

Halton Hills FDI Attraction Strategy

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Navigate^{STI} • Global Vantage TRI • thinkCompass

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1.0 Background and Introduction

Halton Hills recognizes that both inbound (investment) and outbound (exports) Foreign Direct Investment (FDI) is a key element for its economic growth. Based on stakeholder engagement, in 2019, the Town's Economic Development Division spearheaded the preparation of a 5-year Foreign Direct Investment (FDI) Attraction Strategy, accompanied by a 3-year Action Plan. Foreign Direct Investment (FDI) is part of the Town's comprehensive economic development efforts to benefit local businesses, create quality local jobs, and attract net new jobs and investment. The FDI Strategy will form part of the Town's overall Economic Development and Tourism Strategy.

Leveraging Halton Hills' high quality of life, strategic location, open for business approach, and building on past successes, including prior experience with FDI attraction throughout the region, a comprehensive FDI Attraction Strategy has been developed. The Strategy:

- Provides an actionable, business case-based, roadmap for Halton Hills to be competitive and grow its local economy by identifying new international markets, and the tools, approaches, strategies and actions to best access them;
- Augments and aligns with regional, provincial and national FDI efforts;
- Identifies and leverages untapped economic development potential;
- Makes strategic market recommendations, which align with local opportunities, and Federal and/or Provincial trading strengths, target markets, sectors and policy direction;
- Recommends how best to raise awareness of Halton Hills' Unique Value Proposition (UVP) in foreign markets;
- Identifies and builds on strengths of the existing local business community; and
- Recommends export growth opportunities and leverages the Halton Global Business Centre.



Downtown Acton



Downtown Georgetown

Ultimately, the Strategy answers two key questions: 1) Why should a foreign company locate in Halton Hills?; and 2) Why should a foreign company agree to do business with a firm located in Halton Hills?

The Strategy starts by providing an overview of the Strategy's purpose and structure (Section 1). Section 2 puts Halton Hills in a broader context of pursuing FDI, including provincial FDI efforts and benefits. Section 3 addresses the role and importance of international trade and investment. These sections set the stage for Section 4, which outlines the Goals, Objectives, Strategies and Actions that respond to the key issues facing Halton Hills as identified by the research and outlined in the SWOT¹ analysis. Section 5 provides a three-year implementation schedule that outlines the timing and resources required to carry out the recommended Action Plan. Section 6 provides the Economic Development Division with a Monitoring Program to assist with the management and implementation of the FDI Attraction Strategy. Section 7 outlines Halton Hills' first mission to The Netherlands to attract FDI. A mission to Germany is also recommended. Section 8 is the Conclusion.

The accompanying appendices (A through J) supplement the FDI Attraction Strategy. They provide an in-depth overview and analysis of the Halton Hills context (Appendix A); employment lands supply and FDI investment readiness (Appendix B); target sectors for investment attraction (Appendix C); overview of the Lead Generation Funnel to effectively seek and manage investment opportunities (Appendix D); trends in FDI attraction (Appendix E); factors influencing investment and site selection decisions (Appendix F); results of a marketing and communication audit (Appendix G); analysis of Halton Hills' strengths and weaknesses (Appendix H); an overview of international markets (Appendix I); and guidance on targets and tactics to manage potential investments (Appendix J).

¹ SWOT, Strengths, Weaknesses, Opportunities and Threats.



Hayward Gordon, Premier Gateway



Mold-Masters, Georgetown

2.0 Halton Hills in Context



Sheridan Nurseries



Halton Hills' strategic location

The Town of Halton Hills is aware that Halton Region has renewed its support of Toronto Global, an arm's length organization that focuses on FDI attraction and represents Greater Toronto Area (GTA) municipalities. According to its website, Toronto Global focuses on Advanced Manufacturing, Artificial Intelligence, Digital Media & Games, Film & TV, Financial Services, Food and Beverage Processing, Life Sciences, and Technology. Most of these sectors tend to be attracted to the more urban communities within the GTA.

Halton Hills, a community with an urban-rural mix, through its FDI Strategy is focused on Advanced Manufacturing, Agri-business, Food Processing and Clean Technology, where it can offer a unique value proposition (UVP) to potential investors. Halton Hills' Strategy will grow its local economy by identifying potential new international markets along with the tools, approaches, strategies and actions to best access them.

Halton Hills is not alone in adopting such an approach. Many of the Greater Toronto Area's (GTA) 29 municipalities and regions, as described in Table 2.1, engage directly in external marketing for investment attraction purposes. FDI attraction has become a function of their economic development departments. Communities including Mississauga, Burlington, Brampton, Vaughan, Richmond Hill, Markham, Durham Region and the City of Toronto have made international investment attraction a relatively high priority within their own economic development strategies. Ontario as a result, is the North American leader in the number of new jobs created based on FDI. According to the new Global Location Trends 2019 report prepared by IBM, Ontario outpaced all other provinces and states with over 10,000 new jobs created from incoming FDI. Since the Toronto region accounts for more than half the population of the province, much of those jobs landed in the communities located in the region.

Table 2.1
A Selected List of Toronto Region Communities with FDI Related Programs

City	FDI Related Activity	Sectors	Market
Mississauga	YES	Information and Communications Technologies (ICT), Financial Services, Advanced Manufacturing, Life Sciences	U.S., Europe, Japan.
Brampton	YES	Advanced Manufacturing, Life Sciences, Innovation & Technology, Food and Beverage	U.S., Europe, Asia, Middle East, China
Vaughan	YES	Advanced Manufacturing, Professional, Scientific and Technical Services, Transportation, logistics, warehousing and distribution, Corporate Headquarters, Building products, Cultural industries and tourism	Middle East, Europe, China, U.S.
Richmond Hill	YES	Professional, Scientific & Technical Services, Finance & Insurance, Information & Culture; and Health	Middle East, China, Japan
Markham	YES	ICT, Life Sciences, Information, Entertainment and Cultural Industries, Finance & Insurance	China, U.S. Europe
Durham Region	YES	Energy, environment and engineering, Health Sciences, Innovative Technology, Manufacturing, Tourism	Brazil, China, Europe U.S.
City of Toronto	YES	Aerospace, Design, Film, Fashion/Apparel, Financial Services, Food & Beverage, Life Sciences, Technology, Tourism, Green	Asia, Middle East, U.S., Europe, South America

Source: Developed by Navigate^{STI}, Global Vantage TRI, thinkCompass Inc., Toronto, 2019

Halton Hills is located in Ontario, Canada's largest province with a population of just over 14.4 million². Over the years, Canada has been named as one the best countries in the world to headquarter a business and has been ranked;

- #2 in A.T. Kearney's Foreign Direct Investment Confidence Index (2018);
- #3 in the 2018 Global Entrepreneurship Index (Global Entrepreneurship and Development Institute); and
- #2 for the Best Place to Locate a Global HQ (US News and World Report 2018).

² Demographic Quarterly, Highlights of First Quarter 2019, Ontario Ministry of Finance, June 19, 2019.

Canada's Free Trade Agreements with 46 countries provides access to a market of 1.6 billion customers, which is seen as an advantage by many foreign investors. For its part, Canada acts as a stepping-stone for corporate expansion into the North American and European markets. In 2018, the stock³ of FDI in Canada rose by \$42 billion in 2018 to reach \$877 billion. This is the fastest growth in FDI stock since 2015. In addition, the growth of FDI stock (5 percent) was faster than that of nominal GDP (3.6 percent). Consequently, the ratio of FDI stock to GDP – a measure of Canada's dependency or orientation toward FDI – rose slightly from 39.0 percent in 2017 to 39.5 percent in 2018.⁴ Contributing factors include:

- The creation of 1 million jobs, an increase of almost 7 percent, with over 88 percent of those being full-time positions;⁵
- The lowest net debt-to-GDP ratio in the G7, which is expected to remain the lowest in 2020 at 26.2 percent;⁶ and
- Once again for 11 years in a row, topping the G20 for its fiscal soundness, with a triple A credit rating.⁷

Ontario's Focus on FDI Attraction

Recently, Ontario outpaced all other provinces and states with over 10,000 new jobs created from incoming FDI.⁸ A stable government, a strong business sector, excellent educational facilities, skilled well-educated labour force, favorable tax climate, generous R&D tax credits, favourable health care costs and a superb quality of life are all strong contributing factors.

In addition, Ontario is once again a leading North American destination for FDI, according to FDI Intelligence's 2018 report on global greenfield investment. Ontario attracted \$6.9 billion dollars in capital investment in 2017, and while the investment was spread across 12 percent fewer projects than 2016, the value of capital investment increased by 53 percent over last year. As a result, the province secured a higher ranking than both California and New York for the first



Award-winning Culture Days in Halton Hills

³ Foreign Direct Investment (FDI) stocks measure the total level of direct investment at a given point.

⁴ Canada's State of Trade 2019, Global Affairs Canada, 2019

⁵ Statistics Canada, June 2019

⁶ International Monetary Fund, World Economic Outlook, 2019

⁷ Standard & Poor's, 2019, and Moody's & Fitch, 2019

⁸ Global Location Trends, 2019 Annual Report, IBM Institute of Business Values, 2019

time since 2014, maintaining its position as a "Top 3 Destination" for Greenfield FDI in North America for the second year in a row.

During the same period, FDI into North America increased by 76 percent, with an overall capital investment of \$100.3 billion. Meanwhile, the number of FDI projects in Canada increased by 1.2 percent to 257, with Ontario accounting for nearly half of the nation's FDI and 7 percent of all FDI into North America.

Ontario is focused on growing the economy and creating jobs, sending a clear message to the world that the province is open for business. In March 2019, the Province wrapped up an infrastructure trade mission to Germany. Monte McNaughton, Minister of Infrastructure, met with local officials, institutional investors and industry leaders to discuss how Ontario is bringing investment to Canada. He shared details about how Ontario is increasing innovation and competition to the province's public-private partnership (P3) market to open access to foreign markets for Ontario job creators, attract foreign investors and generate income for the province. The government intends to propose legislation that, if passed, will allow Infrastructure Ontario to unlock opportunities and build relationships to open Ontario for business internationally. The trade mission included:

- Meetings with executives of companies such as Siemens Mobility, the transportation arm of Siemens AG, and Deutsche Bahn's operations and maintenance arm focused on non-European rail infrastructure;
- Minister McNaughton participated in stakeholder roundtables on global construction markets, project finance and skills development; and
- The Minister also toured P3 sites including Stuttgart 21, Germany's largest infrastructure project that is reshaping the city's main train station.

In October 2019, Ontario conducted a trade mission to South Korea and Japan. Minister Fedeli focused on promoting Ontario as an attractive destination for business and investment, especially when it comes to automotive, aerospace and other key emerging sectors while Minister Hardeman lead a delegation of Ontario agri-food leaders to help open new market access opportunities for sectors impacted by ongoing trade disruptions. During the mission delegates participated in over 40 events and met with over 100 businesses to strengthen trade and build new international relationships. The mission resulted in the following:

- Delegates from Ontario's pork, beef, grain and other agri-food sectors met with business leaders, government representatives, importers and retailers, making new connections and identifying future opportunities in Seoul, Osaka and Tokyo.

- Ontario government signed a Memorandum of Understanding (MOU) with the Korea Importers Association to develop greater trade opportunities for Ontario produced goods.
- Ontario government announced that DAYLI Partners, based in Seoul, partnered with Toronto Innovation Acceleration Partners (TIAP) to create a first-of-its-kind US\$20 million global healthcare venture fund.
- Ontario Corn Fed Beef and Kinsho Stores of Japan signed a collaboration agreement that will increase the availability of Ontario beef products in Japanese grocery stores.

Overall, the trade mission generated positive media coverage in Japan and South Korea that helped increase awareness of Ontario companies and their high-quality agri-food products.

In November 2019, Ontario concluded a successful trade mission to India. Minister Fedeli, Ontario's Minister of Economic Development, Job Creation and Trade, led 12 business delegates from Ontario's ICT and infrastructure sectors on the mission to create new opportunities and partnerships. Over five days, the province helped facilitate nearly 150 business-to-business meetings that resulted in:

- VVDN Technologies, the leading Indian Internet of Things (IoT) company to announce their new facility in the Kitchener-Waterloo area that will create 200-plus engineering jobs;
- Seneca College signed Memorandums of Understanding (MOUs) with the Thakur Institute of Management Studies and Research (TIMSR), the National Institute of Financial Management (NIFM), GD Goenka University and the Institute of Secretariat Training and Management;
- Signed an MOU with India's National Association of Software and Services Companies (NASSCOM) to increase economic opportunities for businesses and create jobs in the innovation and technology sectors;
- Advanced a formal partnership with the State of Karnataka, to provide Ontario with a competitive advantage to access this market and develop opportunities for increased trade, investment and partnership;
- Business delegates met with Indian businesses to explore opportunities for future partnership to meet India's needs. India has announced it will invest US\$1.5 trillion in various infrastructure projects including highways, railways, ports, airports, renewable energy, smart cities and transportation builds over the next five years; and



Communications & Power Industries (CPI), Georgetown

- Minister Fedeli participated in the Indo-Canadian Business Chamber’s annual conference in New Delhi and a Canada-India Business Council discussion in Mumbai on “Positioning Canada’s Regional Strengths.”

Halton Hills can leverage provincial FDI attraction efforts to attract FDI locally by implementing its new FDI Strategy.

Halton Hills has a diversified multi-sector economy that provides opportunities for entrepreneurs and visionaries, looking to make their mark. Halton Hills has a population of 65,782 and is located within the Greater Toronto Area, Canada’s economic engine. The Town is known for its quality of life, rich arts and culture sector, open-for-business approach, and leadership in sustainable development and climate change. The business community enjoys top notch transportation linkages, access to a regional pool of skilled and experienced employees, a selection of development sites and a culturally rich community eager to host new investment. Halton Hills has over 1,450 businesses, which employ over 21,000 workers. The Town provides access to a number of key factors that many investors consider to be important when making an investment location decision such as:

- Economic Context/Canada/Ontario/GTA/Halton Region;
- Proximity and Access to Market;
- Labour Force Availability and Cost;
- Low-Risk Business Environment
- Cost Competitive Business Environment
- World Class Education
- Leadership in Innovation - R&D Tax Credits - Economic Development Grants & Subsidies
- Extensive and Superior Infrastructure - Availability of Industrial Land - Residential Real Estate;
- Business Networks/Political Stability;



P&H Milling Group, Acton



Rich Arts & Culture scene

- Diverse and Multi-Cultural Population; and
- Premier Region for Quality of Life.

Halton Hills recognizes that it benefits from a strong local economy yet believes that the attraction of FDI will generate a number of spillovers that can potentially benefit the local economy in six key areas, as outlined in Table 2.2.

Table 2.2
FDI Related Spillover Benefits

Exports	Foreign firms may establish global distribution networks or have knowledge of foreign markets that domestic firms can use and learn from.	Technology transfers	Multinational corporations may introduce a technology or technique that is then imitated by domestic firms or vice-versa. For example, the introduction of a new technology may be too expensive and too risky for a domestic firm, but if a multinational corporation successfully demonstrates its use, it may encourage domestic firms to adopt it through imitation.
New talent	Domestic firms can hire people with multinational corporate experience, which allows for the transfer of new technological or managerial skills to the local firm.	Scale effects	For domestic firms that will supply the multinational corporation, FDI results in increased demand, allowing domestic firms to achieve economies of scale.
Competition	Increased competition forces domestic firms to operate more efficiently, thus boosting productivity.	Improved inputs	For domestic firms that will purchase goods and services from the multinational corporation, FDI results in increased supply, providing domestic firms with higher quality inputs at lower costs.

Source: Developed by Navigate^{STI}, Global Vantage TRI, thinkCompass Inc., Toronto, 2019

Export and Import Patterns

Almost 180,000 Canadian enterprises imported or exported over \$1 trillion in goods in 2018. Nearly 90 percent of this activity was attributable to a relatively small number of enterprises (30,369) that both export and import goods. In 2018, 45,081 Canadian enterprises or 0.7 percent of the total Canadian business population exported goods. The number of Canadian enterprises importing goods was almost four times higher—at 164,553 or 2.6 percent of the business population.

Overall, 179,265 enterprises or 2.8 percent of the Canadian business population traded goods with foreign markets in 2018. Of these enterprises, 134,184 were importers only, 14,712 were exporters only and 30,369 both imported and exported. Although relatively small in number, two-way traders (enterprises that both import and export goods) generated 88.7 percent of Canada's total international merchandise trade in 2018, exporting \$497.9 billion and importing \$466.3 billion worth of goods.

On a sector basis, over 40 percent of all two-way traders were manufacturing firms, while one-third were operating in the wholesale and retail trade sectors. Their trading pattern suggests that these firms are active participants in the global supply and value chain. Almost 70 percent imported goods from multiple countries in 2018, but more than half only exported goods to the US market. On a provincial basis, Quebec and Ontario had the highest share of two-way traders relative to their trading population.

Ontario is the largest economy in Canada, and though manufacturing plays an important role in Ontario's economy responsible for 12.6 percent of Ontario's GDP, the service sector makes up the bulk, 77.9 percent, of the economy. As Canada's leading manufacturing province, Ontario accounted for 46 percent of the manufacturing GDP in 2017.

In 2018, Ontario's main international exports were motor vehicles and parts (33.4 percent), mechanical equipment (10.2 percent), precious metals and stones (9.3 percent), electrical machinery (4.0 percent), and plastic products (4.0 percent). Ontario's main international imports were motor vehicles parts and accessories (21.7 percent), mechanical equipment (14.8 percent), electrical machinery (11.5 percent), plastic products (4.0 percent) and pharmaceutical products (3.6 percent).⁹

Halton is one of the fastest growing regions in Canada. The 2018 Employment Survey identified a total of 13,296 businesses in the Region of which 10.7 percent or 1,424 are located in Halton Hills. Over the last five years the number of businesses in the Town has grown by an average of 1.0 percent per year however, growth in employment reached 2.6 percent per year, second only to Milton. While retail trade was the top sector, accounting for 14.9 percent of the employment or 34,168 jobs, the manufacturing sector followed closely at 14.3 percent or 32,775 jobs.¹⁰

In terms of employment the top five manufacturing sub-sectors include, Transportation Equipment, Machinery, Fabricated Metal Products, Computer and Electronic Products and Food and Beverage Processing. These sub-sectors collectively employ 21,608 people, accounting for 65.9 percent of the manufacturing jobs in the region. The Machinery Manufacturing sub-sector accounts for

⁹ Ontario Fact Sheet, Ontario Ministry of Finance and Statistics Canada, May 2019

¹⁰ 2018 Employment Survey Results, Halton Region

the largest number of businesses (169) while the Transportation Equipment sub-sector accounts for the largest number of jobs (7,385 includes the 4,600 employees at Ford Oakville Assembly).

According to Halton Region Business Conditions 2018, 26.0 percent of the survey respondents exported products or services, while 41.0 percent imported products or components from outside of Canada. Eighty-two percent of respondents indicated that export sales had increased or remained the same relative to the previous year. The following table describes the distribution of exports and imports according to markets.

Table 2.3
International Trade within Halton Region

Markets	Percent Exports	Percent Imports
U.S.	92	87
Europe	21	20
South America	20	7
Russia/Asia	18	17
Australia	15	3
Africa	4	2

Source: Halton Region Business Conditions 2018

Not unlike the Province, the U.S. is the predominate trading partner for businesses in the region accounting over 90 percent of the exports and over 85 percent of the imports. Similarly, Europe is also a key market for companies in the region as well as emerging markets like Africa and Russia/Asia. The implementation of the FDI Attraction Strategy will leverage existing international trade and investment flows and support their continued expansion, generating positive economic benefits for the local economy.

Target Markets

From an FDI attraction perspective, the growth of emerging economies provides more choice for potential investors, intensifying the global competition for FDI. Capital is flowing at an increasing rate to more countries than ever before. The competitive landscape for North America is more challenging than in the past. There will therefore be a need to focus on sectors and foreign markets that

generate a high return on investment, align with provincial and federal government priorities and bring broad economic benefits that improve sector diversity throughout Halton Hills.

