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Markham 2020: **Success By Design**

Focus on Global Business Strategies



Presentation

Executive Summary



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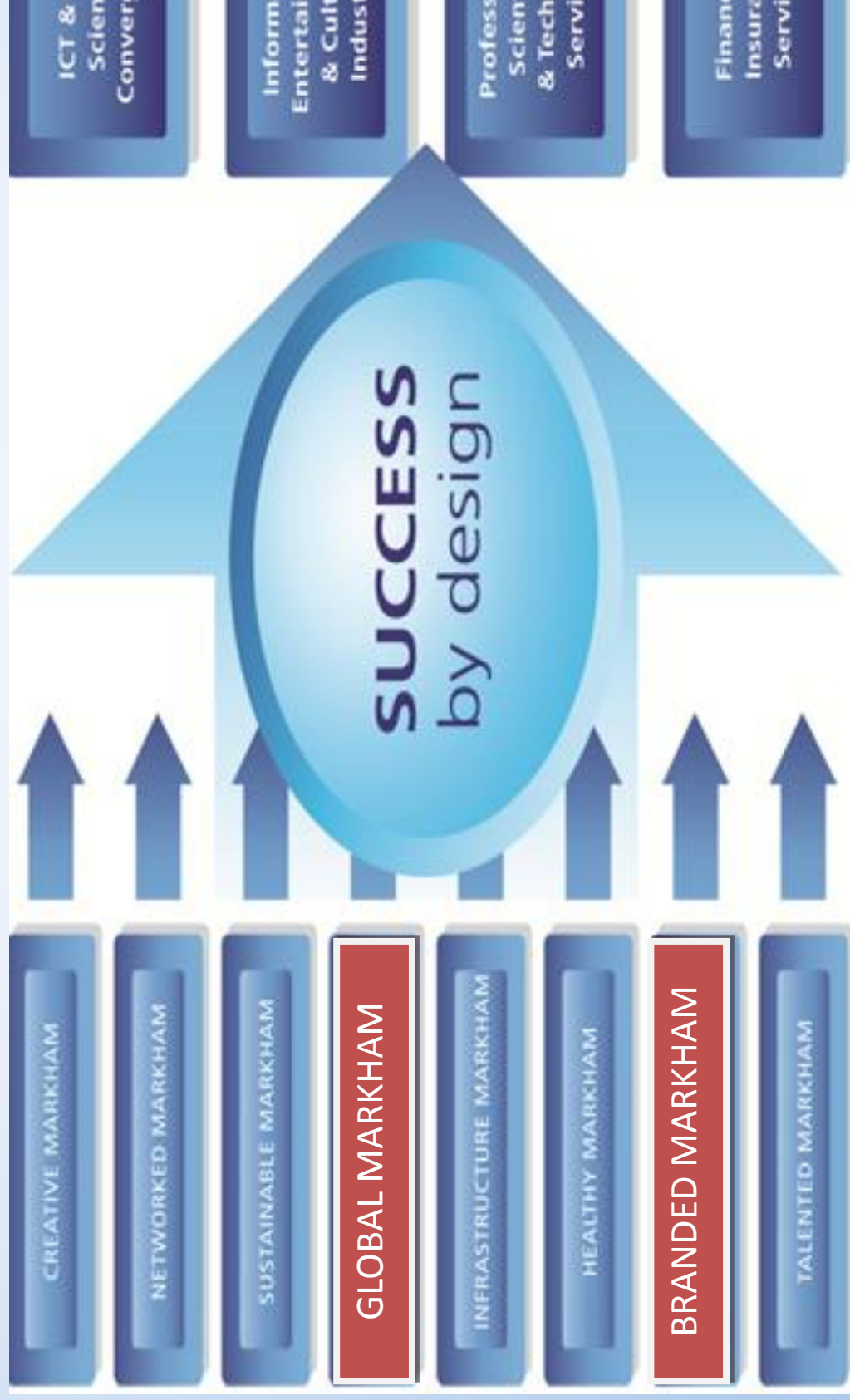
Context

Markham 2020 Context

- 10 year Economic Strategy adopted by Council in 2008
- A successful blueprint for guiding the City's Economic Development Program
- Time to evaluate Markham's Foreign Direct Investment attraction program, and its successes in attracting Multinational Enterprises.



