

***Summerside, Prince Edward Island  
Canada***



**Come Grow with Summerside**  
***Here's why at a glance!***

### **Location, Location, Location**

- In Prince Edward Island (PEI) on Canada's East Coast
- Direct access to North Eastern U.S. and Western European markets
- 24-hour development cycle between Europe, North America and Asia

### **Lowered and Stabilized Costs**

- Lower-cost operating environment per KPMG international rankings
- Interest-free loans, tax rebates and over 100 incentive options

### **Economic Incentives**

- Access to standard innovation tax and labor rebate programs
- Additional discounts on cost of doing business: rents/energy/permits

### **Empowering Infrastructure**

- High-speed fiber, smart grid technology and sustainable energy programs
- City-owned electric utility with 99% approval rating
- Atlantic seaport and waterfront facilities
- Fully serviced airport
- Move-in-ready office and industrial space

### **Reliable Labor**

- Cited as one of the most productive and profitable by multinational partners
- Worker days lost are the lowest in Canada
- Custom training programs created by educational institutions
- Over 70% of the population has a post-secondary education



### **Speed to Market**

- Entrepreneurial environment with low bureaucracy and systems to cut red tape
- Assigned economic development professionals to act as concierges

### **Commitment to Success**

- Assistance in reducing development time for new product introductions
- North American wide network of key contacts to grow your business
- Deep insight to the nuances of doing business in North America
- Track record of success with direct foreign investment

### **Collaborative Partnerships**

- Pilot projects and test beds with infrastructure, investment and contracts
- Living Lab program provides access to power grid, fiber network and municipal assets

### **Easy Access**

- Access to all PEI ports and Confederation Bridge to mainland
- Equal access to the PEI airports and highway system
- Access to educational programs — college and university — and labor pool

### **Quality of Life**

- Safe community with unspoiled waterfront and beach
- Low cost of living for employers and employees
- New schools and hospital
- Average commute time 5 minutes



## **Come Get to Know Summerside**

### ***For business, there's no place quite like it!***

The City of Summerside shows what can be done with innovative thinking, open-minded partners and a creative view to running a municipality. Home to the renewable energy sector, aerospace industry, robust IT services, traditional industries and programs tailored to boost business growth, Summerside sits at the peak of opportunity. It is an ecosystem of industry and partnerships offering advantages that can only be described as unique.

Summerside's economy has experienced significant growth over the past decade. More than 600 companies now call it home with enterprises ranging from business services and high technology to transportation, education, tourism, retail and light industry, with a focus on export markets.

Situated in Prince Edward Island (PEI) in the Gulf of St. Lawrence, off the Atlantic Coast of eastern Canada, Summerside occupies an ideal nearshore location, midway between major North American and European cities. With less than a 2-hour flight to New York, Boston and Toronto, PEI ensures excellent access to markets through year-round ports, major air cargo routes and high-bulk land transportation.

### ***Summerside, a city of choice!***

Above all, Summerside is a city that understands the challenges companies face when looking to grow. Our municipality is both employer and employee focused and offers the right cost environment, market access and business partners to help speed the path to expansion.

As more and more companies review and forecast their business strategies and growth plans — looking to improve efficiencies, reduce costs, increase profits and find ways to access more markets — a compelling business case for expanding in Summerside becomes very apparent.

Empowering infrastructure and incomparable support systems are making the City a location of choice. In fact, many global companies have established their most profitable nearshore locations in Summerside, thanks to the positive tax environment and one of the lowest operating costs in the G7.



## **Make More Money in Summerside** *One of Canada's most pro-business cities*

The Summerside environment is literally infused with entrepreneurial thinking. Growth and development are continuously nurtured by dynamic networks of business and community leaders working together. In Summerside, you never have to do it alone.