The Town's FDI Attraction Strategy is focused on corporations that are recognized as global leaders in their sector. These companies have the capacity to play a key role in the local industry value-chain. They can link with the R&D/innovations taking place in universities, colleges and incubators serving Halton Hills. Some may have niche or disruptive technology that can contribute to transforming a cluster, making it world-class.

Halton Hills' FDI Attraction Strategy and subsequent implementation targets foreign corporations that can strengthen and diversify the supply chain in the Town's key clusters, can bring knowledge intensive resources to leverage and stimulate innovative R&D, and would like to diversify into less volatile markets. The Strategy is focused on foreign markets where strong economic growth is creating a pool of well-financed organizations seeking to globalize. These markets, where possible, should align with Canada's key foreign markets and free trade agreements like CETA, CUSMA (Canada-US-Mexico Agreement), South Korea, and Mercosur. They should also align with Ontario's key foreign markets, regional priorities and offer significant opportunities based on reputable FDI analysis.

3.0 Role and Importance of International Trade

International trade is an important factor in raising living standards, providing employment and enabling consumers to enjoy a greater variety of goods and services. In recent years, international trade has become increasingly important with a larger share of GDP devoted to exports and imports. Both inbound and outbound FDI has been recognized by many analysts as an essential tool in creating and maintaining a growing and diversified economy.

According to the Conference Board of Canada, FDI is defined as the acquisition by residents of one country of real assets (as opposed to financial assets) in another country¹¹. The assets purchased can either be existing assets or represent new investment, such as the construction of buildings or the purchase of new equipment. With trade liberalization and the rise of global supply chains, Countries, Regions, Communities are competing to attract FDI like never before.

No wonder, since FDI is impacting both the private and public sectors in a myriad of ways. The re-structuring of business operations is expanding national wealth by stimulating trade and increasing profitability. Enhancing the ability of firms and countries to expand production is resulting in more economic activity, more jobs, and income gains that is driving global economic growth. In the 2000s for example, global GDP increased by an average of 7.6 percent per year, while the flow of FDI worldwide grew by 10 percent per year. According to the Conference Board of Canada, every FDI dollar spent generates \$3.20 in total economic output.

According to the Export Development Corporation (EDC) international trade is important for six key reasons, as described in Table 3.1.

Table 3.1
Benefits of International Trade

Makes use of abundant raw materials	Some countries are naturally abundant in raw materials and without trade these countries would not benefit from the natural endowment of raw materials.
Leverages Comparative advantage:	Provides an opportunity for countries to leverage their advantage and specialize in the production of those goods and service where they enjoy a lower opportunity cost.

¹¹ The Role of Canada's Major Cities in Attracting Foreign Direct Investment, Conference Board of Canada, May 2012

Provides greater choice for consumers:	In the real world, a driving factor behind trade is giving consumers greater choice of differentiated products.
Supports specialization and economies of scale – greater efficiency	Countries that pursue specialization enable their companies to benefit from economies of scale which lead to greater efficiencies. Multi-nationals often split the production process for high-value products into a global production chain.
Encourages service sector trade	Increasingly the service sector economy means more trade is of invisibles – services, such as insurance, IT services and banking.
Stimulates global growth and economic development	International trade has been an important factor in promoting economic growth, which has led to a reduction in absolute poverty levels – especially in South East Asia.

The potential upside of increased FDI for Canada, a low growth mature economy, is significant. FDI is important because it helps boost productivity; encourages the diffusion of technology & management know-how; supports more efficient resource allocations; leads to higher productivity; improves product quality; increases competitiveness; increases the pool of investment capital; supplements capital shortfalls; develops home capital markets by creating additional export possibilities; and increases direct & indirect revenues for government.

4.0 Halton Hills FDI Attraction Strategy and Action Plan

Like many communities in the GTA, Halton Hills recognizes that FDI will drive community wide economic prosperity. Attracting inward investment will create economic diversity, maintain and expand infrastructure and increase the community's ability to meet the needs of local residents and businesses. At the same time, existing businesses are important to Halton Hills and its economy. Through an enhanced Business Retention and Expansion (BR&E) program, the Economic Development Division will gain insights that will provide impetus for strategic entrepreneurial development and business recruitment. Through a sustainable framework this program will provide the mechanism to collectively work with existing businesses to build a stronger economy and entrepreneurial base.

In formulating the FDI Attraction Strategy, the consultants conducted a workshop involving the Halton Hills Senior Management Team (SMT), held one-on-one meetings with Councillors, participated in a roundtable discussion on economic development, and interviewed other business/industry stakeholders. Halton Hills' economy was analyzed to identify key sectors of strength. Global trends influencing these sectors were outlined and foreign markets were identified, which could provide investment opportunities. All of this information was incorporated into a SWOT analysis as described in Table 4.1, which contributed to the development of Halton Hills' FDI Attraction Strategy.

Table 4.1
Key Issues and Opportunities Facing Halton Hills

Strengths	Weaknesses
<ul style="list-style-type: none">• Perception that Canada and Ontario are an attractive place to do business.• Being located in Canada/Ontario/Toronto region offers investors business, HR, R&D, finance, education and market access advantages.• Quality of life attributes – including “small town living at its best”, recreational opportunities, trails, cycling, arts and culture, etc – are considered an advantage for some companies in certain markets.• Confirmation of lake-based servicing.• Planned development within the Vision Georgetown Secondary Plan	<ul style="list-style-type: none">• The lack of public transit makes it difficult to attract semi-skilled workers, especially when operating multiple shifts.• Lack of affordable housing makes it difficult to establish a robust local labour force.• The current lack of shovel ready industrial lands will discourage investors with immediate plans.• The lack of fibre in certain areas makes it difficult to attract companies that rely on high-speed connectivity.

<p>and associated expanded housing supply.</p> <ul style="list-style-type: none"> • Strong municipal support for new investment. • Council approved Transit Service Strategy. • Town approval of the Phase 1B Secondary Plan, and launch of the Phase 2B Secondary Plan process to bring additional employment lands on stream. • GO Transit train and bus service. • Launch of the Town's Business Concierge service to streamline investment attraction and approvals. • Development of an integrated Economic Development and Tourism Strategy, and Town's strategic approach to economic development. • Existing Town 'Economic Investment Attraction Fund'. 	<ul style="list-style-type: none"> • No dedicated staff resources exclusively for FDI Investment attraction (*existing staff resources are sufficient to lead FDI attraction in 2020. Need for dedicated/additional resources will be considered as part of the 2021 Budget).
Opportunities	Threats
<ul style="list-style-type: none"> • Strength in advanced manufacturing and food processing. • Potential renewable energy investment business case (IBC) involving solar power. • Target foreign corporations that can strengthen and diversify the Town's key clusters, can leverage and stimulate innovative R&D and are diversifying into less volatile markets. • Focus on foreign markets where strong economic growth is creating a pool of well-financed organizations seeking to globalize. • Availability (existing and planned) of about 423ha of industrial lands to accommodate future development/investments and/or redevelopment. • Ongoing widening of Hwy 401 and expanded transportation infrastructure/market access. • Town's focus on climate change as a priority, aligned with Federal government's priorities. • Designation of Provincially Significant Employment Zones. • Opportunity to leverage partnerships and expertise of other organizations, including Halton Region (e.g. Small Business Centre 	<ul style="list-style-type: none"> • Other communities within Halton Region that have shovel ready land or existing industrial buildings for lease might ultimately secure the investment as a foreign investor might have no immediate local alternative. • The growth of emerging economies provides more choice for potential investors, intensifying the global competition for FDI. • Other communities within the Toronto region are also competing for FDI and have their own in-market initiatives designed to attract investment. • Toronto region communities are also competing for advanced manufacturing and food processing investment • Need to balance investment attraction with pace of growth.

and Global Business Centre, past regional experience with trade missions), provincial and federal agencies, foreign consulates in key markets, Toronto Global, etc.

- Launch of the Affordable Housing Working Group.
- Location within the Innovation Corridor

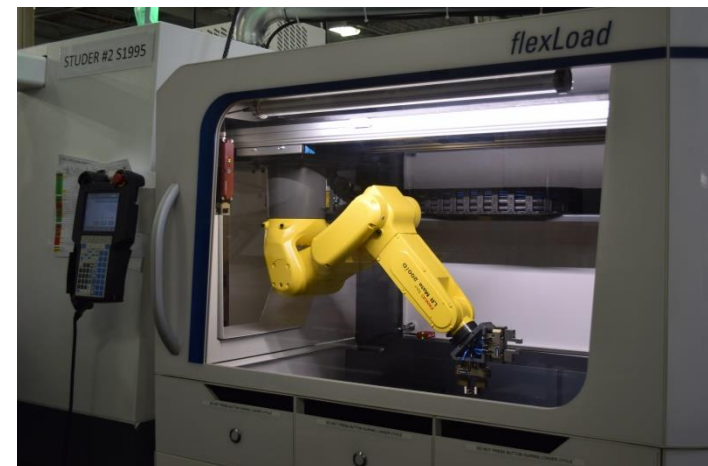
Halton Hills' 5-year FDI Strategy and 3-year Action Plan provide a number of actionable items designed to achieve an overall increase in local employment and investment to improve the non-residential to residential assessment ratio. In terms of attracting new investment, consideration is given to companies that will increase job quality – by attracting more professional/technical jobs that offer competitive compensation and leverage the presence of existing local businesses. The Strategy identifies sector and market priorities, develops an action plan and makes recommendations regarding the Town's first in-market pre-qualified lead generation program.

The Strategy also identifies the key drivers of a successful FDI attraction organization, including:

- Role clarity to the region and broader GTA;
- Organizational focus and expertise;
- Private sector involvement to assist with lead generation; and
- The scale of the organization that will drive operational efficiencies.

It provides an actionable FDI plan that can be adequately resourced, reflecting the financial capacity of Halton Hills, and potential partner stakeholders.

As a community located within Southern Ontario, adjacent to one of the largest and richest markets in the world, Halton Hills has much to offer foreign investors. The SWOT analysis combined with stakeholder input and an examination of the trends influencing the Town's key sectors and markets suggests that the Economic Development Division adopt the following six goals to implement its FDI Attraction Strategy. Goals are concrete commitments which Halton Hills and the Economic Development Division propose to



Mold-Masters, Georgetown

achieve. They are the basis for setting specific targets or objectives against which performance can be measured. Goals are selective and guide the commitment of resources and efforts towards achieving Halton Hills' objectives:

- Goal 1: Enhance and promote Halton Hills' presence in the global market.**
- Goal 2: Convince potential international investors in sectors such as advanced manufacturing, agri-business, food processing and clean technology that Halton Hills is the best place to locate in North America.**
- Goal 3: Market Halton Hills as a preferred location for investment in advanced manufacturing, agri-business, food processing and clean technologies**
- Goal 4: Work with the local business community to remove barriers to business, streamline the approvals process, gain their commitment to invest, expand and create jobs and support the efforts of the Economic Development Division.**
- Goal 5: Engage with public and private sector organizations to build partnerships that will promote Halton Hills as an attractive location for investment.**
- Goal 6: Develop partnerships with public and private sector stakeholders that will strengthen the Town's investment readiness.**

The following section describes how the Economic Development Division will work toward achieving these Goals. Listed under each Goal are Objectives that provide performance targets. Attached to each Objective are Strategies that describe how the Goals and Objectives will be attained. The Actions outline a series of key activities that describe how the Goals and Objectives will be achieved over both the short and long-term. The tables on the following pages provide additional detail regarding the Objectives, Strategies and Actions that support the Strategy's six Goals.

4.1 FDI Strategy and 3-Year Action Plan

Goal 1: Enhance and promote Halton Hills' presence in the global market.					
	Objectives		Strategies		Actions
1.1	To assign and maintain financial and administrative resources to internationally promote Halton Hills on an ongoing basis.	1.1.1	Allocate dedicated resources to the Economic Development Division in support of ongoing FDI attraction activities.	1.1.1.1	Allocate dedicated resources in Halton Hills Economic Development Division to promote and support proposed FDI attraction activities.*
				1.1.1.2	Develop a job description that focuses on implementing the key features of the FDI Attraction Strategy and Action Plan.*
				1.1.1.3	Convene a small team of economic development and communications staff on a semi-regular basis to provide strategic direction on FDI attraction activities (underway as of December 2019);
				1.1.1.4	Engage staff from other departments/divisions as needed (i.e. IT, Planning, Corporate Communications, Building) to facilitate investment attraction initiatives.
				1.1.1.5	Maintain a dedicated pool of financial resources to support FDI attraction initiatives, including print/electronic materials, communications, website and travel; and
				1.1.1.6	Leverage programs such as CanExport Community Initiatives (CECI) to supplement annual funding from Town's budget for FDI attraction, as well as programs offered by the Halton Global Business Centre.

*Existing staff resources are sufficient to lead FDI attraction in 2020. Need for dedicated/additional resources will be considered as part of the 2021 Budget.

Halton Hills FDI Attraction Strategy

Goal 2: Convince potential international investors in sectors such as advanced manufacturing, agri-business, food processing and clean technology that Halton Hills is the best place to locate in North America.				
	Objectives		Strategies	Actions
2.1	To increase the number and quality of leads in Halton Hills' "Lead Funnel". ¹²	2.1.1	Generate business investment leads through targeted marketing and business development missions.	2.1.1.1 Design, develop and execute two outbound FDI business missions, one to the Netherlands and the other to Germany to meet with prospective investors in market thereby increasing potential prospect awareness of the FDI opportunities in Halton Hills. ¹³
				2.1.1.2 Internally generate leads by implementing a targeted corporate calling program.
				2.1.1.3 Complementing the pre-qualified meetings, will be targeted meetings with intermediaries and investment decision influencers in Halton Hills' priority sectors.
				2.1.1.4 Generate an additional 15-20 companies that could potentially be earmarked for post-mission follow-up and servicing.
				2.1.1.5 Invite local companies to participate in the missions to act as ambassadors and to provide them with opportunities to develop and enhance their export markets.
2.2	To increase the number and quality of jobs brought into Halton Hills	2.2.1	Focus on industry sectors and companies that employ skilled, knowledge intensive workers	2.2.1.1 Identify and generate a prospect list of international companies that will be targeted to receive the sector value propositions/business cases. Leverage selected trade shows and conferences such as those listed in Table 4.2 below to arrange pre-qualified meetings.
2.3	To increase the number of new investments that land in Halton Hills	2.3.1	Develop a Unique Value Proposition that addresses the "hot-button" issues of industry	2.3.1.1 Research and create a UVP that introduces the advantages of locating in Halton Hills and responds to the key factors that influence site selection decisions.
2.4	To increase the dollar	2.4.1	Focus on companies that	2.4.1.1 Pre-qualify companies based on a set of criteria, related to size,

¹² The Lead Funnel is a management system that helps the Economic Development Division to classify and keep track of existing and future companies at various investment ready stages. (Refer to Appendix D for a complete description)

¹³ While two FDI attraction missions are recommended for 2020 they can occur over two years as resources permit.

Halton Hills FDI Attraction Strategy

	value of the FDI attracted to Halton Hills		have the resources to expand and establish an international footprint.		growth of the company, financial capacity, global footprint and alignment with the proposed sector opportunities.
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Table 4.2
Selected Trade Shows and Conferences

Sector	Trade Show/Conference	Overview	Market
Advanced Manufacturing	Smart Production Solutions (SPS), Nuremberg Germany, November 2020	SPS covers the entire spectrum of smart and digital automation – from simple sensors to intelligent solutions, from what is feasible today to the vision of a fully digitalized industrial world.	EU
Advanced Manufacturing	HANNOVER MESSE-World's Leading Trade Fair for Industrial Technology, Hanover Germany – April 2020	Business sectors: Advanced Materials, Composites, Automation, Robotics, Manufacturing Technology, Production Engineering, Building Management, Cable, Wire, Capital Goods,	EU
Clean Technologies	Intersolar Europe, Munich Germany, June 2020	Intersolar Europe is a key convention centered on the solar industry and all other forms of renewable energy. It takes place annually in Munich, gathering more than 40,000 international guests for every edition. Its attendants come from all sectors of the renewable energy industry with the goal to connect, expand their network and learn of the latest innovations in energy products and services	EU
Food Processing	SIAL Paris, Paris October 2020	The Global Food Marketplace (French: Salon International de l'alimentation, or SIAL) is a trade fair held every two years, which specializes in the food processing industry.	EU

Halton Hills FDI Attraction Strategy

Goal 3: Market Halton Hills as a preferred location for investment in advanced manufacturing, agri-business, food processing and clean technology.					
	Objective		Strategy		Action
3.1	To build investment ready business cases that substantiate the advantages of expanding into Halton Hills	3.1.1	Research and develop four (4) in-depth investment business cases (IBC), focusing on clean technology, advanced manufacturing, agri-business or food processing	3.1.1.1	Develop 4 Investment Business Cases (IBC) that will be an in-depth analysis and profiling of the investment opportunities in Halton Hills' key targeted industry sectors.
3.2	To make foreign investors aware of the business opportunities that exist in Halton Hills.	3.2.1	Present IBCs to potential investors and investment intermediaries as part of the FDI attraction missions	3.2.1.1	Identify in-market international multiplier network by priority markets to market and promote Halton Hills' IBCs, including but not limited to investment influencers, intermediaries, chambers of commerce, law and accounting firms, management consultants, corporate advisors, trade and industry associations and investment agencies.
				3.2.1.2	Leverage pre-qualified meeting programs to present the IBCs to potential investors and intermediaries providing them with sufficient information to evaluate their interest in the opportunity.
3.3	To increase the awareness of Halton Hills' IBCs	3.3.1	Meet with foreign intermediaries, Canadian Post and other investment influencers, making them aware of the business opportunities.	3.3.1.2	Established a regular networking activity and develop content for dissemination: new initiatives, special projects, attractive policy reforms, sector briefings, recently announced sector incentives and new investment opportunities.

Halton Hills FDI Attraction Strategy

Goal 4: Work with the local business community to gain their commitment to invest, expand and create jobs and support the efforts of the Economic Development Division					
	Objective		Strategy		Action
4.1	To build and maintain good relationships with existing businesses in Halton Hills.	4.1.1	Build a database of local companies and target relationship building efforts on companies in the key industry sectors.	4.1.1.1	Continue to develop in-depth knowledge of the business community in Halton Hills and engage in a program of constant communication.
				4.1.1.2	Expand offerings to assist local businesses with the expansion of current sites and facilities, including assistance with regulations and permits related to planning, zoning and building. Align this with and leverage the Town's new Business Concierge services.
				4.1.1.3	Periodically, survey existing businesses to better understand current and projected needs.
				4.1.1.4	Develop a visitation program to engage directly with local companies and identify those at-risk companies, or those that are considering closing or relocating.
				4.1.1.5	Provide direction on where to source information and advice in such areas as starting a business, creating a business plan, financing, occupational licenses or building permits.
				4.1.1.6	Provide opportunities for <i>Networking</i> receptions/events to provide additional opportunities for business networking and FDI-specific discussions, including monitoring and reporting on the Strategy's implementation, investment opportunities, etc.
				4.1.1.7	Leverage business relationship within the Chinese community and other ethnic business associations for lead identification and referrals.