Overview of Markham 2020 – Build Global Markham, Build Branded Markham





Build “Global Markham”

Vision:

To build a “Global Markham” where direct foreign investment exceeds domestic investment in new jobs (Markham 2020, p. 10).

Actions:

- Attract foreign investment and encourage trade efforts by local companies
- Strengthen current international partnerships for economic development
- Leverage the multicultural and multilingual character of Markham’s population
- Create international partners and new opportunities for economic development
- Liaise with partner organizations to increase support for Markham’s foreign relations



Annual Plans

Build a Branded Markham		
Markham 2020 Objective:	Markham to be regarded as one of Top 10 Cities for business in North America	
KPI:	level of awareness of Markham as a leading business centre (survey based) level of brand credibility among targeted audiences (survey based) # of awards and recognition for successes	
Actions:		
1. Review economic development branding, & assemble KPI data.	Timing: 2 nd & 3 rd Quarter 2009 Resource: Corp. Comm. and Markham EDD	
2. Promote Markham Economic Strategy through CD and web-based media	Timing: Ongoing 2009 Resource: Markham EDD	
3. Produce 3 issues of Markham Leader, economic development newsletter, 2 issues of Economic Profile, and ads (as may be required)	Timing: Ongoing 2009 Resource: Markham EDD	
4. Assist with and sponsor MBT Business Excellence Awards	Timing: 2 nd & 3 rd Quarter 2009 Resource: Markham EDD	
5. York Region Business and Employment Survey	Timing: 3 rd Quarter 2009 Resource: Region EDD funded by Markham EDD	
6. Deliver branded advisory services to entrepreneurs and SMEs	Timing: Ongoing 2009 Resource: MSBEC, ISCM	

Build a Global Markham		
Markham 2020 Objective:	New foreign direct investment (FDI) to grow	
KPI:	annual \$ in FDI received from targeted markets growth/expansion of existing MNE's (multi-national enterprises)	
Actions:		
1. Assemble baseline data for KPI's.		Timing: Resol
2. Medical Technology Mission to China with TMTA (Hong Kong, Shenzhen, Shanghai).		Timing: Resol
3. Develop investor attraction relations with India through India Institutes of Technology alumni and Consul General (CG breakfast, Pan-IT Chicago, Nascom in Nov)		Timing: Resol
4. Receive in-bound missions from China, India, USA, etc.		Timing: Resol
5. Build/strengthen global relationships through targeted breakfasts, Leader articles, web-based marketing		Timing: Resol
6. Promote export capabilities of SMEs, maintain relationships & promote Markham through Canadian Trade Commissioners (EDAC 2009)		Timing: Resol



Markham's Economic Alliance Program

- Established in 1990
- Upgraded in 2008 Council adopted “Markham 2020”
- A “Global Markham” where direct foreign investment equals domestic investment in new jobs
- “Markham should nurture its existing formal and informal mutual economic development),adding new partners as the economics permit” .
- “use the multicultural and multilingual character of Markham to leverage new international partners and targets for economic activity”



Investment Attraction Program

Markham's International Strategy Focuses on strong growth sectors:

- Convergence of ICT and Life Sciences
- Financial Services
- Professional, Scientific and Technical Services
- More recently: Green Technologies, Education, Health



Investment Attraction Program

Markham's International Relationships include

- Sister Cities in China, Germany and the USA
- Economic Alliances with Cities and Organizations and Hong Kong
- Agreements with Science Parks in the USA, China



Sector Performance

MNEs (Multinational Enterprises) that came to



HONDA



lenovo FOR THOSE WHO DO.



