

# SUCCESS STORY: ESCRYPT



## ABOUT ESCRYPT SYSTEMS

ESCRYPT Canada is one of Waterloo Region's latest success stories. A wholly owned subsidiary of BOSCH, ESCRYPT Canada is a leading provider of embedded security, with a focus on secure connected vehicles, smart cities and IoT security.

Established in 2016, the Waterloo location is the global company's technical headquarters for North America. Their team of highly specialized cryptographers and software engineers develop products which authenticate users and devices and protect the transmission of data. The team also provides consulting services to clients seeking to secure their vehicle electronics and infrastructure.



## WORLDWIDE LOCATION SEARCH

Before arriving in Waterloo, ESCRYPT went on a worldwide search for an ideal R&D location. Waterloo quickly made it to the shortlist of places to consider. In 2015, a delegation of senior leadership and technical experts came to scout out the area for possible expansion.

With help from Waterloo EDC, ESCRYPT was introduced to relevant people at the local universities, as well as leaders of tech startups and global organizations.

"The delegation discovered that Waterloo provided a strong ecosystem for the company," says Sherryl Petricevic, Manager of Outbound Marketing and Community Development for ESCRYPT Canada. "The University of Waterloo provided access to talent in various disciplines—from cryptography, to software design and development, math and security."

Existing companies and research institutes also provided important resources and partnerships.

"Waterloo has an excellent reputation for collaboration and research. The ESCRYPT leadership team recognized the value of moving to this area as an important step to establish a solid foothold in the North American market," adds Petricevic.

## PRIME LOCATION

Waterloo is situated in the heart of the Ontario-Michigan automotive corridor, which played a key role in the company's decision to locate in the region.

"The automotive industry is a primary focus of our business. In Waterloo, we benefit from both a strong tech culture and proximity to the critical automotive hub in Southern Ontario," says David MacFarlane, General Manager for

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ESCRYPT Waterloo. “The location is ideal to allow us to access auto manufacturers and parts suppliers in Ontario as well as the manufacturers and designers located just down the road in Michigan. We are close to key customers and important partners.”

### SETTING UP IN WATERLOO

Once Waterloo was selected for ESCRYPT Canada’s headquarters, the company turned to MacFarlane to get the operations up and running.

“The company could have chosen someone from Germany to come and establish the office, but they recognized the immediate impact a local person could make by utilizing in-depth knowledge of the community ecosystem and build partnerships as required,” says MacFarlane.

Both MacFarlane and Petricevic encourage companies considering moving to Waterloo to “leverage local.”

“My local network was invaluable for finding office space, establishing our legal entity, and hiring the first few people,” says MacFarlane.

Within just a few months, he established a corporate structure, hired an initial engineering team, and built a prototype to demonstrate to auto manufacturers. That same network was responsible for facilitating initial conversations that allowed ESCRYPT to quickly expand with the acquisition of TrustPoint Innovations, another successful Waterloo start up.



Photo Credit: Sara Jalali, Communitech

### STRATEGIC PARTNERSHIPS FOR SUCCESS

“Waterloo EDC was critical to securing the investment here—from building credibility of the region’s technology to our German operations, to connecting the local community with the ESCRYPT decision makers,” says MacFarlane.

“We also appreciate the continued support locally and internationally through in-person meetings, inclusion in relevant news articles and participation in hosting in-bound visits and missions to continue building our business,” he adds.

Working with local organizations such as Communitech, WatCAR and the Automotive Parts Manufacturer’s Association (APMA) has helped ESCRYPT continue to develop important relationships and partnerships.

### BUILDING A LIFE IN WATERLOO

MacFarlane and Petricevic see the many benefits Waterloo has to offer from both a professional and personal point of view.

“The local tech industry offers work that’s both interesting and challenging. The location is great with thriving urban

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centres for entertainment and activity yet within a 5 or 10 minute drive, you're out in the country with so many options to enjoy nature or go canoeing or fishing," says Petricevic.

As more businesses expand their operations to Waterloo, she has seen the region evolve to accommodate the influx.

"The last couple of years in particular, the area has experienced massive infrastructure changes to accommodate the growth in population and specialized talent moving in with a focus on moving people via light rapid transit (LRT) and main arterial roads being widened to support more traffic," she says. "I've also seen more of a focus on building up the core of the city so it's residential as well as commercial, and new neighborhoods are now offering a variety of lifestyle options for individuals and families."

MacFarlane has also seen a wider range of economic drivers since his BlackBerry days. "Waterloo used to be primarily driven by BlackBerry, insurance and education, but now you're seeing a larger variety of companies including technology development, software, hardware, future-focused development, manufacturing and professional services."

"There are now many more opportunities for businesses of all kinds to tap into the local ecosystem, and leverage the support offered by individuals, companies and associations."

A key message from MacFarlane is "ESCRYP T Canada strives to be an employer of choice by providing interesting, challenging and meaningful work; and a collaborative, empowering and creative work environment."

**To learn more about working for ESCRYP T, contact: David MacFarlane at [david.macfarlane@escrypt.com](mailto:david.macfarlane@escrypt.com) or look at our job postings found on [www.escrypt.com](http://www.escrypt.com)**



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