Halton Hills FDI Attraction Strategy

Goal 5: Engage with public and private sector organizations to build partnerships that promote Halton Hills as an attractive location for investment.					
	Objective		Strategy		Action
5.1	To make provincial and federal governments aware of Halton Hills and its advantages as a premier investment destination and place to do business.	5.1.1	Work with provincial ministries and federal departments to improve Halton Hills' recognition as an investment destination for advanced manufacturing, agri-business, food-processing and clean technology.	5.1.1.1	Implement a communication outreach program with key in-market provincial and federal representatives.
				5.1.1.2	Develop appropriate electronic investment collateral pieces for distribution to in-market representatives
				5.1.1.3	Enhance relationships by meeting regularly with key FDI attraction program managers and influencers at the federal and provincial government levels in Halton Hills' key sectors and target markets. Working with Halton Region, explore opportunities to leverage Toronto Global as it relates to the Town being more directly involved in investment lead handling.
				5.1.1.4	Communicate regularly with the Canadian Posts in key priority markets keeping them apprised of new investments/developments and revised UVPs
5.2	To leverage existing organizations that focus on FDI attraction.	5.2.1	Join pan-regional agencies with a mandate to attract FDI in Halton Hills' key industry sectors like the Ontario Food Cluster (OFC) and/or Economic Developers Council of Ontario (EDCO).	5.2.1.1	Contact the OFC and EDCO to explore the option of joining the OFC and participating on their missions and participating in the EDCO missions if they align with key sectors and markets.
5.3	To continue to leverage Halton Hills' Sister City relationship with Wenjiang (China).	5.3.1	Review and update the Halton Hills-Wenjiang Sister City Action Plan to align with the FDI Strategy.	5.3.1.1	Building on signed business agreements, explore opportunities to scale-up the solar-powered lighting system pilot project in alignment with the Town's focus on addressing climate change and clean tech attraction.

Halton Hills FDI Attraction Strategy

Goal 6: Develop partnerships with public and private sector stakeholders that will strengthen the Town's investment readiness.					
	Objective		Strategy		Actions
6.1	To enhance Halton Hills' effectiveness in providing FDI aftercare ¹⁴ and support for foreign investment promotion initiatives.	6.1.1	Develop a "Soft-Landing" program and an investment response team to help potential investors with their due diligence.	6.1.1.1	Develop an Engagement Protocol that enhances program delivery and supports Halton Hills' FDI mandate.
				6.1.1.2	Develop a team/network of senior advisors ¹⁵ that can meet with potential investors and help them to better understand how to do business in Canada/Halton Hills

¹⁴ Aftercare involves working with potential investors who have expressed an interest in setting up a facility in Halton Hills and are visiting the community to better understand the business opportunity and the environment.




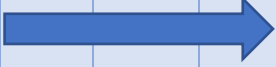

¹⁵ This group would include professional service providers in such areas as corporate & immigration law, accounting, marketing, HR, logistics, real estate, banking, etc. that would be willing to meet with the client on a pro bono basis to help them better understand how to do business in Canada/Halton Hills. They would be an outside resource that the Economic Development Division could call on to help them deliver their "Soft-Landing" program.

5.0 Implementation Schedule

The following table provides a timeline and budget for implementing the FDI Attraction Strategy. Each Goal/Strategy combination is described and assigned a timeline and budget. The activities associated with implementing each strategy are the Actions outlined in the previous section (see Section 4).

	Goals		Strategies	Implementation			Budget 2020
				2020	2021*	2022	
G1.	<i>Enhance and promote Halton Hills' presence in the global market.</i>	S1.	Allocate dedicated resources to the Economic Development Division in support of ongoing FDI attraction activities. This could mean retaining additional staff to implement the recommended Actions				Included in 2020 budget (e.g. Senior Economic Development Officer, Expeditor and Business Development Portfolio Manager; and the annual Economic Investment Attraction Fund, which is a dedicated Fund for the implementation of the FDI Strategy as well as the Economic Development and Tourism Strategy)
G2.	<i>Convince potential international investors in sectors such as advanced manufacturing, agri-business, food processing and clean technology that Halton Hills is the best place to locate in North America.</i>	S1.	Generate business investment leads through targeted marketing and business development missions				Economic Investment Attraction Fund, and pursue external funding via the CanExport Community Initiatives (CECI) program dealing with in-market FDI missions to Netherlands & Germany
		S2.	Focus on industry sectors and companies that employee skilled, knowledge intensive workers				*In 2020, actions will be implemented by relying on existing resources. The need for additional resources, if required, will be assessed as part of the 2021 Budget (e.g. Investment Attraction Advisor).
		S3.	Develop a Unique Value Proposition that addresses the "hot-button" issues of industry				*In 2020, actions will be implemented by relying on existing resources. The need for additional resources, if required, will be

Halton Hills FDI Attraction Strategy

							assessed as part of the 2021 Budget (e.g. Investment Attraction Advisor).
		S4.	Focus on mid-size companies that have the resources to expand and establish an international footprint.				*In 2020, actions will be implemented by relying on existing resources. The need for additional resources, if required, will be assessed as part of the 2021 Budget (e.g. Investment Attraction Advisor).
G3.	<i>Market Halton Hills as a preferred location for investment in advanced manufacturing, food processing and clean technology.</i>	S1.	Research and develop four (4) in-depth Investment Business Cases (IBC), focusing on clean technology, advanced manufacturing, agri-business and food processing				Purse the CanExport program for FDI missions to Netherlands and Germany.
		S2.	Present IBCs to potential investors and investment intermediaries as part of the FDI attraction missions				*In 2020, actions will be implemented by relying on existing resources. The need for additional resources, if required, will be assessed as part of the 2021 Budget (e.g. Investment Attraction Advisor).
		S3.	Meet with foreign intermediaries, Canadian Post and other investment influencers, making them aware of the business opportunities as part of the FDI attraction missions				*In 2020, actions will be implemented by relying on existing resources. The need for additional resources, if required, will be assessed as part of the 2021 Budget (e.g. Investment Attraction Advisor).
G4.	<i>Work with the local business community to gain their commitment to invest, expand and create jobs and support the efforts of the Economic Development Division</i>	S1.	Build a database of local companies and target relationship building efforts on companies in the key industry sectors.				*In 2020, actions will be implemented by relying on existing resources. The need for additional resources, if required, will be assessed as part of the 2021 Budget (e.g. Investment Attraction Advisor).

Halton Hills FDI Attraction Strategy

G5.	<i>Engage with public and private sector organizations to build partnerships that promote Halton Hills as an attractive location for investment.</i>	S1.	Work with provincial ministries and federal departments to improve Halton Hills' recognition as an investment destination for advanced manufacturing, agri-business, food-processing and clean technology. As appropriate, leverage opportunities to partner with and/or seek advice from Halton Region, including Halton Region's Economic Development team, Small Business Centre, the Global Business Centre and Toronto Global				*In 2020, actions will be implemented by relying on existing resources. The need for additional resources, if required, will be assessed as part of the 2021 Budget (e.g. Investment Attraction Advisor).
		S2.	Join pan-regional agencies with a mandate to attract FDI in Halton Hills' key industry sectors like the Ontario Food Cluster (OFC) and/or EDCO				\$4,000 (membership fee which goes toward retaining lead generation consultants)
G6.	<i>Develop partnerships with public and private sector stakeholders that will strengthen the Town's investment readiness.</i>	S1.	Develop a "Soft-Landing" program and an investment response teams to help potential investors with their due diligence				*In 2020, actions will be implemented by relying on existing resources. The need for additional resources, if required, will be assessed as part of the 2021 Budget (e.g. Investment Attraction Advisor).

Halton Hills FDI Attraction Strategy

It is expected that by implementing the FDI Attraction Strategy and Action Plan outlined above, the Economic Development Division will achieve the following:

- Generate more business and wealth in Halton Hills and surrounding region;
- Improve the Town of Halton Hills' capacity to attract FDI in key priority sectors;
- Enhance the Town of Halton Hills' investment readiness with a strengthened value proposition, and industry specific investment business cases;
- Increase foreign investor awareness of potential FDI opportunities in Canada, Ontario and Halton Region and specifically in the Town of Halton Hills;
- Increase awareness of the Economic Development Division's "Soft Landing" program (a concierge program for foreign investors to help them with their due diligence and to better understand how to do business in Canada);
- Establish long-term relationships with investment intermediaries so as to increase the sources of leads;
- Improve the cost effectiveness and efficiencies in generating qualified leads and prospects through building international mutually beneficial relationships; and
- Increase the number of qualified leads and prospects for Foreign Direct Investment into the Province and the community. The FDI Attraction Strategy is mindful of the community's Vision and Mission statements.

6.0 Monitoring Plan

The Monitoring Plan recognizes that there are three key phases to an FDI attraction mission.

First, the **Pre-Mission** phase involves broad-based consultation and research to develop a clear understanding of the target market and sector(s) in order to align Halton Hills' UVP and collateral material with potential prospects. Discussions with lead generation consultants (if required) regarding budgets and timing should take place well in advance (2-3 months is not uncommon) of the mission in order to provide sufficient time to arrange the pre-qualified meeting program. During this phase, the in-market investment team needs to be identified and travel arrangements should be made to take advantage of any early booking discounts.

Second, the **In-Mission** phase involves primarily attending the pre-qualified meetings, taking notes during the discussions and keeping track of any commitments to provide additional information or other follow-up. After each day of meetings, the team should briefly review what worked and what did not and make adjustments as required. A key meeting during this phase that often sets the stage for a community entering the FDI attraction market is with officials at the Canadian Post. This is the opportunity for Halton Hills to present its UVP to an influential audience and begin relationship building with officials at the Post especially those responsible for FDI attraction. During the presentation the focus should be not only on the UVP but the infrastructure that Halton Hills' has put in place to support investment inquiries and visits from potential investors.

Third, the **Post-Mission** phase involves following up with the clients, the Canadian Post and any other organizations the investment team met with to establish a foundation for relationship building. It is also an opportunity to review the mission, assess how well the UVP worked, recommend adjustments for the future, and debrief the Senior Management Team. Most importantly, information obtained on each of the clients' needs will need to be recorded and maintained in a Customer Relationship Management (CRM) database and incorporated into the Economic Development Division's Lead Funnel.

7.0 Halton Hills' First FDI Attraction Mission

The analyses associated with the development of the FDI Attraction Strategy for Halton Hills indicated that the community should focus its efforts on attracting investment in the Advanced Manufacturing, Agri-Business, Food Processing and Clean Technology sectors. Two key markets that provide opportunities in these sectors include the Netherlands and Germany. The Strategy recommends that Halton Hills' implement two initial missions; one targeting the Netherlands and one targeting Germany. To maximize investment, export and import benefits, Halton Hills' trade missions will be designed to focus on attracting new investments into Halton Hills from abroad, as well as on creating opportunities for existing local businesses to access overseas business development opportunities. As much as possible, local companies should be invited to participate in each mission to act as ambassadors and to take advantage of new export market opportunities.

7.1 An Overview of the Netherlands Economy

The Netherlands is the sixth-largest economy within the European Union and plays an important role as a European transportation hub. A persistently high trade surplus, stable industrial relations and moderate unemployment, the Netherlands is focused on agri-business, food processing, chemicals, petroleum refining and machinery as their major industries. While their highly mechanized agricultural sector employs only 2 percent of their labour force, this industry provides large surpluses for food processing and supports a solid foundation for the country's status as the world's second largest agricultural exporter.



Following several years of economic crisis, the Dutch economy has recently been running at full strength again (CBS, 2018a, CBS, 2018b; Meinema, 2017). GDP was 3.1 percent higher last year than in 2016, the strongest growth rate in ten years. A key to this recovery has been the Netherlands' exports. Nearly a third of the country's prosperity is due to the export of goods and services. Exports are responsible for more than two million full-time jobs in the Netherlands, nearly 30 percent of its total employment.

The Netherlands has a much smaller GDP at \$826 billion (2018) or \$49,760/per capital for the Netherlands versus \$1,863 billion or \$56,454 for Canada. Netherlands inflation rate stands at 1.66 percent while Canada hovers around 2.0 percent. Both country's unemployment rates stand at approximately 6.0 percent. The overall political and economic climate in the Netherlands is positive.

Table 7.1

Netherlands Annual Percentage Changes						
	2014	2015	2016	2017	2018	2019
GDP	.08	1.4	1.4	1.6	1.7	1.6
Unemployment rate	6.8	6.5	6.5	6.4	6.3	6.1
Government debt (percent of GDP)	70.1	70.5	70.3	69.9	69.3	69.4

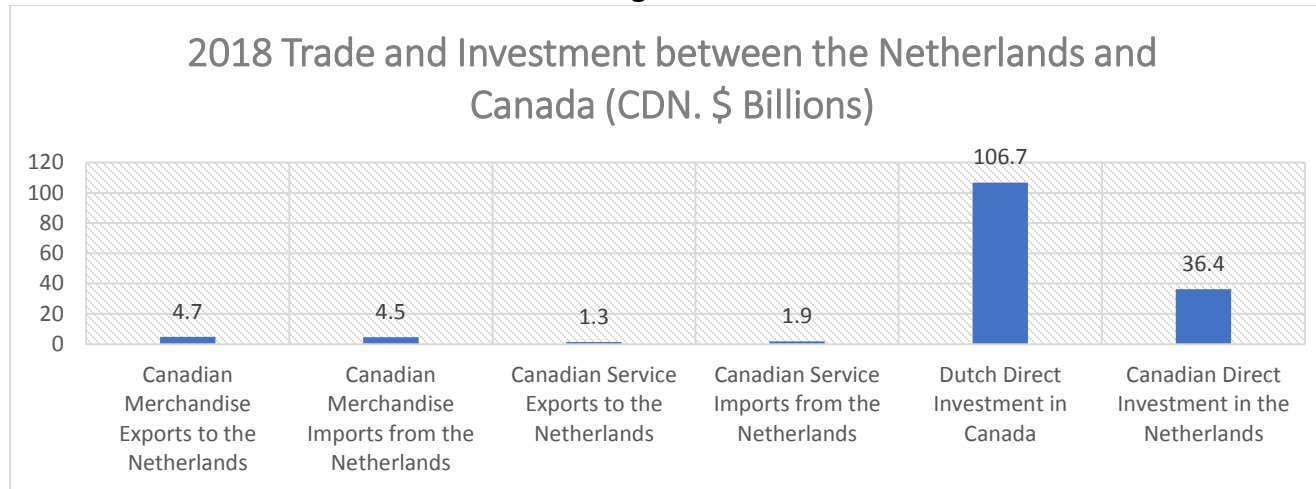
Overall, the economic situation in the Netherlands continues to improve steadily with its GDP growing over the past 3 years at a rate of 1.6 percent (Table 7.1). The main driver of this growth includes a number of factors: a modest acceleration in nominal wage, fall in inflation and lower unemployment, and the government’s budget deficit, which stands at 1.20 percent of the GDP.

7.2 One of Canada’s most significant trade, investment and innovation partners



Dutch direct investment in Canada was \$106.7 billion in 2018 covering ICT, agri-food, plastics and chemical sectors. Bilateral trade was approximately \$9.2 billion in 2018 with Canadian merchandise exports to the Netherlands at \$4.7 billion, and imports at \$4.5 billion. In 2018, Canada’s services exports to the Netherlands totaled \$1.3 billion and services imports from the Netherlands to Canada were valued at \$1.9 billion. The country is a particularly key logistics partner in positioning Canadian goods in Europe and other regions. It is often referred to as the “gateway to Europe” with an enormous import, transport, distribution and logistics infrastructure built around the Rotterdam sea port and the Schiphol airport.

Figure 7.1



Source: www.canadianinternational.gc.ca/netherlands-pays_bas/bilateral_relations_bilaterales/index.aspx?lang=eng



There are already 110 Canadian-Dutch R&D projects funded under one or more EU R&D programs, such as Eurostars a collaboration among EU member states that supports international innovative projects led by small-and-medium enterprises. Health, ICT and environmental R&D projects are well represented in the 110 projects funded. Recently the Netherlands was ranked No. 2 in the 2018 Global Innovation Index, while Canada ranked No. 18 (WIPO Global Innovation Index 2018).

7.3 Market Overview - Economic and Political Environment

The Netherlands is a successful global economic player. The government of The Netherlands is taking a pro-active approach to its trade and investment agenda, with the aim of increasing its international earning capacity. To this end, The Netherlands continues to maintain a close trading and investment relationship with Canada – a bilateral relationship that is dynamic and forward-looking spanning over 400 years. There are more than a million Dutch living in Canada which translates to 3 percent of the Canadian

population. Meanwhile the Canadian Embassy in The Hague is aware of between 4,500 and 5,000 Canadians who live in the Netherlands.

7.4 Why the Netherlands Matters

- The Netherlands is Canada's third largest export market in Europe (10th globally);
- The Netherlands is the third largest source of outward direct foreign investment (Figure 7.2);
- The Netherlands is the sixth largest economy in the EU by GDP and ranks fifth in the EU for GDP per capital;
- The Netherlands is Canada's second largest source of foreign investment after the U.S.;
- With exports equal to 82.5 percent of its Gross Domestic Product (GDP), the Netherlands is a country steeped in a long history of trading;
- The Netherlands is a gateway to Europe for Canada across the spectrum of trade, investment and technology exchange with an enormous transport logistics infrastructure built around the Port of Rotterdam (the largest in Europe), and Amsterdam's Schiphol Airport;
- The Netherlands has traditionally had an open economy and their levels of trade are impressive. The Dutch are the world's fifth largest exporter of merchandise and the third largest exporter of agricultural products; and
- Renowned internationally for its open culture and emphasis on entrepreneurship and innovation, the Netherlands is home to a vibrant, collaborative start-up ecosystem.



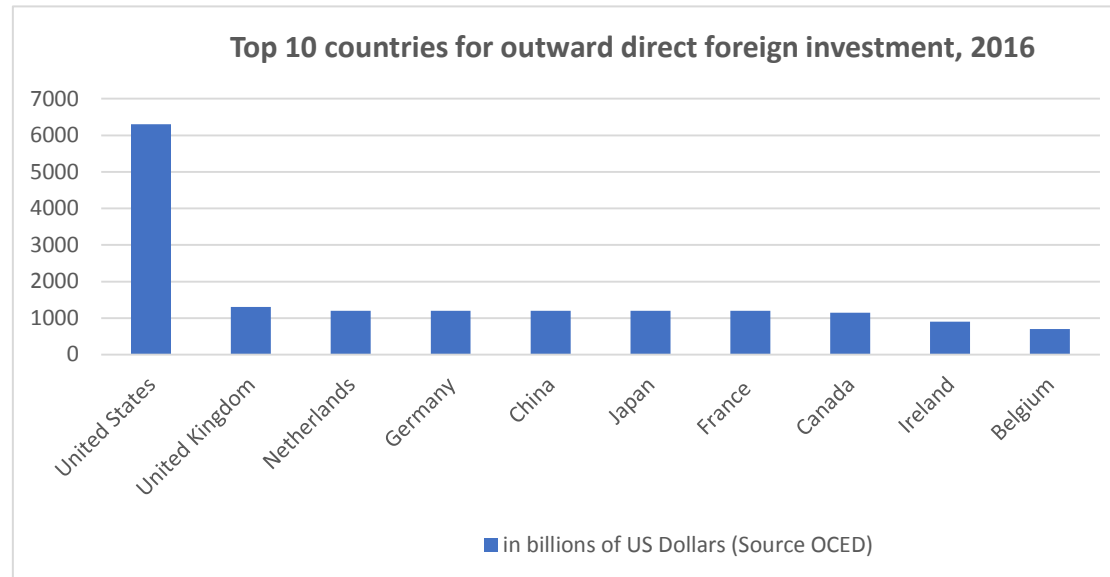
The Government of Netherlands has implemented several policy changes for enhancing its investment presence abroad, including:

- Expanding market access to the European Union and beyond
 - The Government of the Netherlands is firmly committed to bi-lateral trade and investment agreements which the government sees as increasing access to foreign markets. A trade agreement with the United States has been more difficult and negotiations have been suspended, positioning Canada well for increasing trade and investment deals.