中國銀行
BANK OF CHINA



CenturyLink

QUALCOMM

PARSONS



Sector Performance

MNEs that expanded in Markham



Giesecke & Devrient



FDI in Markham is Global

Top Source Countries

Country	# Firms	Employment Survey, 2014
U.S.A.	121	20,895
Japan	12	2,111
China	16	1,181
Germany	13	973
Australia	3	661
Korea	6	545
U.K.	11	510



MNEs Contribute to Job Creation Markham's Economic Vitality

Total Number of Foreign Companies , 2014	Total Number of Jobs, 2014
210	28,936

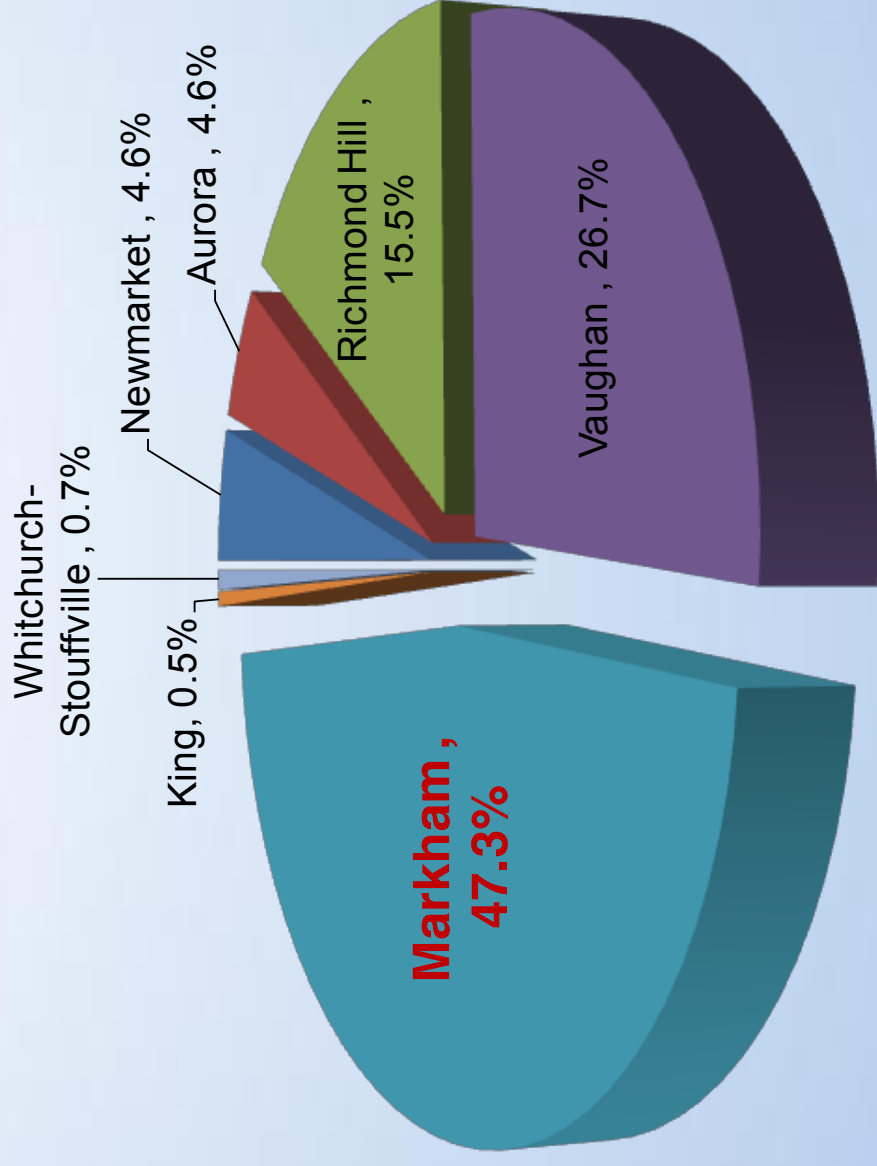
Source: York Region Planning

- Anecdotal evidence suggests that every FDI job creates 3 indirect jobs.
- Microsoft Europe estimates every high value foreign investment job leads to 30 indirect jobs created.