### **Coming to Summerside means:**

- Prime business location where more companies make more money
- Empowering infrastructure for turn-key business
- Instant access to global markets
- Highly productive work force
- Commitment to your long-term success

### **Direct Assistance**

- Rentals — financial assistance in helping establish your operations
- Labor — rebates to help in your first year of operation
- Capital — key support to leasehold fit-ups

### **Greater Speed**

- Low bureaucracy and systems to cut red tape
- Assigned economic development professionals to act as concierges

### **Partnerships for Success**

- Assistance in reducing development time for new product introductions
- Living Lab program provides access to power grid, fiber network and municipal assets
- Pilot projects and test beds with infrastructure, investment and contracts
- North American wide network of key contacts to grow your business
- Deep insight to the nuances of doing business in North America
- Track record of success with direct foreign investment



## **Government Support**

Working with government is different in Summerside. And by different, we mean easy. Our team will work with you to help navigate expansion and relocation by ensuring the process is seamlessly taken care of between all levels of government.

Summerside's lead economic development agency is totally committed to your success. We provide a suite of services that are tailored to meet — and exceed — the needs of every individual business. In doing so, we bring complete clarity to the investment process.

### **Our Comprehensive Services include:**

- ✓ Customized site selection
- ✓ Facilitating company relocations and expansions
- ✓ Facilitating industrial and commercial development projects
- ✓ Concierge Investment Program (to fast-track approvals)
- ✓ Information and advice on programs, statistics and employment areas
- ✓ Corporate outreach program to office and industrial businesses
- ✓ Small business start-up, growth and retention support

## **Cut Your Costs in Summerside**

### ***One of the world's most competitive locations!***

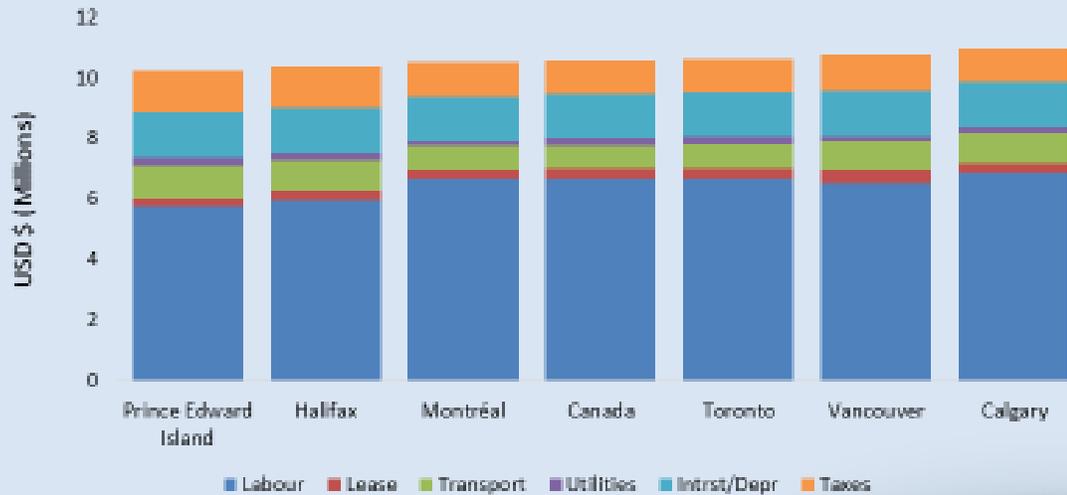
From a business perspective, locating in Summerside allows firms to run leaner operations than locations like Boston and Montreal. From a talent perspective, Prince Edward Island (PEI) provides highly skilled workers with a much lower cost of living compared to other locations in North America.

It was the KPMG Competitive Alternatives report (2016) that spelled out the exact operating cost advantages of locating in P.E.I. The report modelled costs for several industries in over 200 locations around the world. For all of them, P.E.I. came out as one of the most competitive.