- Providing services to SMEs and Startups looking to internationalize
 - In 2015, SMEs accounted for over a quarter of foreign trade and investment amounting to over €80 billion. Companies that have more international activity enhance their productivity and ability to drive innovation. The Netherlands have a strong infrastructure of organizations that support SMEs to innovate and expand their international presence, including the Netherlands Enterprise Agency, Dutch Development Bank, Atradius Dutch State Business and private bodies such as Fenedex. Invest NL and the Dutch Development Bank manage the support and financing for companies looking to increasing their international footprint.
- Customizing economic diplomacy
 - The government is increasing international cooperation in the field of knowledge and innovation in areas in which the Netherlands excels. Based on a report prepared by the Ministry of Education, Culture and Science's task force on country strategy, the government has established pilot programs in several countries including Canada. The aim of these pilots is to gain experience of the early involvement of knowledge institutions in the programming of economic missions, with a view to promoting Dutch knowledge and innovative capacity worldwide.
- Reforming the Netherlands' public-private trade and investment promotion network
 - The government of the Netherlands works with NL Trade & Innovate and NL International Business to support larger SMEs expanding into new markets. There is also a push to encourage SMEs to participate in international consortia and joint ventures. Examples include knowledge institutions such as Delft University of Technology and Wageningen University & Research. SME participation is already being encouraged, for example through the Dutch top sectors and programs such as Partners for International Business (PIB).

Corporate Canada is well represented in Holland with the likes of Bombardier, TD Canada Trust, Air Canada, Mitel, Apotex, BMO, CGI, CAE and Vermilion Energy. The United Nations Conference on Trade and Development noted that the Netherlands is characterized as having a strong international orientation. Many Dutch companies are multinational by nature with a propensity to invest abroad and are supported by a relative generous regulatory environment with minimal restrictions for investing abroad.

Figure 7.2



7.5 The Netherlands Market Briefing

The Netherlands region market approach is based on contacting key officials in the Canadian Embassy to:

- Assess and evaluate the FDI opportunities for the targeted sectors identified in the Halton Hills FDI Attraction Strategy;
- Determine the current FDI experience in the priority sectors;
- Discuss how companies are analyzing foreign markets—what is driving their due diligence;
- Explore opportunities for collaboration in-market and means of establishing a lead identification process for Halton Hills; and



- Receive input on potential cities and regions that might be targets for a pre-qualified meeting program.

For the purposes of developing and executing an in-market pre-qualified meeting program, there was consensus among key stakeholders interviewed that the focus should be on the following sectors:

- Clean Technology
- Agri-business and Food Processing

The Strategy focuses on proactively promoting FDI in selected sectors where Halton Hills has clear competitive advantages. These sectors continue to present the best business-investment prospects in the market for strategic meetings. These meetings will be pre-arranged face-to-face with senior level executives and preferable at the company's headquarters.

While some of the basic determinants of FDI, such as location and size of the domestic market are essential in delivering Halton Hills' value proposition, there was consensus among the consulting stakeholders that the following messages have and continue to resonate with potential investors and can affect the locational decision of foreign investors.

7.5.1 Key messages that resonate:

- Canadian business environment closer to European norms than the U.S.
- Trade Agreements promoting trade and investment
- Access to the Americas
- Labour / Talent pool
- Cost of doing business
- Canadian Food Inspection Agency (CFIA) and USDA systems are similar

8.0 Conclusion

The Halton Hills FDI Attraction Strategy is a key part of the Town's comprehensive economic development strategy. By addressing an existing service gap and an untapped economic development potential, this 5-year Strategy showcases Halton Hill's Unique value Proposition (UVP) to provide a practical, targeted and actionable roadmap for the community to be competitive, diversify and grow the local economy by attracting investment and jobs in the advanced manufacturing, food and beverage and clean technology sectors. Halton Hills' UVP – the Top Reasons for Investing in Halton Hills include:

- Economic Context/Canada/Ontario/GTA/Halton Region;
- Proximity and Access to Market;
- Labour Force Availability and Cost;
- Low-Risk Business Environment;
- Cost Competitive Business Environment;
- World Class Education;
- Leadership in Innovation - R&D Tax Credits - Economic Development Grants and Subsidies;
- Extensive and Superior Infrastructure - Availability of Industrial Land - Residential Real Estate;
- Business Networks/Political Stability;
- Diverse and Multi-Cultural Population;
- Premier Region for Quality of Life; and
- Key Sector Profiles/Featured Companies.

To successfully attract FDI investment, this Strategy positions Halton Hills to:

- Set Strategy and Focus – clearly defined target markets will enable the Town to focus on the optimum areas of opportunity;
- Define a Compelling Value Proposition – specific, tailored and demonstrable benefits offered by Halton Hills to potential investors in target sectors and companies;
- Take a Proactive Approach – sales driven approach based on contacting and engaging key target companies to create investment opportunities;
- Continue to Deliver Quality Client Servicing – responsive, enthusiastic and professional service delivery; and

Halton Hills FDI Attraction Strategy

- Reinforce Creativity and Image – creating a positive, recognizable and sustainable image for Halton Hills as a prime location for investment.

The Strategy leverages and aligns with existing mandates and FDI programs, and identifies new international markets, and the tools, approaches, strategies and actions to best access them. FDI Attraction will benefit existing Halton Hills businesses by growing export opportunities, attracting a highly skilled workforce, facilitating technology transfer, providing access to new supply chains, and creating new business opportunities. Strategy implementation is rooted in actions that respond to the strengths, weaknesses, opportunities and threats faced by Halton Hills. Comprehensive Business Cases, and the identification of pre-qualified business leads and tangible investment opportunities will drive implementation.

Appendices

The accompanying appendices (A through J) supplement the FDI Strategy. They provide an in-depth overview and analysis of the Halton Hills context (Appendix A); employment lands supply and FDI investment readiness (Appendix B); target sectors for investment attraction (Appendix C); overview of the Lead Generation Funnel to effectively seek and manage investment opportunities (Appendix D); trends in FDI attraction (Appendix E); factors influencing investment and site selection decisions (Appendix F); results of a marketing and communication audit (Appendix G); analysis of Halton Hills' strengths and weaknesses (Appendix H); an overview of international markets (Appendix I); and guidance on targets and tactics to manage potential investments (Appendix J).

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Appendix A

Halton Hills in Context

The Community of Halton Hills is located in Ontario, Canada's largest province with a population of just over 14.4 million¹⁶. Canada has been named as one the best countries in the world to headquarter a business and it has been ranked:

- 2nd Best Place in the World to Start a Business, Source: The World Bank 2017
- 3rd in the 2018 Global Entrepreneurship Index, Source: Global Entrepreneurship and Development Institute
- 2nd Best Place to Locate a Global HQ, Source: US News and World Report 2018

In addition, Canada can help companies leverage Free Trade Deals with 46 Countries representing 1.6B Customers (Source: Ontario Ministry of International Trade).

Canada's major banks are forecasting that Ontario will lead the country in economic growth. This economic success is being felt across a range of sectors including manufacturing, real estate, finance and technology. Since mid-2018, employment in Ontario has increased by about 272,000 jobs.

Halton Hills is in a strong position to provide numerous opportunities in advanced manufacturing, food processing, agri-business and clean technologies for businesses keen to grow and acquire sophisticated talent, breakthrough concepts and innovations. The community can leverage factors such as a highly educated labour force, competitive tax rates, attractive R&D tax credits, favourable health care costs, convenient market access and a superior quality of life to help contribute to the success of any new investment.

Halton Hills is part of the Greater Toronto Area (GTA) known for its thriving business climate and lucrative markets that rival the world's strongest economic regions. With a current population of 6.1 million projected to grow to 9.2 million by 2036, the Toronto Region is by far the largest metropolitan area in Canada. Encompassing an area of 7,000 sq. km (2,700 sq. miles) the Region accounts for 20 percent of Canada's GDP and is home to 14 percent of Canada's businesses and 40 percent of Canada's corporate headquarters.

¹⁶ Demographic Quarterly, Highlights of First Quarter 2019, June 19, 2019, Ontario Ministry of Finance










































Halton Hills FDI Attraction Strategy

Companies located within the GTA in communities like Halton Hills can access a labour pool of 3.3 million workers, many located within 50km of the community. The Toronto Region is also an ideal place to headquarter North American operations. And within a day's drive or a 1.5 hour flight, companies can access a market of about 150.0 million people.

Table A1
Toronto Region Market Access

Driving Distance	Canadian Population (Millions)	U.S. Population (Millions)
400 Km	18.9	60.0
800 Km	21.1	148.2
1800 Km	23.1	182.5

The Region boasts a highly diversified economy and enjoys a broad industrial base with strength across all the key sectors.

Industry	ICT	Financial Services	Food & Beverage	Life Sciences	Auto & Adv. Mfg.	Film & Media	Design
North American Ranking	3 rd	2 nd	3 rd	3 rd	3 rd	3 rd	3 rd
Key Players	     	     	      	    	     	    	     

While 23 percent of foreign direct investment in Canada in 2018 flowed into the manufacturing sector, this sector is facing some serious challenges such as;

- Increasing global competition, especially from emerging economies,
- Uneven technology adoption and lagging productivity,
- Fluctuating commodity prices and dollar create variable costs,
- Slow growth in Canada's export market to the U.S., and
- Shortages of skilled and digitally skilled labour

However, Canada is in a good position to capture investment especially since manufacturing is shifting toward high-value (i.e., not commodity-based) activities. Canada is strong in knowledge-intensive segments and on the leading edge of technology domains like Artificial Intelligence (AI). Capital is becoming more mobile and automation and robotics that support onshoring for global mandates allow smaller industrialized economies to compete. Canada is an open and diverse economy.

Ontario is North America's second largest centre for food processing, and Canada's latest free trade agreement with the European Union (CETA) makes the province an ideal location to serve customers around the world. Ontario-based firms have access to superior, end-to-end supply chain solutions including processing, packaging, specialized storage and transportation, in addition to 3.6 million hectares of cropland growing over 230 agricultural commodities. Ontario has over 3,000 food and beverage processors including such notable companies as:

Anheuser-Busch InBev (Labatts)
Archer Daniels Midland
Bunge
Cargill
Coca Cola

Grupo Bimbo (Canada Bread)
Ferrero
Kellogg Company
Kraft Heinz
Mars

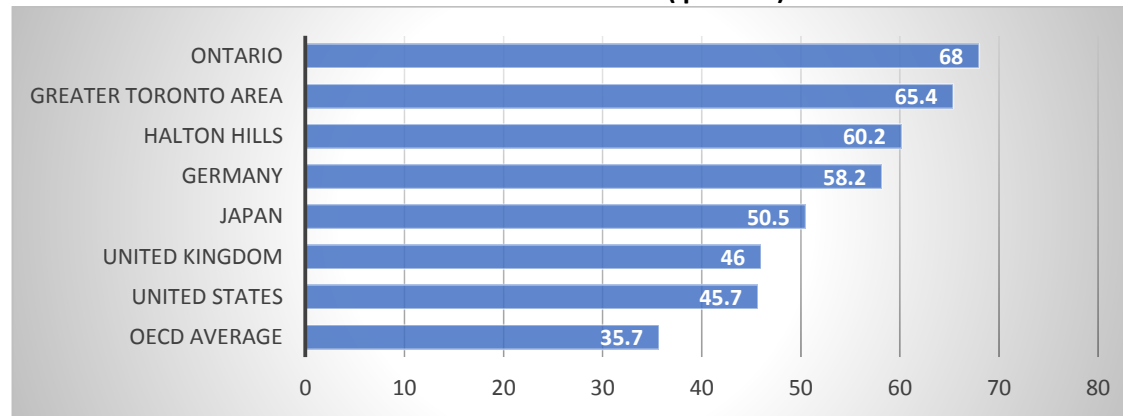
Mondelez
Nestle
PepsiCo
Saputo
Unilever

The sector employs over 97,000 workers and generates over \$39.0 Billion in revenue.

Companies locating in Halton Hills have access to a large well-educated labour pool. Over sixty percent (60.2 percent) of adults in Halton Hills possess a post-secondary education – a rate higher than any OECD country.

Halton Hills FDI Attraction Strategy

Table A2
Educational Attainment (percent)



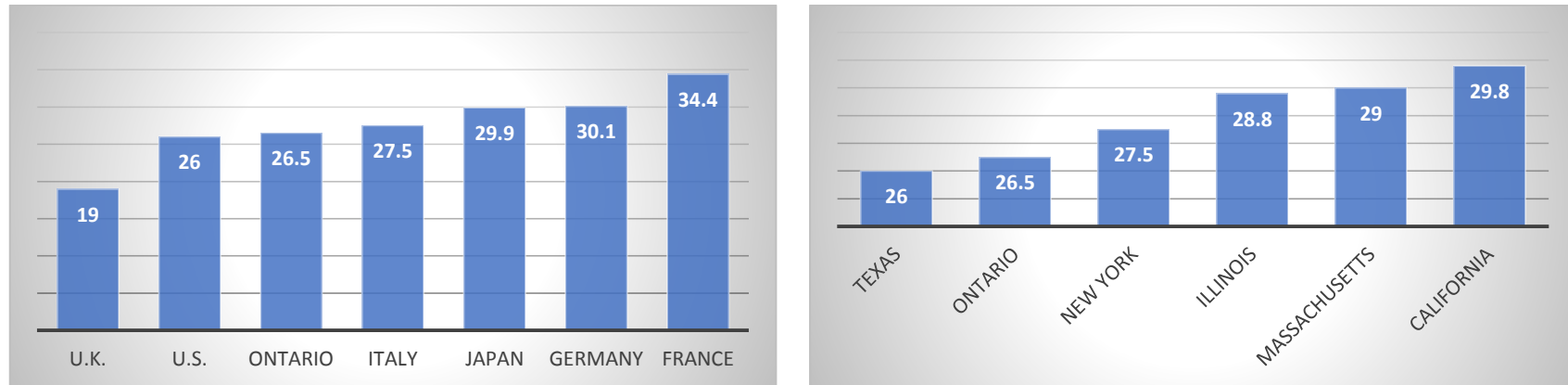
Statistics Canada, 2016; OECD, 2016

The Town is located between two major universities. The University of Toronto, which ranks among the top 25 universities in the world and the University of Waterloo whose graduates are the second most frequently hired by Silicon Valley companies. In addition, a number of other universities and colleges are located within close proximity to Halton Hills and they provide the business community with a stream of high-quality talent.



Companies in Halton Hills can also take advantage of Ontario's highly competitive corporate tax rates, which are lower than most of the countries in the OECD. These tax rates are lower than most U.S. States even after the U.S. revised their corporate income tax levels.

Table A3
Selected Comparison of Corporate Tax Rates (percent)
Combined National and Sub-National Rates

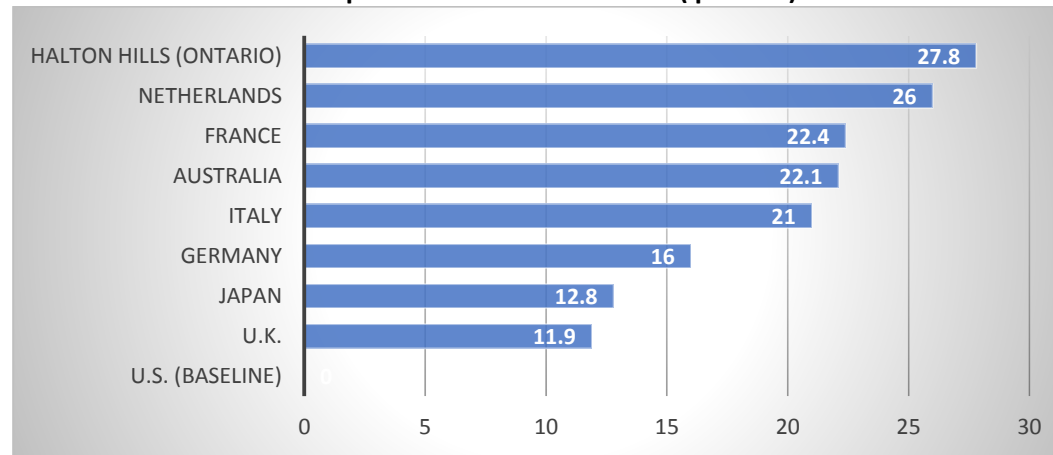


Source: OECD, 2018/Tax Foundation, 2018

Ontario offers an array of government incentive programs and services to lower corporate taxes, save on labour costs and expansion activities. Companies locating in Halton Hills can take advantage of the generous incentives for Research & Development offered by the provincial and federal governments. These incentives, which are built into the corporate tax system support more than 300 research institutes in the Toronto region that collectively conduct 35 percent of all the R&D in Canada. Companies can apply for these credits at any time during the year and there is no limit on the amount of funds that are available.

Halton Hills FDI Attraction Strategy

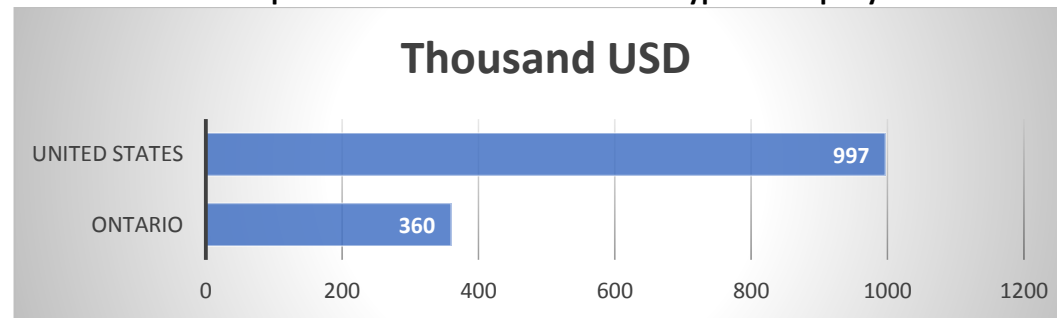
Table A4
Comparison of R&D Tax Credits (percent)



Source: KPMG Competitive Alternatives, 2016

Employer health costs per year for a typical firm in Ontario are one-third the cost of the U.S. average thanks to Ontario's universal health care system, which is an additional advantage for companies locating in Halton Hills.

Table A5
Comparison of Health Care Cost for a Typical Company



Source: MMK Consulting, 2016

Halton Hills FDI Attraction Strategy

Halton Hills offers potential investors a stable and competitive business environment. Companies that choose Ontario and locate in Halton Hills can have confidence in the province's long term political and economic stability. Ontario is at the centre of one of the most stable and competitive business environments in the world. Canada has the world's most stable banking system, is ranked the second most politically stable and is rated among the top three best countries for business.

Halton Hills offers a livable space with the comforts and quality of life to attract talented people looking for a home. Ontario communities like Halton Hills consistently rank among the best places to live and work in the world. (Mercer-Quality of Living 2017). According to Money Sense Magazine, Halton Hills ranks as one of the top 10 places to live in Canada. (Canada's Top 25 Best Places to Live in 2018, MoneySense Magazine, July 2018).

Governments and firms have to invest in training programs to help employees get the skills they need for an information economy. Ontario's publicly funded higher education system provides the latitude for collaboration between government, business and academia to re-tailor curriculums and priorities to meet changing economic needs.

Above all, Halton Hills provides a place that works. Where people can get around and raise a family; where no one is denied quality healthcare when they are sick; and where a hospital visit is not accompanied by the threat of bankruptcy.

Electricity costs in Ontario are competitive with U.S. peers and Ontario-based firms can reduce energy costs further by taking advantage of the Union Gas Dawn Hub - one of North America's largest and most liquid natural gas trading hubs. The Dawn Hub is strategically located in Southwestern Ontario, providing direct access to North America's major supply basins, including abundant and affordable natural gas supplies in the Utica and Marcellus producing regions. With multiple supply routes from western Canada, mid-continent, the Rockies, and the Gulf of Mexico, as well as the ability to serve markets in the mid-west, eastern Canada and the U.S. Northeast, the Union Gas Dawn Hub is a reliable, secure liquid natural gas trading hub.

