

WATERLOO EDC

2018

Q4 REPORT



WATERLOO EDC
inventing the future

waterloedc.ca

Q4 REPORT – SUMMARY

In Q4, we closed two investment deals, with a value of \$8.4 million, representing 40 jobs. In addition, we led a total of 26 inbound and five outbound missions, including meeting with potential investors in Boston, California, New York City and Germany. This year, Waterloo EDC played a central role in securing more than \$320.7 million in new investment, led 90+ inbound and 17 outbound missions, and built an investment pipeline of more than \$1.1 billion.

This quarter, the Waterloo EDC team partnered with the University of Waterloo to host the 2018 AutoTech Symposium, launched a new blog, automated our website’s live chat function, optimized the written content across our website, and hosted the community at The Tannery for our 2018 Public Information Meeting.

We also found a new way of sharing sales collateral with partners, including Trade Commissioners, which will set Waterloo Region apart in international investment conversations.

We are very pleased with the progress we have achieved in Q4 2018. The key highlights of our activity and performance are summarized below:

2 Closed Deals

Investment closed deals of
\$8.4 million

Approximately
40 jobs created

Breakdown of deals by sector:

50% Information and communications technology

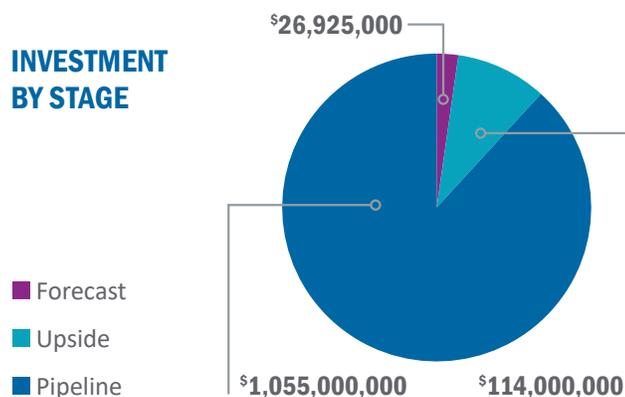
50% Health and long term care

1 local expansion investment

1 foreign direct investment

53 deals in our pipeline (at the end of Q4 2018) with an estimated value of **\$1.196 billion**

INVESTMENT BY STAGE



6 opportunities in ‘forecast’ stage with an estimated value of **\$26.925 million**

26 inbound and
5 outbound missions

Outbound Missions:

New York (x2), Boston, California, and Germany

OUR ORGANIZATION

VISION

To be locally rooted, internationally competitive and globally renowned.

MISSION

To build a world-leading legacy of sustainable economic development, prosperity and diversity for Waterloo Region.

VALUES

Collaborative, professional, integrity, accountable, results-focused.



2018 BUSINESS PLAN: STRATEGIC PILLARS

Foreign Direct Investment

To forge a clear track record of foreign direct investment attraction wins

Local Business Retention & Expansion

To forge a clear track record of local retention, investment expansion and scale-up wins

Investment Marketing & Awareness

To increase awareness and interest in Waterloo Region's unique Economic Development value proposition in targeted geographies and sectors

Concierge Service & Advocacy

To build a best-in-class "go to" concierge and advocacy service to facilitate investment and retention

FOREIGN DIRECT INVESTMENT

In Q4, the Waterloo EDC team played an important role in closing two investment attraction and retention opportunities. The deals were in information and communications technology and health and long term care and brought \$8.4 million of investment to Waterloo Region, along with approximately 40 new jobs. The team continues to build its sales pipeline with 53 potential opportunities valued at more than \$1 billion, including six deals in forecast with an estimated investment value of \$24.5 million.

Waterloo EDC led five outbound missions this quarter, including investment attraction efforts in Boston, California, Germany and two separate missions to New York City.

Missions to the American Eastern Seaboard – New York and Boston – had a strong artificial intelligence focus, leveraging Waterloo’s unique strength in the field. Waterloo EDC attended the Canadian AI Summit in New York in October, and stopped in Boston for the AI World conference in December.

The team hosted 26 inbound missions in Q4, including potential investors from large automotive and technology companies, an airline and one of the world’s largest manufacturers.

In October, members of Waterloo EDC’s team

attended a training session with new federal trade commissioners in Toronto. Through two hours of presentations, the team introduced this international team to the unique value proposition of Waterloo Region, including the University of Waterloo, provided an overview of the clusters that make Waterloo unique and invited them to leverage new content developed by the Marketing and Communications team.

Waterloo EDC continued to deploy funding support for a number of foreign direct investment-focused initiatives from the 2018 Invest Canada - Community Initiative (ICCI) program, including contracted lead generation support ahead of our missions to Germany, California and the United Kingdom. Work on a California and European FDI Strategy continues, as well as the development of local cluster maps for autotech, security and artificial intelligence.

The team continues to work on an ICCI-funded strategy that will help position the Toronto-Waterloo Corridor as a destination for foreign direct investment. This work is being done in partnership with Toronto Global. In the meantime, the Waterloo EDC team is incorporating Corridor language into marketing materials, our website, and more.



In December, Waterloo EDC’s Catharine Gerhard attended the AI Summit in Boston.

LOCAL BUSINESS RETENTION AND EXPANSION

Waterloo EDC continued to put a significant focus on its mandate of maintaining and building strong partnerships with the local business community.