## PEI's Competitive Advantage Overall Results

Competitive Alternatives 2016

Industry: Overall Results; Operation: Average of services and manufacturing Sectors  
10-Year Average Annual Total Location-Sensitive Costs



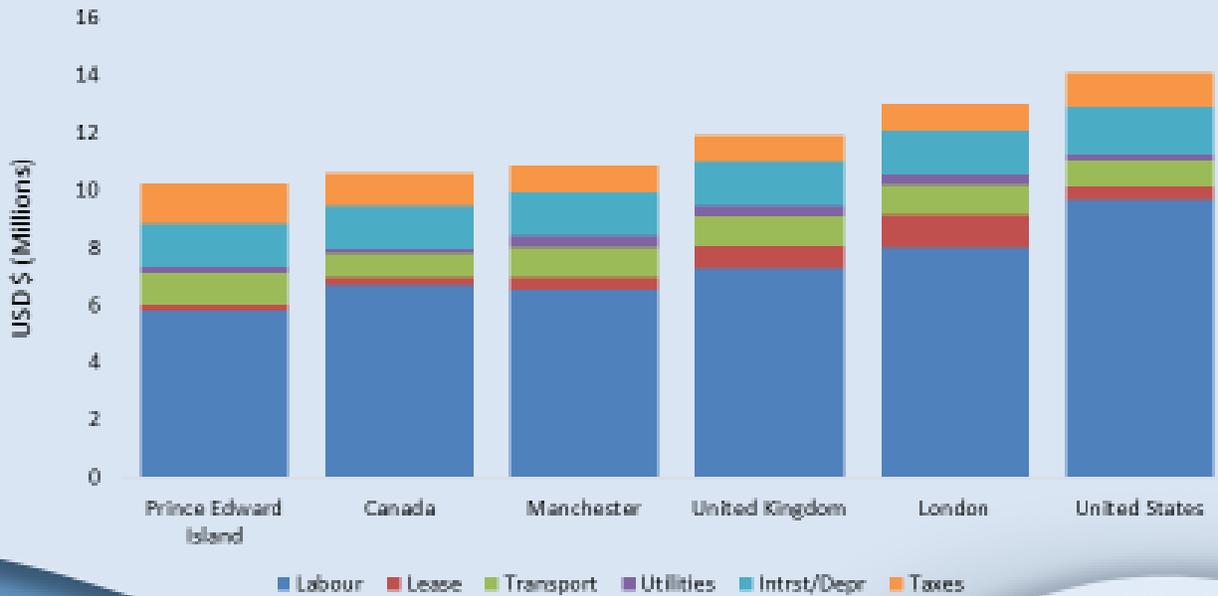
<https://www.competitivealternatives.com/results/locationmenu.aspx> 2016©

	Labour	Lease	Transport	Utilities	Interest/Depr	Taxes	Total
Summerside	\$5,781,000	\$205,000	\$1,130,000	\$254,000	\$1,492,000	\$1,385,000	\$10,247,000
Halifax	\$5,947,000	\$332,000	\$1,024,000	\$245,000	\$1,479,000	\$1,364,000	\$10,391,000
Montréal	\$6,651,000	\$307,000	\$805,000	\$166,000	\$1,477,000	\$1,141,000	\$10,547,000
Canada	\$6,652,000	\$328,000	\$804,000	\$197,000	\$1,484,000	\$1,128,000	\$10,593,000
Toronto	\$6,653,000	\$349,000	\$802,000	\$226,000	\$1,491,000	\$1,115,000	\$10,636,000
Vancouver	\$6,517,000	\$426,000	\$967,000	\$144,000	\$1,503,000	\$1,240,000	\$10,797,000
Calgary	\$6,836,000	\$368,000	\$1,005,000	\$167,000	\$1,488,000	\$1,110,000	\$10,974,000