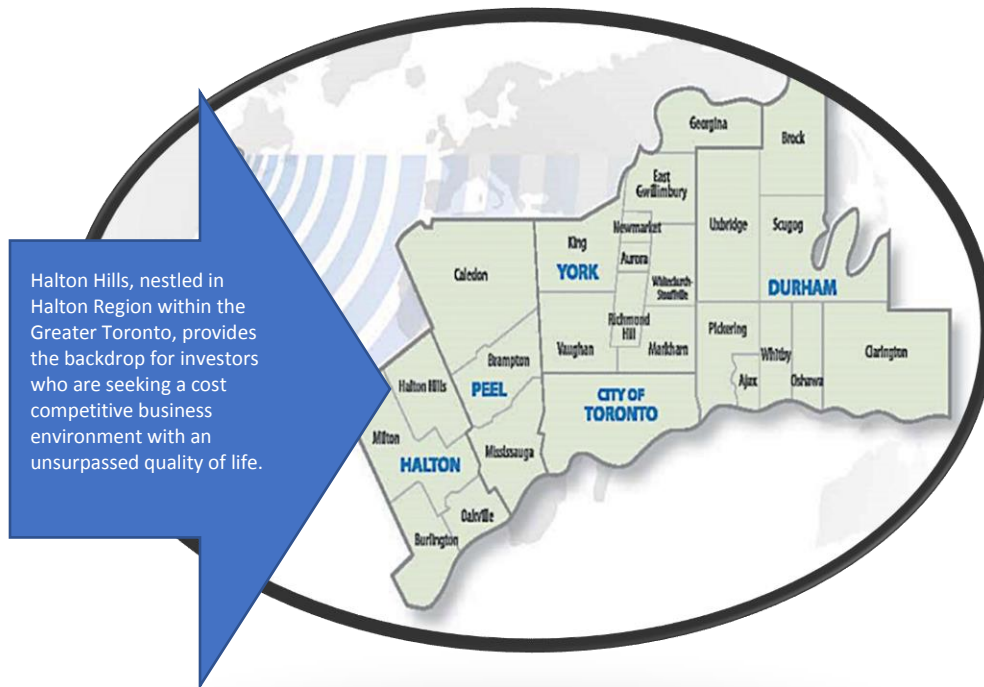
Cost of Doing Business

The Region's overall business costs are lower than most international cities and Halton Hills is well positioned within the region as a preferred destination for foreign direct investment. FDI is central to Halton Hills' future economic prosperity and growth. Like many communities such as Durham Region, and the cities of Markham, Vaughan, Toronto, Mississauga, Hamilton, Guelph, and Brampton

that are located within the Region, Halton Hills is taking a very proactive approach to economic development to drive community-wide economic prosperity.

There is much at stake, and the opportunity is significant in communicating Halton Hills' UVP to an international business community. Halton Hills benefits from being part of the GTA and more specifically Halton Region.

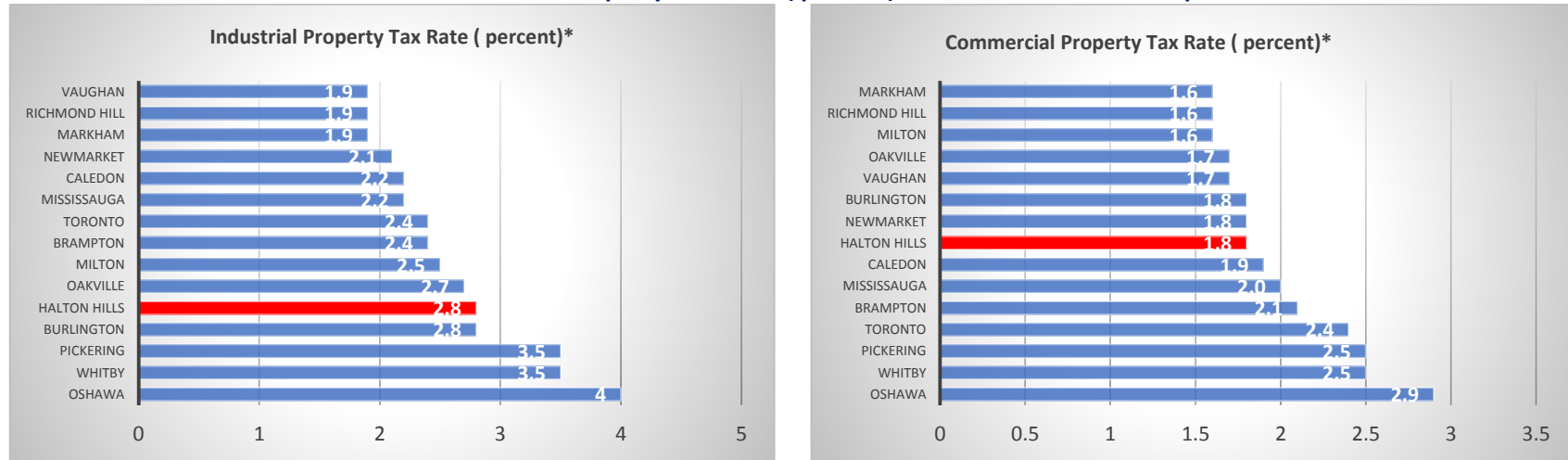
Halton Hills has competitive property tax rates for commercial and industrial property owners as shown in Table A6. It also offers competitive development charges for industrial and office developers as shown in Table A7.



Halton Hills FDI Attraction Strategy

Table A6

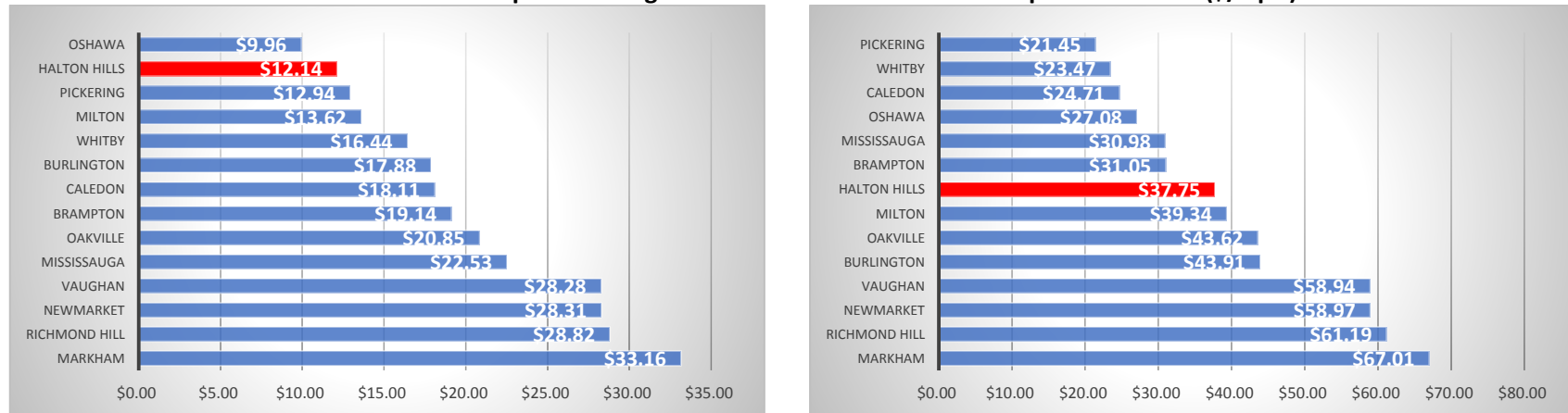
Industrial and Commercial Property Tax Rates (percent) across Select GTA Municipalities in 2018



Source: BMA Municipal Study 2018 *Municipal and Education

Table A7

Industrial Development Charge Rates across Select GTA Municipalities in 2018 (\$/sq.ft)



Source: BMA Municipal Study 2018 & Regional Municipality of Halton; *Built boundary rates as of April 1, 2018. Applies to non-retail (industrial & office); ** Built boundary rates as of April 1, 2018. Lower tier applies to industrial only. Note: Halton has separate rates for greenfield area.

Appendix B

Employment Lands and FDI Investment Readiness

An integral part of an FDI strategy is to ensure that there is an adequate supply of non-residential lands to accommodate future demand by investors across key targeted industry sectors. These lands will include, but not be limited to light, medium and heavy industrial lands, business parks and rural industrial lands. The lands should accommodate a wide range of industrial, commercial and institutional uses. An enviable supply of industrial lands and buildings to accommodate expansion is an important aspect of the Town's investment readiness and its unique value proposition. It is essential in order to remain competitive, attract new foreign investment and to expand its economic base.

“In order for the Town of Halton Hills to continue to be competitive and attractive to a broad range of industrial and commercial sectors, the Town needs to ensure that it has a sufficient supply and market choice of serviced employment lands. Most notably, this should include medium to larger sites (larger than 3 hectares/7 acres) with good transportation access and proximity to major highway interchanges as well as other local/regional transportation infrastructure”, Watson Report 2018

The availability of more shovel-ready employment lands would further strengthen Halton Hills' position relative to other communities in key areas:

- Allows and accommodates the organic growth of existing private sector companies looking to expand;
- Generates strong economic multipliers that benefit the Town directly and indirectly;
- Creates high-quality employment opportunities;
- Adds to Halton Hills' assessment base and supports competitive taxes and stronger municipal services; and
- Builds a more balanced, complete and competitive community.

Providing Potential Investors with Choice

An investor's site selection process is complex and will vary depending on the nature of the business and the proposed operations. Remaining competitive requires that the Town of Halton Hills has an inventory of available developable employment lands. While the Town's Official Plan commits to the concept that *“an adequate supply of employment land is available at all times”*, the Town

should endeavour to achieve a sufficient “shovel-ready” employment lands supply to provide for a range of site selection choices, including:

- Price;
- Lot size configuration;
- Neighbourhood and setting;
- Zoning; and
- Services.

The Town of Halton Hills currently has about 423ha of employment lands available for development and/or redevelopment. The vast majority of this is located in the Premier Gateway employment area, some pending planning and servicing provision. The Town is working actively to bringing these and additional lands online as quickly as possible. The pace of bringing lands online should match the FDI Strategy timelines in attracting and landing FDI investments.

Industry sectors have a variety of demands and requirements that go into their site selection decision making process, for example:

Manufacturing	Access to major highways Access to skilled and unskilled labour Competitive land prices Buffers from surrounding non-industrial uses Access/proximity to public transit Parcel size – 2-25 acres
Knowledge-based sectors	High development standard Access to skilled labour On-site amenities Access/proximity to public transit Parcel size 2-5 acres
Heavy Industry	Large contiguous land parcels with expansion potential Access to highways/heavy load corridors Rail access Access to raw materials High physical separation/extensive buffering from non-compatible uses Low image requirements

	Provision for lay down yards, open storage Low land price Access/circulation for heavy truck traffic Parcel size: 10 to 50+ acres
--	--

The Changing Nature of Space – Meeting Future Industry Demands

Companies' site selection demands are changing traditional planning designs to accommodate new industrial processes and a sharp increase in demand for employment lands by the "knowledge-based" or "creative class" economy. Communities are being challenged to respond and make available a robust supply of lands and spaces in both urban and rural areas with a broad range of market choice characteristics that appeal to industrial and knowledge-based businesses. Planning designated Industrial lands is under pressure to provide flexibility in zoning to allow more diverse uses:

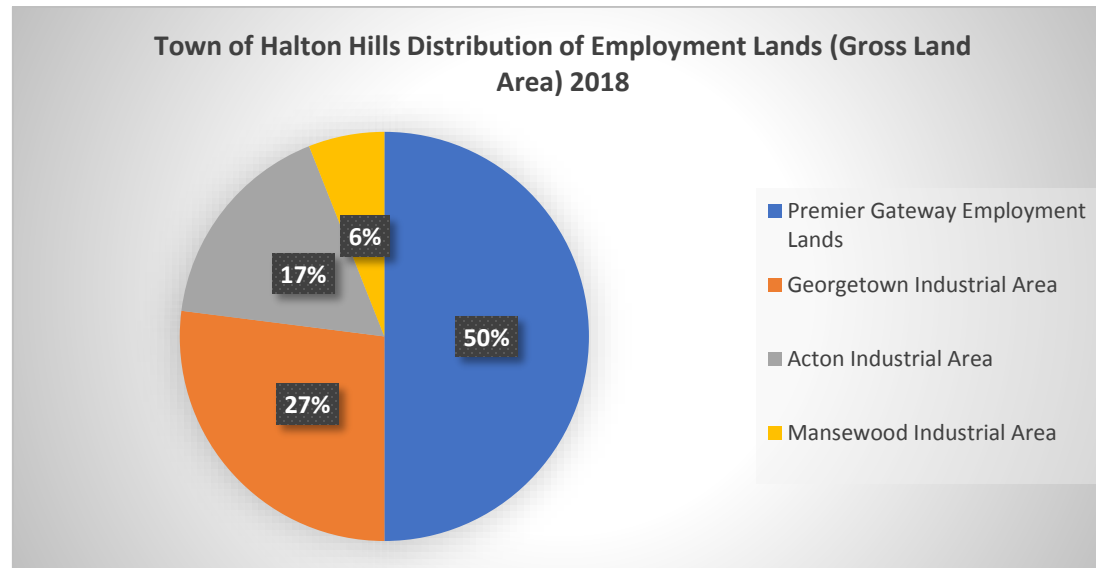
- Retail sales in existing warehouses;
- Mixed-use opportunities (residential/commercial developments);
- Multi-purpose facilities encompassing office and non-office use;
- Shift away from traditional processes to more capital/technology intensive and automated operations; and
- New siting, space and built-form requirements for the merging export-based subsectors.

The strong employment growth in Halton Region in the knowledge-based, services sectors including manufacturing will set the framework for the types of lands and buildings that will be absorbed by the market. The Town's Official Plan is well positioned to promote this mixed use with the designation of the Premier Gateway Employment Area for prestige industrial uses and, as well to encourage additional industrial uses within employment areas in Acton and Georgetown, and mixed uses in the vicinity of the GO Stations.

Town of Halton Hills Employment Lands Overview

The Town of Halton Hills has four designated Employment Areas to accommodate future employment demands, collectively representing 979 net acres of developed employment lands and an industrial inventory of 13.7 million square feet.

Table B1



Source: Watson & Associates Economists Ltd. February 15, 2019 (S4-13)

As of August 2018, the Town of Halton Hills has 1,590 gross acres of vacant employment lands. (Source: Watson & Associates Economists Ltd., 2018 Chapter 5)

- 205 gross acres of these lands are not designated and are under appeal
- 464 gross acres of vacant employment lands supply is within the Premier Gateway Employment Area and is under the GTA West Corridor Protection Area for a provincial highway.
- Adjusted vacant employment lands as of August 2018 is 1,146 gross acres.
- Adjusted inventory on a net basis is approximately 929 net acres.

Employment Lands Overview – Additional Lands

Supporting future investment opportunities, the Town of Halton Hills has two additional large blocks of Future Strategic Employment Areas totaling 2,790 gross acres. “Future Strategic Employment Areas” are not a land use designation, rather they are considered a constraint to development. Should these lands be required in order to accommodate regional employment targets to 2041, they will be designated an Employment Area through the ongoing Halton Region Official Plan Review.

Table B2
Future Strategic Employment Lands (Not Designated)

Employment Area	Employment Area Land Area (Gross ha)	
Premier Gateway Employment Area	901	80 percent
Mansewood Industrial Area	229	20 percent
Total Halton Hills Employment Areas	1,130	100 percent

Source: Watson & Associates Economists Ltd. February 15, 2019 (Page 5-5)

The Town also has underutilized sites on employment lands which present opportunities for future development. These are lands with less than 10 percent of building coverage with potential for future intensification. Georgetown and Acton Industrial Areas could potentially accommodate up to 900 additional employees or add a total of 79 acres to the land bank.

Table B3
Distribution of Underutilized Employment Land

Employment Area	Parcel Land Area, (ha)	Existing Building (sq.ft.)	Existing Building Coverage (percent)	Target Employment Density (jobs/net ha)	Potential Employment Yield
Georgetown Industrial Area	19.3	24,000	1 percent	32	619
Acton Industrial Area	13.2	33,000	3 percent	20	265
Total	32.6	57,000	2 percent	27	884

Source: Watson & Associates Economists Ltd. February 15, 2019

Town of Halton Hills Future Employment Growth Forecast and Employment Land Needs

Recent research on the Town's employment forecast from 2019-2041 shows that the Town's employment base will reach 53,000 by 2041, an increase of 27,500 jobs from 2019 or an employment growth rate of 3.4 percent.

Table B4
Population and Employment Growth Forecast

Type	2019	2031	2041	Growth
Population	65,900	95,300	120,400	54,500
Employment	25,400	42,000	52,900	30,100

Source: Watson & Associates Economists Ltd. February 15, 2019 (Page E-2)

The demand for employment lands over the next 22 years exceeds the supply of vacant designated employment lands. Within the forecasted period, the Town will require to bring to the land bank inventory an additional 835 gross acres or 667 net acres of designated land (Appendix B 1.4)

Table B5
Town-Wide Employment Land Need
Employment Land Needs, 2019-2041

Employment Growth on Employment Lands Adjusted for Intensification	12,920	
Forecast Employment Land Density (Jobs/Net ha) or (8 jobs/net acre)	20	
Employment Land Demand, Net acres	1,596	
Land Supply	Net Acres	
	929	
Employment Land Needs	Net acres	Gross Acres
	- 667	- 835

Scenario: Includes GTA West Corridor Protection Area (144net ha) and excludes OPA 31B Lands

Future Outlook

Development activity across the Greater Toronto Area and Hamilton continues to be strong, both with respect to development and land absorption. This has impacted the availability of serviceable land across the region, including the Town of Halton Hills. The Town of Halton Hills inventory of available employment lands are concentrated in four distinct areas:

- Premier Gateway Employment Lands
- Georgetown Industrial Area
- Acton Industrial Area
- Mansewood Industrial Area

The Town's inventory of designated vacant Employment Areas is diminishing, with the majority of the lands (89 percent) now situated in the Premier Gateway Employment Area. To accommodate the future forecast employment growth and to position itself for new investment whether domestic or foreign, the Town will need to expand its availability of shovel-ready developable lands.

Table B6
Forecast Employment Need by Employment Area, 2019 to 2041

Employment Growth on Employment Lands	Town- Wide	Premier Gateway Employment Area	Georgetown Industrial Area	Acton Industrial Area	Mansewood Industrial Area
Total Employment Growth Adjusted for Intensification	12,920	11,762	56	574	528
Percent of Town-Wide Employment Growth Adjusted for Intensification	100%	91 percent	0.4 percent	4 percent	4 percent
Employment Density (Jobs/Net ha)	20	21	35	20	12
Land Demand, Net ha	646	572	2	29	44
Annual Absorption	28	25	0.1	1	1.9
Percent of Town-Wide Land Demand	100%	88 percent	0 percent	4 percent	7 percent
Land Supply, Net ha	376	335	2	34	5
Employment Land Needs, Net ha	-270	-236	0	5	-40

Source: Watson & Associates Economists Ltd. February 15, 2019 (Page 6-23)

Halton Hills FDI Attraction Strategy

Over the forecast period, Watson & Associates estimated that employment growth on employment lands over the 2019 to 2041 period will average 20 jobs/net ha (8 jobs/net acre). The average density levels on employment lands are declining particularly in the manufacturing sectors, as companies focus on increasing efficiency and competitiveness through automation.

FDI is a long-term proposition, and while the land demand-supply ratio in Halton Hills is challenging at the moment, the Town's current availability of employment lands should accommodate the immediate needs of targeted foreign investors. The Town has also endorsed an employment land strategy to respond to the future employment land needs.

Appendix C

Targeted Sectors for Investment Attraction

Halton Hills has a diversified multi-sector economy that provides opportunities for entrepreneurs and visionaries, looking to make their mark. Halton Hills has a population of 65,782 and is located within the Greater Toronto Area, Canada's economic engine. The Town is famed for its quality of life, open-for-business approach and leadership in sustainability and climate change.

The business community enjoys top notch transportation linkages, a large regional pool of skilled and experienced employees, a selection of development sites and a culturally rich community eager to host new investment. Halton Hills has about 1450 businesses which employ over 21,000 workers. The table below provides an indication of the expected salary levels for selected occupations.