Markham is the Leader in Attracting Foreign

Foreign Companies in York Region by Municipality, 2014

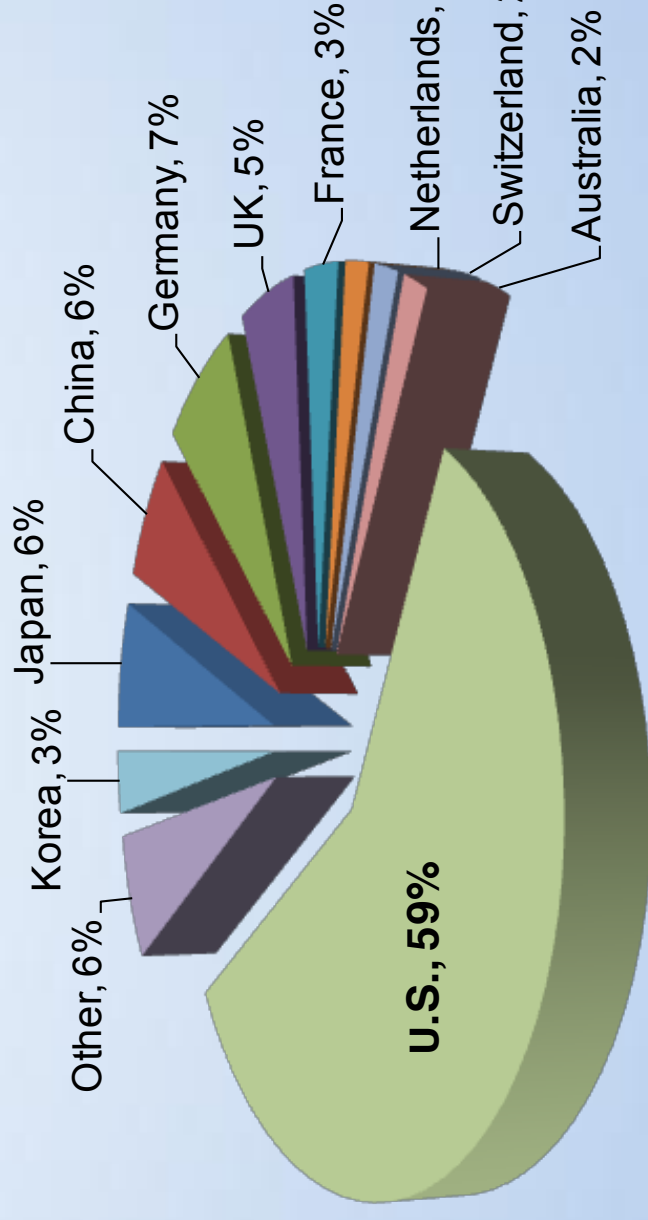




Significant Increase in FDI from Asia

Markham has Achieved Reputation as a Gateway to the North American Market

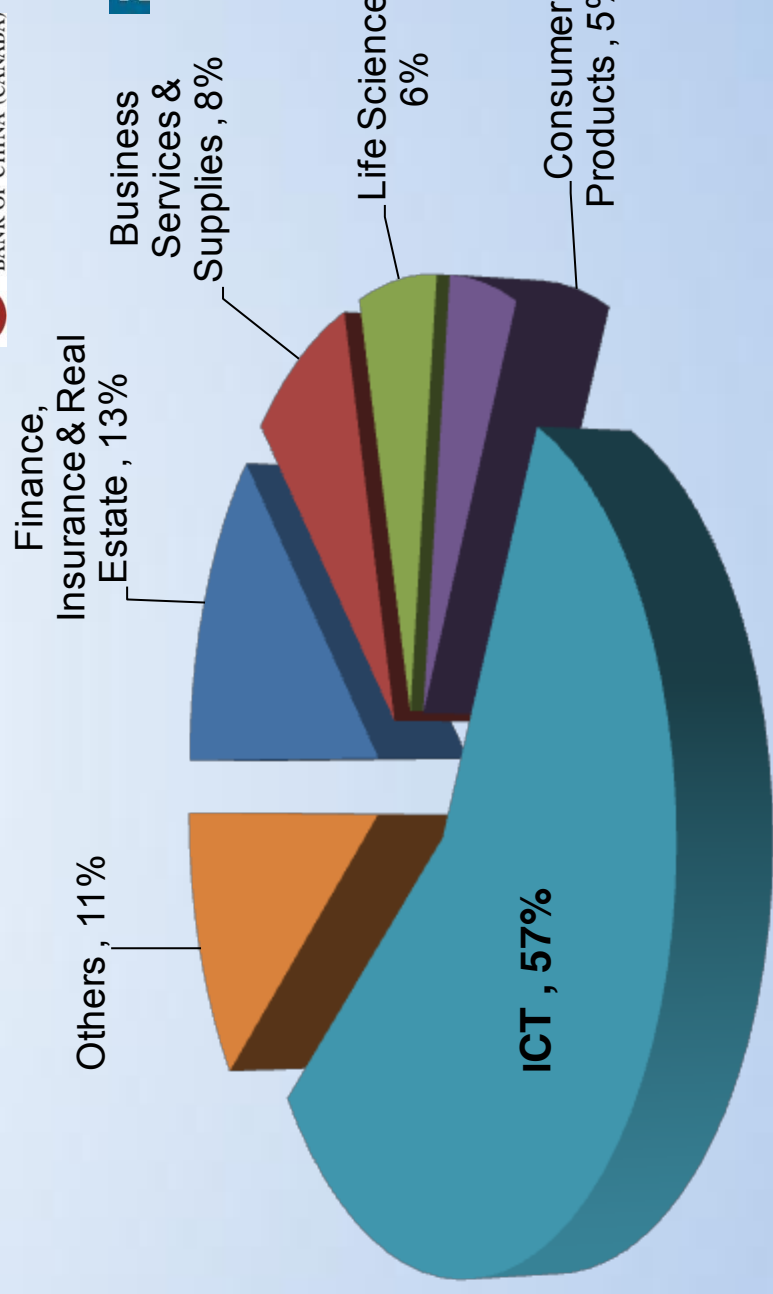
Foreign Companies in Markham by HQ Country, 2014