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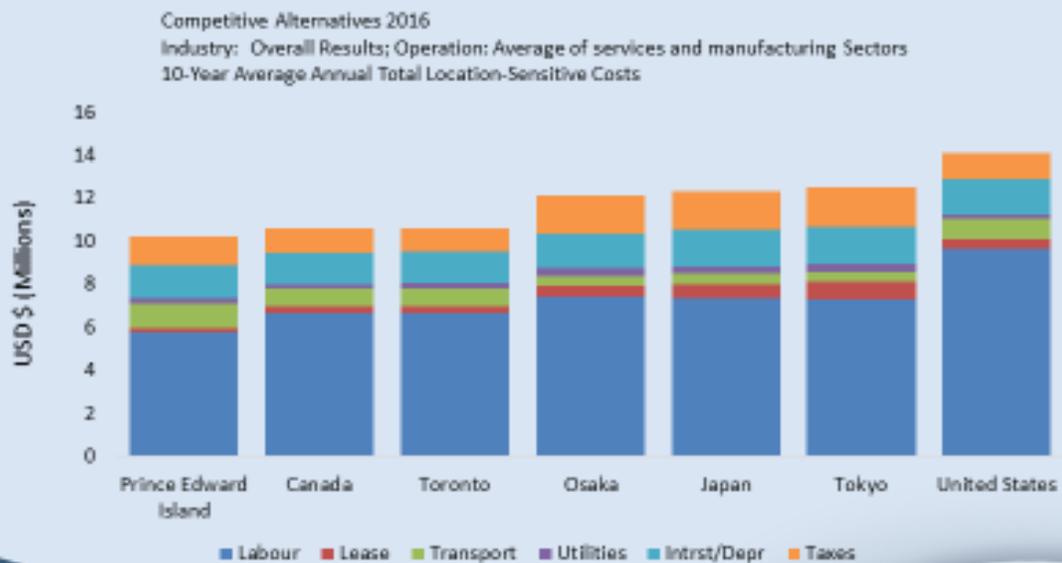
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Manchester	\$6,536,000	\$459,000	\$1,041,000	\$367,000	\$1,493,000	\$936,000	\$10,832,000
UK	\$7,283,000	\$787,000	\$1,026,000	\$367,000	\$1,532,000	\$912,000	\$11,907,000
London	\$8,029,000	\$1,115,000	\$1,010,000	\$367,000	\$1,572,000	\$889,000	\$12,982,000
USA	\$9,668,000	\$443,000	\$923,000	\$222,000	\$1,623,000	\$1,198,000	\$14,077,000

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Toronto	\$6,653,000	\$349,000	\$802,000	\$226,000	\$1,491,000	\$1,115,000	\$10,636,000
Osaka	\$7,393,000	\$524,000	\$465,000	\$376,000	\$1,620,000	\$1,746,000	\$12,124,000
Japan	\$7,330,000	\$679,000	\$465,000	\$376,000	\$1,669,000	\$1,815,000	\$12,334,000
Tokyo	\$7,267,000	\$834,000	\$465,000	\$376,000	\$1,718,000	\$1,884,000	\$12,544,000
United States	\$9,668,000	\$443,000	\$923,000	\$222,000	\$1,623,000	\$1,198,000	\$14,077,000



## ***Summerside is seeking companies that have a genuine interest in expanding***

### **Growth Opportunities in Summerside**

#### ***Green Technology, Advanced Manufacturing and Retail***

#### **Green & Renewable Technology**

Across North America, communities look to Summerside as a best practice model for leveraging sustainable green development as an integral part of economic strategy. Our early adoptions include wind development, smart grid technology, EV fleet, green building practices, waste water treatment, solar and battery storage technology.

The variety of technologies that can be developed and tested in Summerside is endless. The City is currently looking to build on the infrastructure already developed. Our future priorities include:

- Electric Distributed Storage and Grid Integration (Non-Utility Scale)
- EV Testing and Grid Integration
- Charging Technology with Storage for EVs
- Security and Surveillance
- Appliance Control
- Medical Home Care Solutions
- Advanced IT Testing for Renewable Systems
- Interoperability for Data Management

#### **Advanced Manufacturing**

Summerside is home to a growing sector in advanced manufacturing, servicing the agriculture, seafood processing, aerospace and commercial/environmental sectors. With our competency in leading-edge methods of manufacturing — with both traditional and advanced materials — as well as advanced manufacturing processes, Summerside is a perfect location to compete for global opportunities in manufacturing production, R&D and next generation process practices. Our priorities include:

- Precision Machining
- Environmental Industry
- Building Material
- Marine Component Manufacturing



## ***Aerospace, IT, and Market Validation (living Lab)***

### **Tax-Free Aerospace**

Prince Edward Island is a tax-free zone when it comes to aerospace. Featuring Canada's only aerospace tax rebate program, all corporate income tax paid to the province for eligible aviation-related company operations conducted at Summerside's Slemon Park is rebated in full every year. There is also a full annual rebate of all real property tax attributable to ownership or rental of Slemon Park facilities.