Table C1
Salaries for Selected Occupations in Halton Hills

Occupation	Average Income (2017\$)
Electrical engineer	\$ 76,603
Human resources manager	\$ 80,000
Maintenance manager	\$ 82,500
IT Manager	\$ 95,421
Sales manager	\$ 65,000
Manufacturing manager	\$ 75,000
Computer programmer	\$ 52,650
Supply chain Manager	\$ 82,200
Civil engineer	\$ 68,250
Accountant-Comptroller	\$ 74,100
Mechanical engineer	\$ 62,685
Human resources professional	\$ 62,500
Engineering technologist	\$ 61,451
Chemical technologist & technician	\$ 46,410
Administrative Assistant	\$ 37,986
Office clerk	\$ 29,994
Labourer - manufacturing	\$ 27,300

Halton Hills FDI Attraction Strategy

Source: www.neuvoo.ca

The largest sectors include Advanced Manufacturing (120) companies, Logistics & Warehousing (40 companies) and Food Processing (13 companies). Both Clean Technology and Arts and Culture are target sectors for the Town.

The Town of Halton Hills consists of two urban centres, Georgetown and Acton, the Halton Hills Premier Gateway employment area, three hamlets – Glen Williams, Stewarttown and Norval – and several smaller settlements. Halton Hills has long been recognized for its natural beauty, urban-rural mix, high quality of life and proximity to major centres, including Brampton, Mississauga and Toronto. The Town is ranked as one of the top small communities in Canada by a national magazine. Visit Haltonhills.ca

Major employers like Mold-Masters and the C.P.I. Group account for about 13.5 percent of the business-related employment along with companies like BFG Canada Limited are leading the way applying innovations and creating a skilled knowledge intensive workforce.

Table C2
Top Ten Employers in Halton Hills

Employer	Business Type	Employees
Mold-Masters	Advanced manufacturing	643
C.P.I. Communications & Power Industries	Advanced manufacturing	438
C.I.P. Group	Construction	351
Cooper Standard Automotive*	Automotive	270
BFG Canada Ltd. (TreeHouse Foods Inc.)	Food Processing	300
Saputo/Neilson Dairy	Food Processing.	306
Werner Enterprises	Logistics	100
Georgetown District High School	Institution	159
Georgetown Hospital	Institution	138
Christ the King Secondary School	Institution	137
	Total	2842

Source: Halton Region Business Directory, 2017

*In 2020, Cooper Standard announced that the Georgetown plant will be closing in July 2020.

Mold-Masters was the first company to introduce hot runners to the industry, Mold-Masters is recognized as the global leader in hot runner technology. They continue to build upon their extensive knowledge and experience, expanding their product line to also

include temperature controllers, advanced flow control and other related products that incorporate the latest forward-thinking technologies.

CPI Group: *Communications & Power Industries (CPI) is a global manufacturer of electronic components and subsystems focused primarily on communications and defense markets. With a heritage of technological excellence that spans decades, CPI develops, manufactures and globally distributes innovative and reliable technology solutions used in the generation, amplification, transmission and reception of microwave signals for commercial and military applications. CPI serves customers in the communications, defense, medical, industrial and scientific markets.*

BFG Canada's *two separate plants in Georgetown and Kitchener, Ontario have both received British Retail Consortium (BRC) certification, the highest globally recognized food safety accreditation. Specializing in private label and gourmet snack crackers, BFG Canada manufactures more than 50 varieties of crackers including water crackers, whole wheat, whole grain, cheese and multigrain offerings. Responding to consumer demand, the company also offers organic, non-GMO, low-calorie, kosher and wellness products in a wide variety of packaging formats. They have the expertise to customize products and provide innovative solutions for their customers, specializing in emulating national brands and modifying formulas to meet specific country regulations, such as developing products for the UK market with non-GMO ingredients. BFG Canada's customers include major retailers in North America, the UK, Denmark, Sweden, Norway, Australia and South Africa.*

Manufacturing is the cornerstone of Canada's modern economy. Accounting for approximately \$174 Billion of GDP, manufacturing represents more than 10 percent of Canada's total GDP. What is more, manufacturers export more than \$354 billion each year, representing 68 percent of all of Canada's merchandise exports.

All of this adds up to 1.7 million quality full-time, well-paying jobs—all across the country. And as the sector has modernized, manufacturers have become innovative and high-tech, relying on a highly skilled and knowledgeable workforce that includes designers, researchers, programmers, engineers, technicians and tradespeople.

Canada's manufacturing industry has significant potential for Canada's economic future. The world is changing, and new technologies are not just opening new markets for Canadian goods, they are changing the ways these goods are produced. For manufacturing in Canada to remain a vibrant, innovative and competitive contributor to our economy, business and government will need to work together. A vibrant manufacturing community encourages industrial clusters that develop skills, knowledge and

technology. Success breeds success: when Canada's manufacturers grow and compete, they act as magnets for new investment and for new young people wanting to be part of this great industry, making the products of tomorrow.

According to **Manufacturers Outlook 2019** Canadian companies are facing significant challenges that limit growth potential and diminish international competitiveness. To succeed and thrive in the future, manufacturers must remain committed to addressing issues such as:

- **Controlling and Reducing Costs:** Rising payroll and energy costs are just two ways manufacturers expect costs to grow.
- **Improving Productivity:** It can be difficult to understand where productivity improvements can be made and how to prioritize those growth projects over other day-to-day operations challenges.
- **Skills Gaps:** Management and employees both require the right skillsets to grow manufacturing companies. There is a need for manufacturing skills at both levels, not just on the shop floor.
- **Entering New Markets:** Considerable time and resources are needed to develop new export markets. For manufacturers lacking the time, expertise, or risk tolerance, global expansion can be very difficult to achieve.
- **Developing New Products:** Driving innovation can be a significant challenge for manufacturers lacking the internal research and development capacity. While it's important to offer unique and superior products, bringing ideas through to market-ready offerings require a considerable amount of work.
- **Production Capacity:** Nearly a quarter of manufacturers are falling behind when it comes to meeting capacity requirements. This impedes the ability to take on new business and hinders company growth.
- **Environmental Regulations/Costs:** Legislative requirements now demand manufacturers pay close attention to their environmental impacts. Carbon taxes and Cap and Trade programs can be beneficial to manufacturers that are "going green," but can also burden emission-intensive industries that do not implement changes.
- **Access to Credit/Financing:** Although a relatively small challenge to manufacturers this year, access to credit and financing for growth projects have historically been sizeable challenges. Fortunately, more government funding programs and traditional financing solutions are helping support manufacturers' investments.

1. Top Trends That Will Dominate Manufacturing in 2020 and Beyond

Industry 4.0, the fourth industrial revolution, is revolutionizing manufacturing by providing manufacturers with the opportunity to utilize advanced manufacturing capabilities and information technology (IT) throughout the product lifecycle. As a result,

manufacturers are benefitting from increased visibility into operations, substantial cost savings, faster production times and the ability to provide excellent customer support.

The only way manufacturers can stay ahead of competitors and win market share in today's quickly morphing environment is to embrace change. Those who wish to thrive and not just survive are leveraging the latest in growth-inducing Industry 4.0 technologies. The top 10 2019 manufacturing industry 4.0 tech trends according to Hitachi Solutions, which assists manufacturers including Seventh Generation, Maxell, and Ping to leverage the latest technology in order to grow, are:

Internet of Things (IoT) is THE Big Thing: Manufacturers are increasingly leveraging the Internet of Things (IoT), which entails the interconnection of unique devices within an existing Internet infrastructure, to achieve a variety of goals including cost reduction, increased efficiency, improved safety, meeting compliance requirements, and product innovation. IoT's existence is primarily due to three factors: widely available Internet access, smaller sensors, and cloud computing.

Roughly 63 percent of manufacturers believe that applying IoT to products will increase profitability over the next five years and are set to invest \$267 billion in IoT by 2020. They understand that IoT empowers them to make informed strategic decisions by providing crucial, real-time information. Nearly a third (31 percent) of production processes and equipment and non-production processes and equipment (30 percent) already incorporate smart device/embedded intelligence according to The MPI Group. Similar percentages of manufacturers have a company strategy implemented or in place to apply IoT technologies to their processes (34 percent) or to embed IoT technologies into products (32 percent).

"IoT and predictive analytics are having a major impact on manufacturing, offering exciting new opportunities for connecting operations and transforming business processes," said Michael Strand, Senior Vice President at Hitachi Solutions America.

"Innovation is driving business growth, and technology is enabling manufacturers to evolve with an increasingly digital-first business landscape."

Predictive Maintenance is Keeping Production on Track: A breakdown in critical equipment is costly to manufacturers both in terms of repairs as well as downtime and loss of productivity. According to Information Technology Intelligence Consulting, 98 percent of organizations say a single hour of downtime costs over \$100,000. Ensuring that all equipment is functioning optimally therefore remains a key priority for manufacturers, many of whom are turning to predictive maintenance technology to do so.

Widespread adoption of predictive maintenance technologies could reduce companies' maintenance costs by 20 percent, reduce unplanned outages by 50 percent and extend machinery life by years according to management consulting firm McKinsey & Company. Predictive maintenance programs monitor equipment using any number of performance metrics. By automating the data collection process through the use of IoT technology, manufacturers can develop a better understanding of how systems work and when they will fail. The ability to predict when maintenance should be performed saves manufacturers valuable time, money, and resources. Typically, monitoring tests can be conducted while equipment is in operation, which means there is no loss of production due to equipment shutdown.

Shifting Focus from B2B to B2B2C: Many manufacturers who traditionally had a B2B business model are shifting to a B2B2C (business-to-business-to-consumer) model due to the many benefits selling directly to consumers provides including:

- **Increased Profit:** You get the full manufacturer's suggested retail price (MSRP) rather than wholesale prices for your products.
- **Faster Time to Market:** You can prototype, test, and get products to market quickly instead of contending with the lengthy traditional retail sales cycle that requires locked-down product development far ahead of order and delivery. This agility gives you a competitive edge.
- **Brand Control:** You own your brand. It won't be diluted or misrepresented by third parties.
- **Price Control:** You can reinforce your MSRP.
- **Better Customer Data:** Selling direct to customers allows you to collect data about them that ultimately results in better products, stronger relationships, and increased sales.

To effectively sell direct to consumers a company will need to select a platform for their e-commerce operations that supports both their B2B and B2C sales platforms. It will have to deliver on order fulfillment and tracking, secure payments, customer service management, and sales and marketing activity tracking while providing a 360° view of all of their B2B and B2C customer interactions.

Leveraging Supply Chain for Competitive Advantage: Remaining competitive means delivering more value to customers than your competitors. While pricing is extremely important, savvy manufacturers will continue to distance themselves from price wars by leveraging new technology that simplifies supply chain management, which in turn delivers many competitive benefits. These benefits include being able to operate their business more efficiently, more visibility and control over inventory, reduction of operational costs, and improved customer satisfaction and retention.

Today's supply chain technology solutions address manufacturing needs in a variety of areas, including:

- Manufacturing Optimization
- Logistics Optimization
- Sales and Operations Planning
- Product Lifecycle Management
- Business Intelligence
- Network and Inventory Optimization
- RFID
- Procurement

A third of over 2,000 industrial companies have digitized their supply chains while nearly three-quarters expect to by 2020, according to PwC.

Enterprise Resource Planning (ERP) Systems Are Continuing to Streamline Processes: Small to medium sized manufacturing companies are increasingly recognizing that an ERP system is key to creating a lean and competitive advantage. ERP systems offer two key benefits:

- They streamline processes by automating all business operations and providing accurate, real-time information.
- By providing accurate, real-time information, administrative and operational costs are reduced. The end result is that manufacturers can proactively manage operations, prevent disruptions and delays, break up information roadblocks and help users make quicker decisions.

The lengthy implementation of traditional ERP systems can be frustrating for manufacturers. Now, however, they have the option to choose a rapid implementation ERP system, which can be up and running much faster and more affordably than traditional ERP systems.

Greater Visibility into Big Data is Helping Manufacturers Achieve More: IoT is transforming almost every surface into a sensor for data collection and providing real-time insights for manufacturers. This ability to collect data from so many sources combined with increasingly powerful cloud computing is finally making big data usable. Manufacturers can slice and dice data in ways that provide them with a comprehensive understanding of their business. This enables them to improve production, optimize operations, and address issues before problems arise.

Assistive technologies, such as AR and VR, will continue to create mutually beneficial partnerships between human and machine that positively impact manufacturers. Due to VR software interfacing seamlessly with computer-aided designs, product developers can use VR to quickly make modifications and additions to products during the product design stage before they go into modeling and manufacturing processes. AR and VR can also decrease inspection time and assist in detecting errors in addition to improving workers' sight lines, which enables them to complete tasks faster. For example, by using AR devices such as electronic glasses or goggles, computer-generated graphics can be placed in a worker's field of vision that provide him/her with real-time help when it comes to performing a task. AR technology can also be used with cameras and sensors for training. Workers can be shown how to perform a task and use the data feed to correct mistakes, which makes it possible to quickly and effectively train unskilled workers for high-value work.

3D Printing is Making Production Faster and Cheaper: Manufacturers will benefit from faster, less expensive production as a result of 3D printing. It makes rapid prototyping, which is a highly cost-effective way for product designers to test and troubleshoot their products, possible. In addition, it enables manufacturers to produce items on demand instead of having to manufacture and warehouse them.

The expensive and time-consuming process of tooling for manufacturers is already being transformed by 3D printing. Historically the production of molds, jigs and fixtures used in the mass production of heavy equipment took months, was very expensive and typically involved utilizing tooling companies headquartered overseas. 3D printing makes it possible for tooling to be cost effectively completed on-site, in days, and has already been embraced by the automotive and aerospace manufacturing industries.

Continued Reshoring is Leading to an Increase in Made in North America Products: Reshoring – bringing operations back to North American shores – is becoming increasingly common among manufacturers. There are multiple factors contributing to reshoring. Firstly, the economies in many go-to offshoring countries are doing well, which has led to an increase in wages for their residents. Secondly, in countries where labor remains inexpensive, the infrastructures typically can't support complex manufacturing operations. In addition, transportation costs are rising. The increased use of new software programs that help manufacturers utilize robotics to automate many of the processes that used to require a human, are also contributing to a resurgence in reshoring.

Finding Tech-Savvy Employees Will Be Challenging: As manufacturers increasingly rely on technology, their need to hire tech-savvy employees is increasing. The challenge is that there are not enough skilled employees to fill the number of open jobs. To fill the void, manufacturers are having to do two things:

- Train existing workers to perform skilled tasks

- Find ways to make their business appealing to computer coders, app developers, data scientists, 3-D printing specialists, and other highly trained professionals.

To stay Industry 4.0 competitive, manufacturers must commit to doing four things: identifying crucial business needs, investing in technology that will meet them, building organizational capabilities and actively adapting processes and culture so both remain relevant. To the extent that Halton Hills can leverage its strengths to help manufacturers navigate these trends the community will successfully attract investment from this sector.

2. Top Trends in Food and Beverage Processing for 2020 and Beyond

The food processing industry is a mature sector which is experiencing a turbulent period due to the growing global demands for food safety, increasing food insecurity and consumer demand for higher quality and sustainability. There is a significant economic impact of getting food safety wrong if modern food supply chains are incorrectly assessed and risk mitigation is absent. Even a small impact on a supply chain can have a large economic impact. The processed food industries are valued at over \$2 trillion dollars globally and consist of over 400,000 businesses.

Food Processing is also significantly impacted by multiple external factors, including economic trends, climate change, demographic shifts, emerging power markets, new trade partnerships and world population growth predictions. Today's food supply chain is more globalised, longer and far more complex than ever before. With growing imports and exports, processed foods are dependent on longer supply chains, which poses a great challenge to assuring food safety.

In many countries, the food processing industry is a major contributor to the health of the national economy. In the same way too, the sector is impacted by both the local economy where it manufactures as well as by the global economy in terms of food logistics and imports and exports. Shifts and changes in regional economies, population size, food consumption, and the food and drinks industry in general all have significant implications for food processing.

Halton Hills FDI Attraction Strategy

Leading food industry regions	<p>According to the European Food and Drink Industry there are three leading production regions worldwide:</p> <ul style="list-style-type: none"> • EU — 44 percent of turnover in value added¹⁷ • USA — 20 percent of turnover in value added • China — 19 percent of turnover in value added <p>The turnover of the EU food & drink processing industry alone is double that of the USA and China. However, this will change significantly in the next few decades.</p>
Growing demand for food	In order to feed the growing world population, predicted to reach 9.3 billion by 2050, agricultural production needs to grow by 70 percent and by nearly 100 percent in fast growing economies.
Demographic shifts	By 2030, India will have the largest population in the world, representing 1/3 of the Asian population and 17 percent of world population. In fact, by 2050, India, China, Indonesia, Philippines and Pakistan will represent more than 50 percent of the world's population.
Consumption & urbanization	By 2050, two thirds of the world population will be living in cities, increasing demand for processed foods and meat protein — in Asia protein consumption will have grown by 128 percent
Economic power shifts	<p>By 2030, E7¹⁸ countries (China, India, Brazil, Mexico, Russia, Indonesia, Turkey) will overtake the G7 (Canada, France, Germany, Italy, Japan, UK, US) in size and purchasing power.</p> <p>The growth in demand and high growth of both exports and imports in key emerging markets is making food safety and hygiene in this sector a priority.</p>
Global shift in demand	The emerging markets (India, Indonesia, China, Malaysia) will increasingly drive global growth. The share of both exports and imports for food and drink products in these markets is growing rapidly. Manufacturing & processing will increasingly shift to these markets, to be close to a growing customer base.
Prosperity	Sixty-five percent of the world's middle class will be living in the Asia Pacific region by 2030. The increasing disposable income in emerging economies will drive demand for manufactured food products.

There are a variety of opportunities for growing food and beverage businesses in 2019, but staying on top of emerging technologies like blockchain, along with changing consumer preferences and rising costs, all while innovating, will be essential in this competitive marketplace.

¹⁷ The amount by which the value of an article is increased at each stage of its production, exclusive of initial costs.

¹⁸ The **E7** (short for "Emerging 7") is the seven **countries** China, India, Brazil, Mexico, Russia, Indonesia and Turkey, grouped together because of their major emerging economies.

Changing consumer preferences: Similar to 2018, bold and exotic flavors, snacking, and health and wellness are still in the forefront for consumer food preferences, but in an even more elevated way. Consumers want fortified and functional foods that promote health. Grocery shelves will continue to be stacked with products like kombucha and others that provide additional function to consumers' bodies. Consumers also want foods that are not only good for them, but good for others, whether the food they eat is a product like the Impossible Burger, a plant-based, faux meat, or is in environmentally friendly packaging. More than millennials, Generation-Z consumers are "clean eaters" and have a strong interest in not only what the product is but how it is made and by whom. Transparency into how food is made and where will be key. With today's instant access to information, if a consumer can't understand or find out where and how a product is made and what's in it, they'll be more inclined to leave it behind. The rise of clean labels and sustainability efforts will continue, but so will the rise of positive branding by companies that are leading in being good and also doing good.

Food safety and transparency: The romaine lettuce recall of 2018 was another reminder of the importance of food safety. As consumers demand to know more about the food they eat, food safety issues are costing the food and beverage industry billions each year. It will be more important than ever for the industry to pinpoint safety issues immediately; technologies like blockchain¹⁹ will continue to gain traction. Companies will move beyond trying to understand what blockchain is, to figuring out how to be a part of it. A 2018 RSM survey of middle market food and beverage chief financial officers found that just 12 percent are currently using blockchain, but that number will increase as more become aware of blockchain's benefits across the entire food chain - from the grower to the manufacturer, distributors and beyond.

Rising uncertainty: Food and beverage companies are facing growing uncertainty in the marketplace. The tariff and global trade tensions from 2018 will continue this year coupled with rising costs. The Chinese tariffs, for example, are creating excess supplies and driving down other prices (e.g., pork, soybean). Other uncertainties include rising labor costs, the tightening labor market, transportation's truck driver shortage and planned interest rate hikes. Some companies are already facing issues with on-time delivery due to the truck driver shortage. Consumers and grocery stores will absorb only so much of the cost so companies will have to look to new, innovative solutions to help control their costs and still grow.