MNEs are Active in Markham's Priority

Foreign Companies in Markham: Employment size by Industry Sector, 2014





MNEs Contribute to Job creation and MNEs Economic Vitality – Some Examples

- IBM – Markham's largest employer for past 2 decades
- AMD - Markham's 7th largest employer: approximately 10,000 employees
- Huawei Canada – 27% of Markham HQ employees are residents



MNEs Contribute to Innovative Mar

IBM in Markham:

- World's largest IT and consulting services company
- Largest IBM R&D facility outside of USA
- \$465 million in R&D spending (2014)
- A partner of SOSCHIP (The Southern Ontario Smart C Innovation Platform) – an innovative platform for re collaboration between industry and academia.



MNEs Contribute to Innovative Mar

AMD in Markham:

- Second largest AMD global site
- 14th-highest corporate R&D investor in Canada
- Majority of AMD employees in Canada are engaged in R&D or technical functions
- A significant contributor of leading technology to the entertainment and gaming ecosystem



MNEs Contribute to Innovative Markets

Huawei Canada in Markham:

- A leading global information and communication technology solutions provider
- Committed \$210m in new investments in Ontario to expand its presence in the region; expansion of Huawei's Canadian R&D and business operations
- An industry leader in cloud computing; investments in artificial intelligence and machine learning research and development; transformative advanced communications research and development in 5G technology; Canada and Markham's ICT ecosystem



MNEs Contribute to Quality of Life

Lenovo celebrated the opening of its new Markham home with a donation in support of Habitat for Humanity.



*At **IBM**'s Canadian offices, enthusiastic staff members are the company's 1000+ volunteers, contributing to the company's commitment to social responsibility.*

2014: \$1.2M+ in charitable contributions



MNEs are Involved in the Community



Markham AMD participants of the 2014 Becel Ride for Heart 2014: \$20K+ donated to charitable causes; 500+ hours of community service logged