Summerside means an experienced workforce, complete aerospace infrastructure -- airport, hangars and services — and extra provincial government programs offering savings of up to 20%.

As a result, Summerside's aerospace industry attracts some of the biggest names in the business. Honeywell Engines Systems and Services, Standard Aero, MDS Coating Technologies Corporation, TubeFab Inc., and Tronos Canada Inc. all have operations in Summerside. The City would now like to attract additional input from the following areas:

- Airframe MRO
- Engine and Engine Accessories
- Avionics Operations
- Manufacturing Enterprise (T2/T3)
- Component and Sub-Assembly Manufacturing
- Aviation Training
- Pilot Training

## **Information Technology**

Summerside is quickly becoming recognized by potential investors, site selectors and business leaders as “the city to watch” for growth. From developing one of the lowest-cost operating environments in the G7 to investing in state-of-the-art technology and facilities, Summerside continues to surprise even those businesses calling it home. Summerside’s information communications technology (ICT) sector has become a major contributor to the strong economic growth taking place in Prince Edward Island. In recent years, the sector has seen an emerging focus on e- health software development, client service and support, and testing laboratories for industry advancements. Room for further growth includes:

- Video Game Programming
- Program Analysis
- Software Testing
- Software Development — Financial Services, e-Health
- Computer Network Technologies

## **Market Validation (Living Lab)**

Summerside’s collaborative Living Lab environment provides a platform for firms to partner with government in exploring real-world issues and demonstrating how innovation can provide solutions. The overarching goal is to assist Summerside business growth, advance innovation and create export development opportunities in partnership with early start-ups and established enterprises.

As an environment devoted to reducing development and validation time in a fail-fast/fail-cheap scenario, Summerside offers a system for rapid commercialization. It provides a test bed for firms looking to overcome the problem of product credibility by validating technology through rapid testing and prototyping.

Summerside’s Living Lab provides a robust and sophisticated environment with a full range of assets including a City-owned electric utility, high-speed fiber network and sustainable energy programs.

Full access exists for:

- Companies wishing to get products to market sooner

## Where is Summerside Exactly?

The City of Summerside is located midway between continents on Canada's East Coast, offering a 24-hour development cycle between Europe, North America and Asia.



Situated in Prince Edward Island (PEI) in the Gulf of St. Lawrence, Summerside occupies an ideal nearshore location for Western European markets.

With less than a 2-hour flight to Toronto, PEI as the Canadian Hub for International Markets, ensures prime access to Canadian and North East US markets.



## **BRINGING COST CERTAINTY TO BUSINESS — THE ISLAND INCENTIVES**

Summerside understands that fiscal support and financial incentives are not the key reasons for companies looking to expand in a growing place like Summerside. We know that our initial and ongoing support can help reduce the risks of an expansion and bring cost certainties, improve returns and ease the start-up transition. Coupled with our competitive environment, our support programs and long term outlook for business engagement, Summerside can provide a very competitive offer for businesses looking to expand with a customized and responsive approach.

The City of Summerside and partners work collaboratively and offer incentive programs designed to stimulate and encourage targeted development and redevelopment in key geographic areas of the city. These programs demonstrate our commitment to partnership and provide enterprises with cost certainties in the development process. Our programs are centered on capital and labor assistance to bring a level of consistency to your business expansion needs and reduce the barriers you face.