Innovation and differentiation: With so many different products available for purchase in a multitude of channels—from in-store, farmer's markets, online, social media and more, product innovation and differentiation will be important to middle market food

¹⁹ A blockchain is a decentralized, distributed, and oftentimes public, digital ledger that is used to record transactions across many computers so that any involved record cannot be altered retroactively, without the alteration of all subsequent blocks.

and beverage companies. Large companies are already looking to emerging technologies for help with this. For example, Kraft Heinz recently opened a new digital hub to create “digitally powered business models and launch other entrepreneurial ideas to fuel growth for Kraft Heinz.” This team of software engineers, data analysts, designers and e-commerce managers demonstrate how today’s digital transformation has disrupted not only how consumers purchase apparel and household items, but what food they eat, too. Other companies are looking to trending flavors and unique packaging to differentiate themselves, such as the Thanksgiving Pringles Flavors of 2018 or Chobani’s new packaging and label design.

Mergers and acquisitions: On-trend food and beverage companies are still attractive to both private equity (PE) firms and large brands. Many companies will still look to rising brands to help add new product lines versus investing in their own research and development to help save time and money, as well as reach new consumers. Companies will even undertake acquisitions in segments that have better prospects, even if they’re outside their traditional business. But companies looking for investment from PE will have to remain mindful of how tariffs affect their business as PE firms are continually taking that into consideration when evaluating prospects.

In the GTA, immigration is fueling much of the population growth, growing cultural diversity and creating opportunities in food production. Consumers are more interested in food than ever before and nutrition and health have become key drivers in the agri-food industry. Four main drivers are creating five growth opportunities that foreign companies should consider when looking to expand into Ontario (refer to Table C3).

Table C3
Business Drivers & Opportunities in the Food Sector

Main Drivers	Growth Opportunities
<ul style="list-style-type: none"> • Growing multi-cultural population demands unique culturally rooted vegetables and fruits • Aging population demands healthy and natural foods as opposed to processed. • Consumers are focusing on sustainability and health. • Smaller household size, focus on value and convenience 	<ul style="list-style-type: none"> • Greater focus on ethnic foods driven by immigration. • Organic market driven by age and income and is clustered in urban areas. • Increasing focus on organic foods and currently the majority come from imports. • Increasing market for bio-products. • Increasing demand for functional foods.

The Canadian greenhouse vegetable sector is the largest and fastest growing segment of Canadian horticulture. Greenhouse farming produces agricultural products in self-contained 'controlled environments' with systems supplying heat, water and nutrients, and often employing artificial lighting (in addition to sunlight) to nourish the plants. This method of farming requires investment in infrastructure and a strong understanding of the technology. In the early 1990s, Canada emerged as the largest producer of greenhouse products in North America. The United States and Mexico later become important greenhouse producers.

Canada's greenhouse industry produces tomatoes, cucumbers, lettuce, peppers, green beans, eggplants and various herbs and microgreen vegetables. Of these commodities, tomatoes, cucumber and peppers are the main greenhouse vegetable crops grown in Canada.

In 2017, there were a total of 887 commercial greenhouse vegetable operations with 17 million square metres of production area which produced over 634,000 metric tonnes of vegetables. There has been a steady increase in greenhouse vegetable production in Canada and it is anticipated that acreages in greenhouse vegetable production will continue the multi-decade trend of growth. Ontario continued to lead the greenhouse vegetable sector in 2017, representing 69 percent of the total production and harvested area in Canada, followed by British Columbia and Quebec with 19 percent and 6 percent, respectively.

The farm gate value (FGV) of Canada's greenhouse vegetables in 2017 was over \$1.4 billion, which was 7 percent higher than in 2016 and 17 percent higher than in 2013. Tomatoes accounted for 39 percent (\$557 million) of the total greenhouse vegetable FGV, followed by peppers and cucumbers, which accounted for 30 percent (\$422 million) and 27 percent (\$383 million), respectively.

Canadian greenhouse vegetable farms use both seasonal and permanent employees. Seasonal employees are employees who work less than eight months during the year, while permanent employees work more than eight months during the year. The total number of employees of specialized greenhouse operations has been relatively stable over the past five years. In 2017, 12,568 people were employed in the greenhouse vegetable sector: 7,258 permanent employees and 5,310 seasonal employees. Ontario itself accounted for 64 percent of the total number of greenhouse operation employees in Canada.

The value of greenhouse vegetable exports is the highest of all fresh produce (fruits, vegetables and potatoes) in Canada, accounting for 42 percent of all fresh produce exports. The total value of Canada's greenhouse vegetable exports grew for the fifth consecutive year, up 33 percent from 2013 to a record \$964 million in 2017. Tomatoes accounted for 41 percent of the total value of exports, followed by peppers with 34 percent. The United States has been Canada's main export destinations for greenhouse vegetables for the past five years. In 2017, the value of exports to the United States accounted for 99 percent of all Canadian greenhouse vegetable exports.

In 2017, Canada imported \$384 million worth of greenhouse vegetables (tomatoes, peppers, cucumbers and lettuce). The top two greenhouse vegetable import sources were Mexico, accounting for 88 percent and the United States, accounting for 9 percent. Tomatoes (51 percent) are the largest imported commodity, followed by peppers (37 percent) and cucumbers (12 percent).

Ontario's agri-food sector contributes more than \$36.4 billion towards the province's GDP and supports nearly 800,000 jobs. Sixty-five percent of Ontario's farm production is sourced by Ontario's food and beverage processing industry, which is the largest manufacturing sector in the Province, the largest food and beverage sector in Canada and one of the largest and most diverse in North America.

Halton Region's agricultural productivity and diversity continue to be major contributors to the success of Ontario's agri-food industry. The extensive Halton agricultural system is considered to be a key Regional economic driver. According to Halton Region's Rural Agricultural Strategy mushrooms, greenhouse products and nursery products were amongst top commodities produced in the Region.

Halton Region has an extensive "Greenhouse, Nursery and Floriculture" sector that extends well beyond Halton Hills. The Region has 57 farms reporting "Greenhouse, nursery and floriculture" during the 2016 Census which accounts for 13 percent of farms. There is also a strong history of greenhouse/nursery with the long establishment of Sheridan Nurseries which is in its 105th year.

According to Statistics Canada, Halton Hills has 11 farms that are reporting "Nursery and tree production" with most dealing with ornamentals. There are 3 Census farms reporting Floriculture production. These operations are scattered (Acton, Hornby, Limehouse). The statistics do not differentiate between wholesale and retail operations.

The growth in greenhouse operations is being stimulated by several factors. Greater awareness of climate change and the vulnerability of traditional agricultural operations is shifting especially younger farmers to explore greenhouse farming. Consolidation of farms and increasing cost of farmland especially near urban centres is also a factor encouraging new farmers to produce higher value crops on less land. Increasing interest in organic farming and the production of non-indigenous crops are also stimulating greenhouse farming especially in areas like the GTA with a strong multi-cultural population. High land costs, especially within the GTA, make it prohibitive for young farmers to enter the business. Greenhouse farming makes it more accessible.

3. Top Trends in Clean Technology

Canada's total installed electricity generation capacity is approximately 135 GW and is projected to reach 170 GW in 2035. The total electricity generated in Canada in 2016 was 648.2 TWH. Canada is among the world's top countries that rely mostly on clean hydro energy. The composition of energy sources for Canada's electricity generation in 2016 were hydro (62.4 percent), nuclear (15.5 percent), coal (9.5 percent), natural gas (6.8 percent), and other renewables (5.0 percent). The other renewable sources were mostly wind, with some biomass, solar, etc. (source: the Canadian National Energy Board, NEB). Coal-based power generation has already been eliminated in Ontario and Québec. British Columbia, Manitoba, Newfoundland and Labrador, Prince Edward Island and Yukon systems rely on hydro for more than 95 percent of power generation. Alberta and Saskatchewan are the only provinces that rely primarily on fossil fuels (more than 83 percent of generation).

The regulatory environment is centered at the provincial level, which has full authority over local electrical system regulations, policies, and enforcement. Jurisdictions are aiming to reduce existing coal-based generation and replace it with gas and renewable energy.

Canada is one of the world leaders in the production and use of energy from renewable sources – hydro, wind, solar, biomass – with significant developments in geothermal and marine energy, accounting for more than 67 percent of Canada's total electricity generation in 2016. According to the NEB, renewables like wind, biomass, geothermal, and solar are projected to reach 12 percent of total power generation by 2035. Total electricity generation has been relatively stable in recent years, because the increases in industrial, commercial, and residential electricity needs have been offset by improved efficiency solutions.

Canada ranks as the United States' second leading renewable energy market, after Mexico. Wind is Canada's second largest source of renewable energy (after hydro). Installed wind energy capacity reached 11,898 MW at the end of 2016. The leading provinces for wind are Ontario (4,781 MW), Québec (3,510 MW), and Alberta (1,479 MW). The cumulative solar PV power installed capacity was more than 2,500 MW by the end of 2015, with Ontario ranking as one of the top 20 solar electricity markets in the world based on solar installations.

The total Canadian power generation market defined by 20 HS codes at the 4-digit level covering equipment and materials for power generation, transportation, and distribution, and includes products such as nuclear reactors, power boilers, turbines and turbine generator sets, electrical equipment, and related auxiliary equipment, materials and parts (source: Statistics Canada). Based

on this definition of the sector, the total market size in 2018 was approximately US\$24 billion, with about \$14 billion in local production and \$11 billion in imports from the U.S. The table below provides more detailed statistics of the market.

Table C4
The Canadian Power Generation Market Size 2016 to 2018

US\$ Million	2016	2017	2018	2019 (Estimated)
Total Local Production	12,877	13,310	13,558	13,117
Total Exports	7,845	8,729	9,139	9,093
Total Imports	18,192	19,393	20,215	20,316
Imports from the US	9,956	10,713	10,977	10,812
Total Market Size	23,225	23,974	24,634	24,340

(total market size = (total local production + imports) - exports), US\$ thousands / Exchange Rate: US\$1 = C\$1.2957

The market drivers are primarily real-time domestic operational needs and provincial policies to align the overall installed capacity to cover the forecast demand and to transition to renewable energy sources. International trade and Canadian currency trends are two additional factors that influence the renewable energy market.

Leading Sub-Sectors

The following power generation and renewable energy sub-sectors recorded significant increases in 2018 indicating the best opportunities for U.S. exporters. The value of Canadian imports is listed in parentheses:

- Pumps for Liquids, Liquid Elevators (US\$2.7 billion)
- Switchgear Protecting Electrical Circuits, under 1000 volts (US\$1.96 billion)
- Gas Turbines and parts (US\$993 million)
- Copper wire (US\$253 million)
- Electric Generating Sets, Rotary Converters and parts (US\$1.02 billion)
- Switchgear Protecting Electrical Circuits, less than 1000 volts (US\$1.96 billion)
- Systems and components for refurbishment of 8 nuclear reactors
- Wind turbines, tower sections, rotor blades, casting and forgings and transformers
- Gears and generators for wind turbines

- Hydro energy turbines and equipment
- Smart Grid connection and energy monitoring equipment and software applications
- Engineering, construction, and logistics services
- Many other specific product groups and sub-groups

Significant opportunities that make Canada a top market for U.S. companies are driven by existing assets and plans for further development. Sixty to seventy percent of power generation facilities will have to be replaced or upgraded during the next 10-15 years. Total investment in the power generation sector is forecast to reach US\$290 billion by 2030, more than US\$195 billions of which would be allocated to power generation stations, with the remainder dedicated to the transmission and distribution segments (source: Conference Board of Canada). More than US\$20 billion in investment is committed for nuclear reactor refurbishments. The federal government and the provincial governments have dedicated funding programs. The 2019 Federal Government Budget indicates approximately US\$14.8 billion in funding for infrastructure projects, including those that reduce greenhouse gas emissions, deliver clean air and safe water systems, and promote renewable power. Examples include US\$22.3 million for Clean Wind Power project in Northwest Territories and US\$22.2 million for Renewable Tidal Energy project in Nova Scotia.

Opportunities for delivering all types of equipment, installations, components, and materials for all segments, from power generation and transmission to local distribution, exist through various projects across Canada such as:

- Lake Erie Connector Project (320KV line ON-PA) – Canadian portion
- Bruce Power, Tiverton, ON - nuclear generation plant – refurbishment of 6 reactors
- Darlington Nuclear Generation Plant, Darlington, ON – refurbishment of 2 reactors
- Revelstoke Dam Hydro Unit 6, 300MW
- New transportation lines and distribution stations, substations - large number of projects
- Refurbishments and upgrades of existing power generation and distribution stations and substations.
- Plan Nord – Québec
- Hydro dams and generation stations refurbishment projects in BC, AB, and QC

The 2019 Sustainable Energy in America factbook was released February 13, 2019 by Bloomberg New Energy Finance (BloombergNEF) and the Business Council for Sustainable Energy (BCSE). The factbook highlights a number of key trends in sustainable and renewable energy growth, emissions and jobs in the sector.

- Gas and renewables are pushing out coal. Natural gas and renewable energy generated 53 percent of U.S. electricity in 2018, up from 35 percent in 2009. This trend is expected to continue.
- Wind and solar dominate renewable growth. Wind and solar capacity have more than quadrupled since 2009 (from 36.2 GW to 164.6 GW in 2018).
- Transportation sector emissions are now greater than power sector emissions and overall carbon emissions rose in 2018.
- EV sales are rising quickly. EVs accounted for 1.3 percent of total vehicles sold in the U.S in the 4th quarter of 2017. By the third quarter in 2018, that had nearly doubled to 2.5 percent, then hit 3 percent by the fourth quarter. Total growth was over 80 percent in 2018. There are now more than 350,000 EVs on the road and the number of charging sites grew 28 percent
- Clean energy (including natural gas) and energy efficiency support over 3 million American jobs.
- Corporates continue to drive the growth of renewable energy. Facebook was the largest corporate offtaker for solar in 2018. AT&T was the largest corporate offtaker²⁰ for wind.

²⁰ An offtaker is an organization that enters into an agreement with the developer to purchase energy from a project before construction thus ensuring a market for the energy.

Appendix D

The Lead Generation Funnel

In 2018 Halton Region received 27 investment leads/inquiries, 17 came directly to the Region while 10 came from Toronto Global. Of those inquiries 4 mentioned Halton Hills specifically and none of those were from foreign companies looking to expand to Canada but were from companies already established in the Toronto region. The inquiries came from companies engaged in manufacturing (plastics, asphalt), food processing and logistics.

Of the 27 leads, 12 were generally interested in “Halton Region/West GTA” and they came from organizations located in the U.S., U.K., Pakistan, Brazil and Ireland. These inquiries were looking for general information and the communities were not aware of the organization asking for the information so follow-up was not possible. Consequently, Halton Hills has not had the opportunity to develop a lead funnel that it can manage and develop over time. One of the recommendations of this initiative is two in-market missions that will generate about 50 leads that Halton Hills can manage and build relationships with.

The lead generation funnel reflects how an organization defines and implements its Foreign Direct Investment attraction mandate. It brings in several core functions such as:

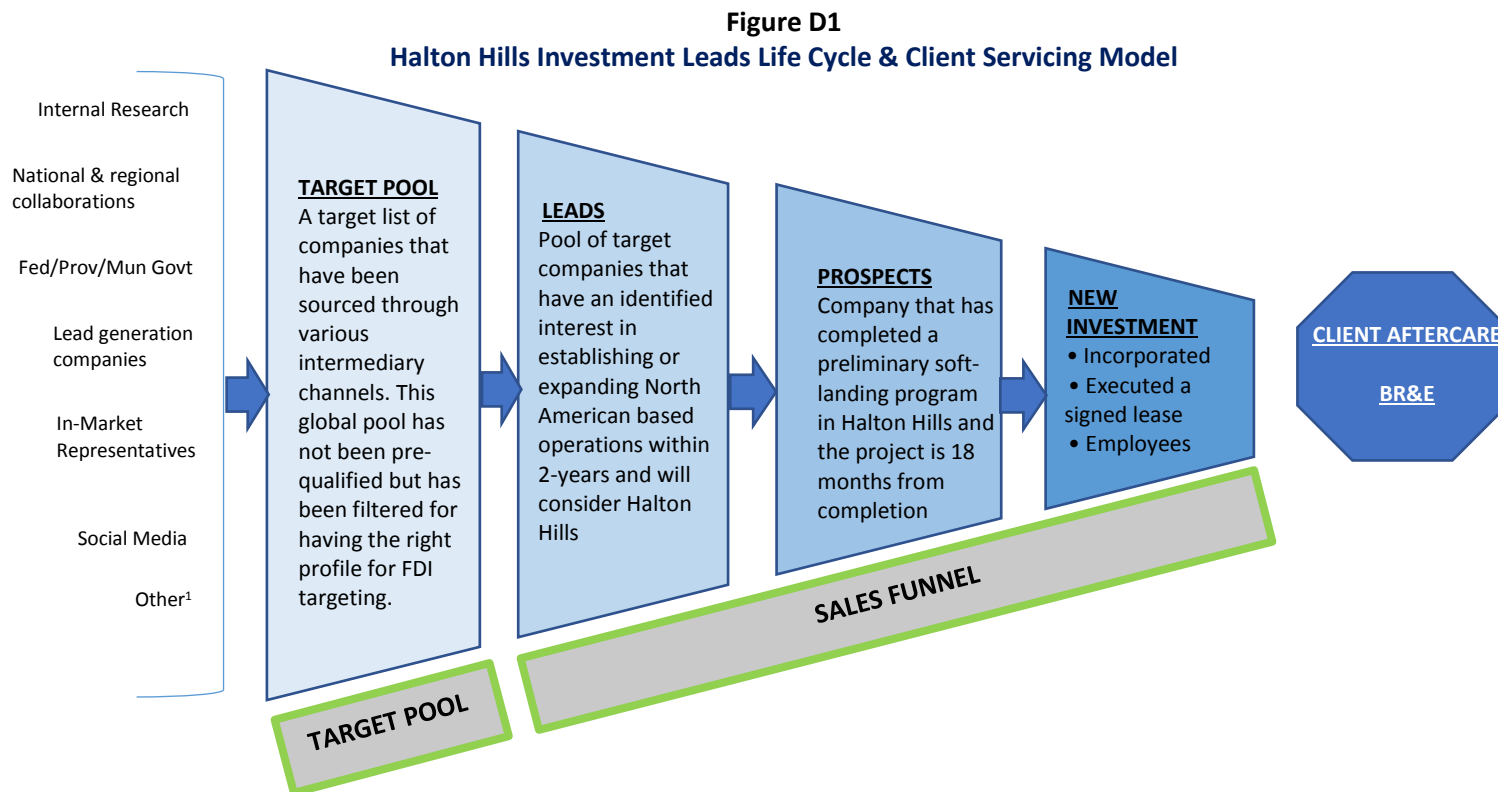
- Level of understanding of a community’s SWOT.
- Developing a unique value proposition (UVP) that distinguishes you from your competitors.
- Effective communication of a community’s message to an international business audience.
- Establishing effective and productive intermediary relationships.
- Identifying the optimum market and target companies.
- How success is measured and defined
- Delivery of the client servicing and after-care program.
- Understanding of the target market and the company’s investment drivers.
- Resource capacity of a community both financial and personnel.
- Overall execution efficiency of the FDI strategy

Halton Hills FDI Attraction Strategy

Prospecting activities to secure and fill the funnel with qualified leads can include a number of channels:

Halton Hills Awareness Building Campaigns	<ul style="list-style-type: none"> • Media Relations • Business Ambassadors • Advertising 	<ul style="list-style-type: none"> • Social Media Platforms • Website
Qualified Lead Prospecting	<ul style="list-style-type: none"> • Internalized • Corporate Call Program • Agency/Government Referrals • Trade Shows/Conferences 	<ul style="list-style-type: none"> • International Intermediary Relationships • Key Account Executives • Sector-based Associations
Investment Servicing	<ul style="list-style-type: none"> • Incoming Delegations • Sister-City Twinning Agreements 	<ul style="list-style-type: none"> • Services to Partner Organizations (local) • Services to Partner Organizations (Int'l)

The Lead Generation Funnel includes all the leads that Halton Hills is currently managing at various investment ready stages. A proposed investment leads cycle and client servicing model for Halton Hills is described below (Figure D1).