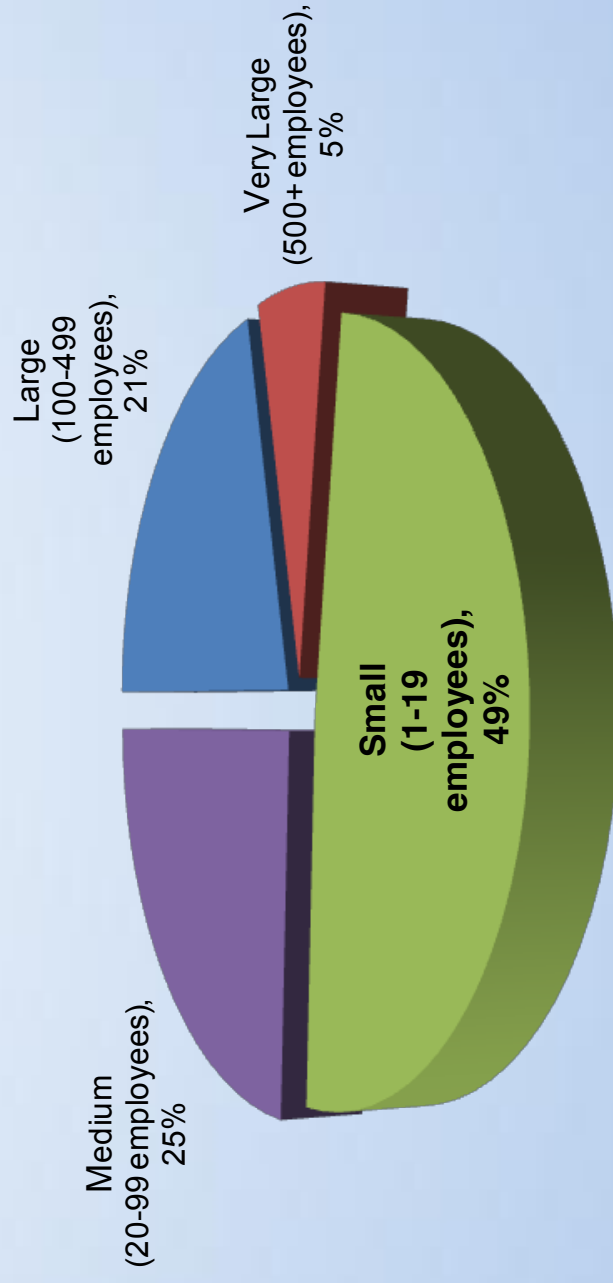


*Raffle tickets sold by Markham Stouffville Hospital Foundation
Huawei 2014 Employee Holiday together with a raffle at their office, raised \$8,000 for the Markham Stouffville Hospital Foundation*



SMEs (Small- and Medium-Sized Enterprises) are Important – Majority of Markham’s Foreign Owned Companies are SMEs

Foreign Companies in Markham by Employment Size, 2014





Small- and Medium-Sized Technology Foreign Companies are Investing in North America

Some examples:

- La Salle Solutions (U.S.): IT life-cycle management services Canadian Office in January, 2013
- Grintex in Markham Convergence Centre: well established ISO certified company providing high –end technology services in air traffic, defence and homeland security
- Cabot Solutions: Innovative mobile solution provider people to start, expanding in Canada to serve their North American clients



FDI Projects and New Investors Bring Benefits and Opportunity for Markham's Economy

- Job creation (2015: 210 foreign companies, close to 3000 jobs)
- Increased municipal tax revenue
- Increased innovation initiatives
- Enhanced technology transfer, esp. from MNEs to SMEs
- Economic growth through supply chain opportunities
- Attraction and retention of local and foreign talents
- Diversification of the local economy

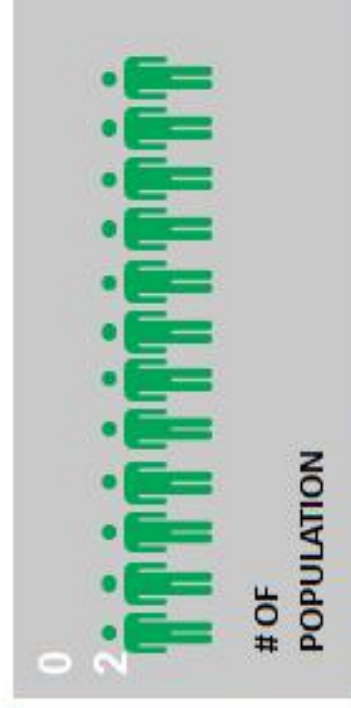


Markham Advantages in Attracting MNCs





Challenges to Attracting MNEs and





Economic Development Challenges

- Rising cost of pursuing and maintaining foreign strategies
- Consider revisions to sister city and economic alliance
- Need to reinvigorate USA program
- Leverage new GTA wide Economic Development



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Markham 2020: Success by Design