### **Our Programs Include:**

- ✓ Labour Rebate Program
- ✓ Rental Incentive Programs
- ✓ Advanced Marine Technology Tax Rebate
- ✓ Aerospace and Defence Tax Rebate
- ✓ Business Development Program
- ✓ Atlantic Innovation Fund
- ✓ Electrical and Tax Incentives
- ✓ Development and Commercialization Funding
- ✓ Plus lots more customized support



### **Some Recent Investment Examples**

***Samsung Renewable Energy Inc.*** has partnered with the City of Summerside on a renewable energy demonstration project, with ambitions for export market product development. The project has been completed and now we are working with Samsung as they try to forge new markets for these systems. Our current role (Although working on another major project with them) is to be their market validation partner as they promote this to new clients. They chose Summerside given its enabling and open infrastructure that was available in one location where they could pilot, test and refine their system and use as a launching pad to North America. To date we have entertained several municipalities in North American wanting our advice on how to replicate and what the Samsung can do for them. As well it has garnered the attention of Federal Ministers wanting to use us as a showcase of what's possible on the green front.

**UK Based IT Firm** – Was introduced to a UK based software firm with ambitions ot expand to North America. Their obvious fist desires was to hit the major markets of Toronto, Vancouver and Montreal to break into a competitive market space of software. With that we showed this company how they could pilot their software and satisfy our internal needs (We became their customer), and once perfected with our guidance for North American market – we would network with them directly to expand into other markets and then build their market credibility. Once that was completed regionally we would

\*Refer to Living Lab Sheets for other examples and approaches we have taken to grow investment and business growth



## **The Investment Process – Seamless and Efficient**

What we are looking for are Companies looking for expansion opportunities within the next 12-24 months and have a genuine interest and have been thinking about the North American Market

You	Summary of Work – 2 pages Highlights Scale and Scope
Us	Funding Proposal Response Letter of Intention
We	Business Plan Letters of Offer

## **Aerospace, Renewables and Green Activity Value Proposition**

The value proposition for attracting and encouraging aerospace, renewables and green activity must leverage local and provincial strengths, and develop a unique position that differentiates Summerside from other parts of Canada.

The following key points have been assembled based on the results of the industry sector analysis and the sector consultations. They represent some of the key differentiating points that should be highlighted in local marketing materials to identify the Summerside's position in the broader sector, and enhance its economic development standing.

## **Operating Cost Environment**

The operating cost environment in a jurisdiction is an important factor to each of the targeted sectors. From a business perspective, locating in P.E.I. (and Summerside) allows firms to run leaner operations compared to the well-known industry locations such as Boston and Montreal. From a talent perspective, P.E.I. provides highly skilled workers with a much lower cost of living compared to most other locations in North America. The KPMG Competitive Alternatives report in 2014 revealed the operating cost advantages of locating in P.E.I. The report modelled operating costs for aerospace-related manufacturing operations in over 200 jurisdictions around the world. For all of them, P.E.I. came out as one of the most competitive locations. As an example of a cost effective environment, the average aerospace manufacturing facility in Boston will face a cost environment 35 percent higher compared to that same operation in Summerside.

## **Competitive Institutional Assets**

The education and training industry on P.E.I. is developing tailored programs to ensure the industry has the talent it needs to grow into the future. Holland College offers its Aircraft Gas Turbine Engine Repair and Overhaul Technology Program, Precision Machinist Program and Electromechanical Technology Program to feed the talent pipeline. The University of Prince Edward Island is expanding its engineering program to support the needs of the aerospace and defence sector as well as other industries in the Island.

In addition, there is evidence the industry is attracting talent from outside the province. Between 2006 and 2011, PEI attracted 200 immigrants with an engineering educational background. This was more than four times as many as were attracted between 2001 and 2006.



## **Supporting Government**

Each of these sectors benefits from a supportive government at the local, provincial and federal levels. Each industry is a priority sector for economic development in P.E.I. The Provincial government is a key ally in helping to promote the industry across Canada and around the world. Specific to the Aerospace industry, the provincial government offers Canada's only aerospace tax rebate program. The Aerospace Tax Rebate Program provides a full rebate annually on all corporate income tax paid to the province for operations conducted in Prince Edward Island to eligible aviation-related companies. Companies also receive a full annual rebate of all property tax attributable to ownership or rental of facilities in Prince Edward Island.

Additionally, the federal government have also made a number of strategic investments to bolster the green and renewable industries. The Government of Canada, through ACOA's Business Development

Program and the Atlantic Innovation Fund, has invested in a number of projects to support expansion and the purchase of equipment. The government also supports the Province's Departments of Innovation and Advanced Learning and Innovation PEI which provide assistance to support growth in these sectors. Finally, the governments support industry development through investment in new education and training programming and infrastructure support.

