?	Speak w/broker
Emission Issues (Yes/No, Describe)	Speak w/broker
<b>Current Service</b>	
Electricity service to site (Yes/No)	Contact MGE
Line size (kV)	Contact MGE
Available capacity to site	Contact MGE
Distance to substation	Contact MGE
Is the substation dedicated to this site? (Yes/No)	Contact MGE
Is dual circuit service possible? (Yes/No)	Contact MGE
Provide a history of outages on this line	Contact MGE
Provide a map that clearly shows the electric infrastructure of the site and adjacent area	Contact MGE
Electricity cost (per kWh)	Contact MGE
Please provide a copy of applicable tariffs	Contact MGE
Demand Charges (\$/kW)	Contact MGE
Additional charges (other fees/charges)	Contact MGE

- ☒ Avoid not answering questions, site selectors will assume the site cannot meet the minimum criteria.
- ☒ Include information or solutions that are unique to the location

Excerpts from "RFI Responses. The Do's and Don'ts and Good the Bad and the Ugly" Presentation at Site Selectors Guild by Deloitte and Goldsmith Strategy – The Site Selectors Guild, February 2015



# Ontario's Certified Site Program

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## GOAL

To have an inventory of pre-qualified, highly marketable, industrial sites ready for international promotion to site selectors and investors.

- The Certified Site Program is an investment attraction tool that can be used by all levels of government in a variety of sectors.
- It offers investors up-front information about possible investment locations to help make investing in Ontario an easy decision.
- New trends in site selection impact how jurisdictions need to prepare and compete for investment opportunities
  - Compressed timelines
  - Ability to offer complete and accurate information at a moment's notice
  - Need to have a coordinated and responsive team of professionals ready to provide detailed property information and answer questions

## Certification Requirements:

- ☐ Environmental Site Assessments
- ☐ Archaeological Assessment
- ☐ Species at Risk review
- ☐ Built and Cultural Heritage studies
- ☐ Title Searches
- ☐ Digital mapping and municipal documents
- ☐ Document reviews



## Southwestern Ontario

London – Boyd  
London – Bonder Road  
Lakeshore – Patillo Road  
Strathroy-Caradoc – Adair Boulevard

## Greater Toronto Area

Alliston – Industrial Parkway

## Eastern Ontario

Edwardsburgh Cardinal – County Road 2  
Quinte West – North Murray Street  
South Stormont – Industrial Drive





*“We need to continue to work in a smarter, more integrated way to ensure global companies are keenly aware of the great assets that we have to offer and know they will have a soft landing here in Ontario.”*

Tony LaMantia  
Assistant Deputy Minister  
Investment and Industry Division  
Ministry of Economic Development, Employment and Infrastructure



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