The 2018 AutoTech Symposium took place on October 10, and brought together more than 100 members of the Ontario automotive and technology communities. A partnership between WatCAR and Waterloo EDC, the event included keynotes from Amazon Alexa Auto Chief Evangelist Arianne Walker, noted futurist Nikolas Badminton, and representatives from local companies Dejero, Erwin Hymer Group and Acerta.



The 2018 AutoTech Symposium hosted more than 100 members of the automotive and technology communities in Waterloo.

To celebrate Kitchener-Waterloo Oktoberfest's 50th anniversary, Waterloo EDC sponsored the Passport-to-Success event, which provided the opportunity for more than 50 local businesses representatives, as well as some visitors in town for the AutoTech Symposium, to network while taking in a traditional dinner at a local festhallen.

In Q4 we continued to work alongside the Greater Kitchener Waterloo Chamber of Commerce to promote business growth and excellence, including sponsoring the 2018 Economic Development Speakers Series. In November, Waterloo EDC hosted the second edition of this series – following an event focused on talent in September – that explored the experience North (formerly Thalmic Labs) had while scaling quickly from fewer than 100 employees to



Mike Galbraith, Chief Financial Officer at North, delivers a keynote address on scaling companies during the Economic Development Speakers Series.

more than 450 in just a few years. The program included a short talk from North CFO Mike Galbraith followed by a “fireside chat” with Tony LaMantia.

Waterloo EDC also worked with the GWCC to host an event featuring Canada's Ambassador to the United States, David MacNaughton, who spoke about the United States-Mexico-Canada Agreement (USMCA).



Canada's Ambassador to the United States, David MacNaughton, speaks at a GWCC event.

INVESTMENT MARKETING AND AWARENESS

Waterloo EDC continued to increase awareness of the organization, support local stakeholders and champion the Region throughout Q4 through both digital and traditional approaches to community marketing and awareness.

In mid-November, Waterloo EDC launched a blog to help share local investment news, key learnings from local companies and more. The purpose is to increase traffic to Waterloo EDC's web offerings and ultimately, develop more sales qualified leads. In the first month, the blog exceeded expectations for measures such as pageviews and engagement.

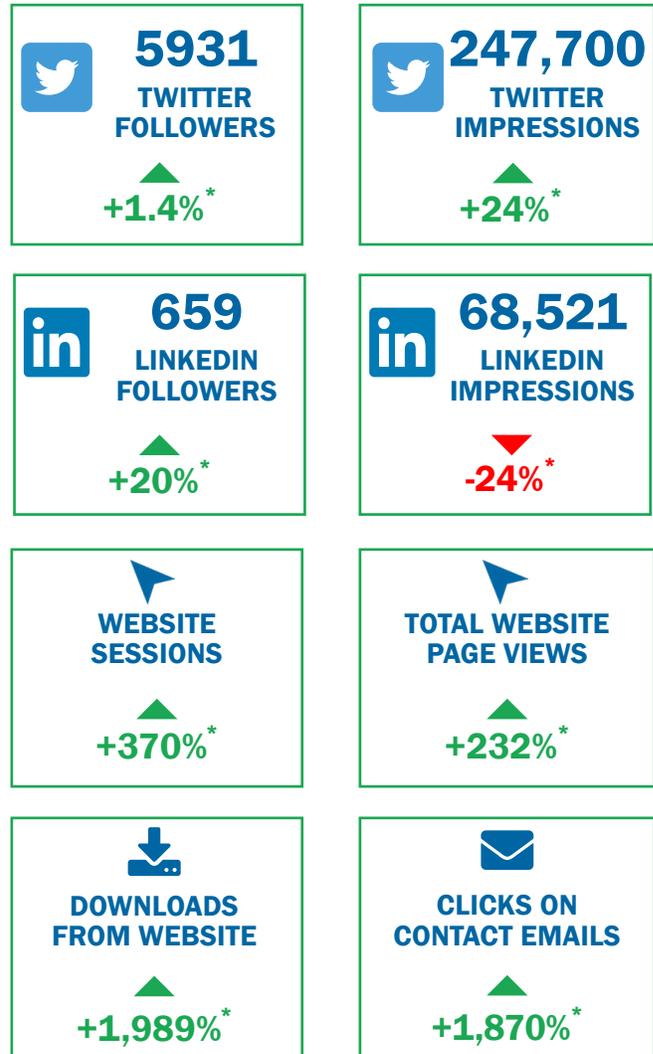
During the quarter, the Waterloo EDC team optimized our website, updated the website to comply with new privacy laws, and autpmated our live chat program.

In late November, the Waterloo EDC team also hosted the community at The Tannery for our 2018 Public Information Meeting and open house. Remarks from Board Chair Gerry Remers were followed by an in-depth update from Tony LaMantia.

Finally, Waterloo EDC's website won two platinum awards from MarCom, an international organization that recognizes exceptional accomplishments in marketing and communications.



Waterloo EDC hosted the community at its 2018 Public Information Meeting.



*vs Q4 2017

In Q4, we saw substantial growth in key measures compared to the same period in 2017.

The incredible growth in most measures is due to the launch of Waterloo EDC's new website and an increased focus on social media marketing over the previous year. The investment in an improved web presence was aimed at increasing traffic and engagement, and these numbers demonstrate that project's success. The decrease in LinkedIn impressions is the result of higher-than-normal numbers in Q4 2017 due to promotional spend on the release of the 2018 AutoTech Cluster Map.