## **Compatible and flexible spaces**

Summerside offers a range of industrial and commercial spaces that have the potential to support these targeted industry activities on a temporary and permanent basis, which is further enhanced by a comparative lack of traffic congestion and parking issues (particularly for larger vehicles) that are often experienced in other larger municipalities.

## **Robust support industries base**

While other areas of the Canada may hold stronger shares of core industry labour force and business activity, Summerside and P.E.I. continues to hold a strong base of over 150 businesses in aerospace, renewables and green support industries, particularly in administrative and knowledge-based business support sectors (e.g. management consultants, bookkeeping/payroll, accounting).

## Pathways to Investment

After determining the client/company has a genuine interest in both expansions within the next 18-24 months and have shown a high level of understanding, ambition and some work towards exploring understanding the market, this is when we should talk. As part of company brief, need an understanding of where we can actually assist in their plans.

Aside from a company actually already in the exploratory stages of undertaking due diligence on a direct investment, for those whom have looked at the options, there are some pathways to investment

### Start Up Visa Program

Start Up VISA Program - <http://www.cic.gc.ca/english/immigrate/business/start-up/>

- ✓ The Canadian Federal Government has implemented a Start-Up VISA program to attract the best immigrant entrepreneurs to Canada
- ✓ LaunchPad PEI is a designated incubator for the program through the Canadian Federal Government - Citizenship and Immigration Canada (CIC) and the Canadian Association of Business Incubation (CABI)
- ✓ Entrepreneurs sponsored by one of these designated entities is put on a track to Canadian citizenship.

### Start Up VISA Eligibility – Specific to LaunchPad PEI

- ✓ Ownership of a business developing a product/service for the global marketplace and is generating revenue
- ✓ Founders must be willing to relocate to Prince Edward Island, Canada and the business reside in one of our LaunchPad PEI Facilities
- ✓ Founders must be able to fund their family obligations for a one year period upon entering Canada
- ✓ Founders must meet CIC language requirements in English or French and pass due diligence requirements
- ✓ Meet voting ownership requirements from CIC

## Living Lab

A Living Lab is a platform for industry to collaborate with government in exploring real-world issues and demonstrating how innovation can provide solutions. The over-arching goal of Summerside's Living Lab is to advance innovation and create export development opportunities in partnership with early start-ups or established enterprises, while assisting the City's growth.

The Lab brings together partners with a shared vision that will produce results for those who wish to build business models for advanced deployment in earlier stages of product life.

With its unique and empowering infrastructure, Summerside is a test bed for firms looking to develop real market solutions, validation, and full-scale deployment of products and services.

***It is a great tool for International Companies interested in getting some on the ground experience in North America in a smaller but as sophisticated environment to grow their customer base, build North American credibility and work with a municipality in shared goals and collaboration.***

### **In Summerside we understand...**

**The Problem:** A Business faces challenges validating its technology through rapid testing, prototyping and commercialization. Providing product credibility presents a major barrier.

**The Solution:** A municipality devoted to reducing development time and validation in a fail-fast/fail-cheap environment — a unique opportunity for rapid commercialization.

**The Bottom Line:** Summerside provides a robust and sophisticated environment with a unique range of empowering assets including its own electrical company, renewable energy and fibre optic network. It operates in a completely open and mutually beneficial collaborative manner.

- ✓ Electric Storage and Grid Integration
- ✓ Electric Vehicles (including Bus and Passenger Vehicle)
- ✓ Electric Car Charger Solutions with Battery Storage
- ✓ Commercial and Residential Security and Surveillance
- ✓ Appliance Control
- ✓ Residential Environmental Controls
- ✓ Smart Home Innovation
- ✓ Medical Home Care Solutions
- ✓ Non-Utility Solar Energy Integration
- ✓ Bio Fuel from Waste
- ✓ Advanced IT Development
- ✓ Interoperability for Big Data