Halton Hills FDI Attraction Strategy

Target Pool	<ul style="list-style-type: none"> • Represents the collective leads that have been referred to Halton Hills through various intermediary channels, from either a proactive or reactive lead generation program. • Companies are provided with Halton Hills' UVP, customized for the company's specific sector, including a high-level response that aligns with their needs.
Leads	<ul style="list-style-type: none"> • Companies that have been identified as having some elements of the pre-qualified criteria, including, but not limited to the following: <ul style="list-style-type: none"> - Within Halton Hills targeted sector(s) - Have plans for internationalizing, which include North America as a destination - Have the capacity to expand operations based on number of employees, operational budget and current market share - Products and/or services have a potential market in North America - Have a current client base and sales in North America, but no physical presence - Expansion project timeframe for completion is within 2 -3 years • Expansion project involves setting up a physical location and creating a minimum 3 jobs over 2 years.
Client File Closed	<ul style="list-style-type: none"> • Successful closures will be introduced to the Business Retention & Expansion (BR&E) team for implementation of the Investment Aftercare Program. • Company has decided to move to another location, or is no longer considering an expansion to Canada, or is considering other market entry options. <ul style="list-style-type: none"> - SWOT analysis of the investment process to identify the reasons and circumstances that led to unsuccessful closure of the company.

Appendix E

Trends in Foreign Direct Investment

According to the Bank of Canada's 2019 Economic Outlook, the Canadian economy will remain solid in 2019 and will likely continue to expand at about 2 percent. Trade tensions between Canada and the US have been largely resolved however, trade tensions with China continue, cooling FDI attraction activity in that market.

Provincial GDP growth is anticipated to ease from over 2 percent in 2018 to approximately 1.3 percent by 2020. Ontario continues to perform well in terms of attracting FDI and ranks as the top Canadian and one of the top three jurisdictions in North America for FDI attraction. However, the growth of emerging economies will intensify the global competition for FDI. There will therefore be a need to focus on sectors and foreign markets that generate a high return on investment, align with provincial and federal government priorities and bring broad economic benefits that improve sector diversity throughout Halton Hills.

From a provincial perspective the Bank of Canada expects that British Columbia, Ontario and Quebec will drive Canada's growth in 2019. Over the past several years, the Ontario economy has experienced steady economic growth. This growth has been partially driven by a gradual recovery in the manufacturing sector, which has been fueled by a lower-valued Canadian dollar and a gradual strengthening of the U.S. economy. Looking forward, provincial GDP growth is anticipated to ease from over 2 percent in 2018 to approximately 1.3 percent by 2020. Largely as a result of a tightening labour market, rising household debt, slowing global economic growth and increasing global economic uncertainty.

Ontario continues to perform well in terms of attracting FDI and ranks as one of the top jurisdictions in North America for FDI attraction. *FDI Intelligence* indicates that Ontario as a whole continues to be one of the top performing jurisdictions in North American for attracting FDI. A stable government, a strong business sector, excellent educational facilities, skilled well-educated labour force, favorable tax climate, generous R&D tax credits, favourable health care costs and a superb quality of life are strong contributing factors.

However, from an FDI attraction perspective the growth of emerging economies provides more choice for potential investors, intensifying the global competition for FDI. Capital is flowing at an increasing rate to more countries than ever before. The competitive landscape for North America is more challenging than in the past. There will therefore be a need to focus on sectors

and foreign markets that generate a high return on investment, align with provincial and federal government priorities and bring broad economic benefits that improve sector diversity throughout Halton Hills.

The Town's FDI strategy needs to focus on corporations that have no presence in Canada and are recognized as global leaders in their sector. These companies have the capacity to play a key role in the local industry value-chain. They can link with the R&D/innovations taking place in universities, colleges and incubators serving Halton Hills. Some may even have niche or disruptive technology that can contribute to transforming a cluster, making it world-class.

Halton Hills' FDI Strategy should target foreign corporations that can strengthen and diversify the supply chain in the Town's key clusters, can bring knowledge intensive resources to leverage and stimulate innovative R&D and are seeking to diversify into less volatile markets. The strategy should focus on foreign markets where strong economic growth is creating a pool of well-financed organizations seeking to globalize. These markets where possible should be aligned with Canada's key foreign markets and free trade agreements like CETA, CUSMA, South Korea, and Mercosur. They should also align with Ontario's key foreign markets, Regional priorities and should offer significant opportunities based on reputable FDI analysis.

Over the years, Canada has been named as one the best countries in the world to headquarter a business and has been ranked; 2nd Best Place in the World to Start a Business (The World Bank 2017); 3rd in the 2018 Global Entrepreneurship Index (Global Entrepreneurship and Development Institute); and #2 for the Best Place to Locate a Global HQ (US News and World Report 2018). Canada's Free Trade deals with 46 countries provide access to a market of 1.6 billion customers, which is seen as an advantage for many foreign investors. For its part, Canada acts as a stepping-stone for corporate expansion into the North American and European markets.

In 2018, the stock of FDI in Canada rose by \$42 billion in 2018 to reach \$877 billion. This is the fastest growth in FDI stock since 2015. In addition, the growth of FDI stock (5 percent) was faster than that of nominal GDP (3.6 percent). Consequently, the ratio of FDI stock to GDP – a measure of Canada's dependency or orientation toward FDI – rose slightly from 39.0 percent in 2017 to 39.5 percent in 2018.

By comparison, the stock of CDIA rose by 10.4 percent to reach \$1,289 billion in 2018, a \$122 billion gain from 2017. The majority of that increase was due to valuation gains from a weaker Canadian dollar. The finance and insurance sector continues to be the most important destination of CDIA, along with the mining, oil and gas, and the management of companies and enterprises sectors.

Together, these three sectors represented almost two-thirds of total CDIA stock. Overall, Canadian Direct Investment Abroad (CDIA) stock exceeded FDI stock by a record-high \$412 billion in 2018, maintaining Canada's position of a net exporter of direct investment.

Just over three-quarters of the stock of FDI in Canada in 2018 originated from five sources of FDI - the United States (46 percent), the Netherlands (12 percent), Luxembourg (6 percent), the United Kingdom (6 percent) and Switzerland (5 percent) (Refer to Table E1 below).

Table E1
Shares of the Top 10 Geographic Sources of FDI stock in Canada, 2018 (percent)

No.	Country/Territory	Share (percent)
1	United States	46.3
2	Netherlands	12.2
3	Luxembourg	6.4
4	United Kingdom	5.7
5	Switzerland	5.3
6	Japan	3.3
7	Hong Kong	2.5
8	Germany	1.9
9	People's Republic of China	1.9
10	Bermuda	1.9
	Others	12.6
	All Countries/Territories	100.0

Source: Office of the Chief Economist, Global Affairs Canada, Data: Statistics Canada

The high rankings for the Netherlands and Luxembourg are due primarily for their importance as reputable financial centres from where FDI is channelled elsewhere. Among emerging economies, China was the only one among the top ten, (ranking ninth with 1.9 percent), while Brazil stood just outside the top 10 (ranking eleventh with 1.7 percent).

Although the United States continues to be by far the most important source of FDI for Canada with \$406 billion of FDI stock, its relative importance has declined over the past decade. Its share stood seven percentage points lower than in 2008 when it was 53

percent. Most of that decline was offset by the combined share for European countries rising by almost five percentage points over the same period, standing at 38 percent in 2018.

Five sectors received more than 85 percent of the FDI stock: manufacturing (23 percent); mining, oil & gas (20 percent) management of companies and enterprises (20 percent); finance and insurance (15 percent); and wholesale trade (9 percent).

While the manufacturing sector has the highest share of FDI stock, its share has been dropping over time; it stood at 33 percent in 2008. Investors have been incorporating their foreign affiliates in Canada as operating in management of companies and enterprises more frequently over the same period, leading to an increase in Canada's share for this sector of four percentage points since 2008.

While statistics on sources of FDI are reported according to Immediate Investing Country, which is the last country through which the FDI transited before entering the domestic economy, Statistics Canada released for the second year the FDI statistics based on Ultimate Investing Country, as recommended by the Organization for Economic and Co-operative Development (OECD). This concept allows countries to look through complex corporate ownership structures to see the country of the investor who ultimately controls the investment. It is useful to better understand and assess investment strategies used by multinational organisations.

The data shows that five of Canada's top ten FDI sources as measured by Immediate Investing Country experienced an increase in their shares on an Ultimate Investing Country basis: the U.S., the U.K., Japan, Germany and China.

Table E2
FDI Stock in Canada for top 10 immediate investors by
Immediate (IIC) and Ultimate Investing Country (UIC), 2017 (percent)

Country/Territory	Share (percent)		Difference (Percentage Points)
	IIC	UIC	
United States	46.3	51.2	4.9
Netherlands	12.2	2.4	-9.8
Luxembourg	6.5	2.7	-3.8
United Kingdom	5.6	6.3	0.7
Switzerland	5.3	3.5	-1.8
Japan	3.4	4.7	1.3

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Hong Kong	2.4	1.4	-1.0
Germany	2.0	3.2	1.2
People's Republic of China	1.9	3.3	1.4
Bermuda	1.0	0.1	-1.8
Others	12.5	21.2	8.7

Source: Office of the Chief Economist, Global Affairs Canada, Data: Statistics Canada

In contrast, as can be expected, substantial declines in stock of FDI to Canada from countries that offer fiscal advantages to investors (low-tax jurisdictions) occur when investment is reallocated on an Ultimate Investing Country basis: Netherlands, Luxembourg, Switzerland, Hong Kong and Bermuda. Finally, it is worth noting that Brazil and France are among the top ten sources of Canada's FDI stock on an ultimate investing country, with shares of 3.3 percent and 2.1 percent respectively.

Table E3
Shares of the Top 10 Ultimate Investing Countries in Canada's FDI stock, 2017 (percent)

No.	Countries	Share (percent)
1	United States	51.2
2	United Kingdom	6.3
3	Japan	4.7
4	Switzerland	3.5
5	Brazil	3.3
6	People's Republic of China	3.3
7	Germany	3.2
8	Luxembourg	2.7
9	Netherlands	2.4
10	France	2.1

Source: Office of the Chief Economist, Global Affairs Canada, Data: Statistics Canada

Appendix F

Factors Influencing Investment and Site Selection

Halton Hills can position itself as an attractive investment location for foreign companies by leveraging and building on Canada's unique value proposition (UVP) that includes an attractive business environment, access to capital, cost-competitiveness, incentives, solid economic fundamentals and market access. However, meeting the increasing challenges faced by economic development agencies to attract global investment requires a multi-faceted approach. Understanding the economic and industry trends and their impact on site selection decision-making is part of a multi-prong strategy. These factors will drive the direction and development of Halton Hills UVP.

Global economies are forever changing, and economies such as India, China, Brazil and Mexico who have significantly lower industry cost structures are all aggressively aiming to capture a larger share of the global investment market. Canada's economic fundamentals however are strong and from an international perspective the robust economic indicators are a message that resonates well with investors undertaking site selection due diligence

Trends such as lower trade barriers, less stringent financial markets, advances in research & development, artificial intelligence and communication technologies, reduction in transportation costs and increasing global flows of capital, goods and services are all impacting on where international companies are producing their final products.

Understanding the economic and industry trends and their impact on site selection decision is part of a multi-prong strategy. Communities like Halton Hills are facing a number of challenges when it comes to attracting FDI, including;

- An intense competition for projects,
- An increase in the variety of location alternatives – new players,
- A proliferation of investment attraction agencies,
- An increase level of professionalism,
- Greater consistency in FDI Attraction approaches worldwide,
- The worldwide availability of information,
- More sophisticated and demanding investors, and

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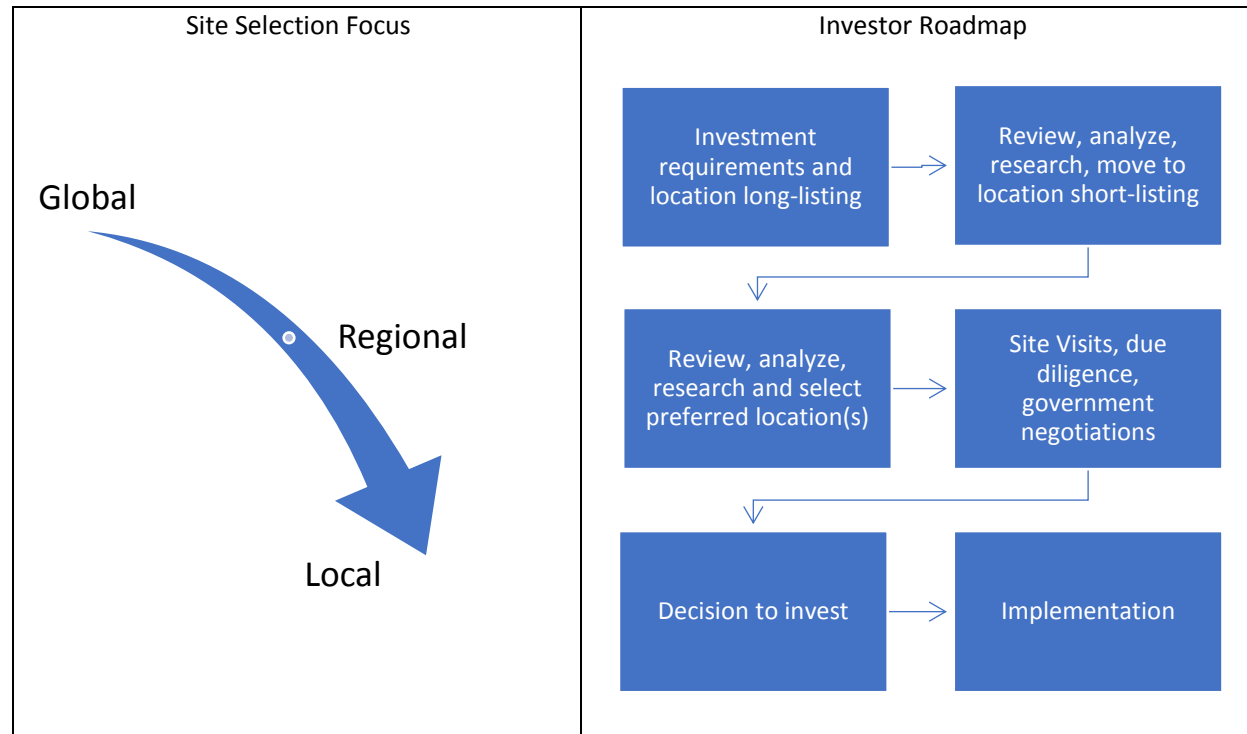
- A general lack of differentiation amongst location alternatives.

To counteract these challenges Halton Hills needs to incorporate a number of factors to help it successfully attract new investment, including:

- Strategy and focus – clearly defined target markets (industry sectors and geographic markets) that focus on the optimum areas of opportunity for Halton Hills
- Compelling value proposition – specific and demonstrable benefits of Halton Hills tailored to the requirements of target sectors and companies.
- Proactive approach – sales driven approach based on contacting and engaging key target companies to create investment opportunities.
- Client servicing – responsive, enthusiastic and professional in all aspects of its performance.
- Creativity and image – creating a positive, recognizable and sustainable image for Halton Hills as a location with investment project opportunities.

The effective implementation of an FDI Attraction Strategy recognizes the importance of influencing decision making at the earliest stage in the process. The process of selecting a suitable site by a potential investor typically begins at the global level when they decide on whether they should make the investment in North America, South America, Europe or Asia. Once the broad location decision is made investors begin to consider countries. For example, in North America they would choose between Canada or the U.S. and then regions – California, New York, Ontario, and then communities for example, San Francisco, New York or Toronto.

Figure F1
Site Selection Process



As the winnowing process continues, investors or their agents will make site visits to engage the local business community, government officials and other business specialists as part of their due diligence in an effort to select the location that best meets the needs of the company. The decision to expand internationally is made by the President/CEO and is driven by a number of considerations both quantitative and qualitative. These considerations include:

Halton Hills FDI Attraction Strategy

<p>Labour Availability and Cost</p> <ul style="list-style-type: none"> • Skilled and unskilled workers • Researchers, scientists and engineers • Labour market flexibility • Ease of hiring foreign labour 	<p>Economics</p> <ul style="list-style-type: none"> • Macroeconomic stability • Inflation and interest rates • Exchange rate prospects • Sophistication of financial markets
<p>Business Locations & Networks</p> <ul style="list-style-type: none"> • Identifying the optimum location for the business • Locating the business in a cluster or business incubator • Identifying local support • Links with Universities and research organizations • Strategic partnerships with business 	<p>Business Setup Costs</p> <ul style="list-style-type: none"> • Rates & charges • Company forming & registration • Cost of re-sizing/closing the business • Corporate Banking
<p>Political Stability</p> <ul style="list-style-type: none"> • Strong business environment • Efficient legal framework • International Agreements – Free Trade Agreements (FTAs), Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA), United States–Mexico–Canada Agreement (CUSMA) 	<p>Quality of Infrastructure</p> <ul style="list-style-type: none"> • ICT Infrastructure • Physical infrastructure • Transportation links • Utility costs and efficiency
<p>Market Conditions</p> <ul style="list-style-type: none"> • Market size • Access to markets – Europe, Americas, Asia, etc. • Market growth potential • Export performance 	<p>Regulatory Environment</p> <ul style="list-style-type: none"> • An investor friendly framework • Speed and cost of forming a company • Eligibility for visas and work permits • Well-protected intellectual property rights • Low corruption level • High accounting standards
<p>Quality of Life</p> <ul style="list-style-type: none"> • Education facilities – international schools • Health care system • Real estate & housing • Creative arts & culture 	<p>Capital & Funding</p> <ul style="list-style-type: none"> • Financial incentives/tax credits • Venture capital/private equity • Low cost finance

Halton Hills FDI Attraction Strategy

<ul style="list-style-type: none"> • Personal banking • Personal tax rates 	
<p>Tax</p> <ul style="list-style-type: none"> • Efficiency of the tax system • Corporate tax 	

FDI location factors such as these drive the direction and development of Halton Hills' UVP – Top Reasons for Investing in Halton Hills:

- Economic Context/Canada/Ontario/GTA/Halton Region
- Proximity and Access to Market
- Labour Force Availability and Cost
- Low-Risk Business Environment
- Cost Competitive Business Environment
- World Class Education
- Leadership in Innovation - R&D Tax Credits - Economic Development Grants and Subsidies
- Extensive and Superior Infrastructure - Availability of Industrial Land - Residential Real Estate
- Business Networks/Political Stability
- Diverse and Multi-Cultural Population
- Premier Region for Quality of Life
- Key Sector Profiles/Featured Companies

Appendix G

Marketing and Communication Audit

Introduction

Halton Hill's marketing and communications analysis is a general examination of the brand's current position in the market and a review of its effectiveness. The following section analyzes current assets to determine the strength of the Halton Hill's brand together with its weaknesses or inconsistencies, and opportunities for improvement and new developments.

The analysis consists of two elements:

1. External branding: business logo, print and online marketing materials, public relations, website, social media presence, email marketing and content marketing; and
2. Customer experience: sales process, customer support and customer service policies.

Brand Summary



Town of Halton Hills and Invest Halton Hills

Website: www.investhaltonhills.com

Website: www.haltonhills.ca



About Halton Hills Economic Development

Located within the Greater Toronto Area, the economic engine of Canada, the Town of Halton Hills is famed for its quality of life, open-for-business approach and leadership in sustainable development. View the Discover page and review the whole website for a wealth of information or enjoy a snapshot version via the Community Profile.

The Town's Economic Development division provides high-quality support to the business community, fostering a prosperous and sustainable economy to enhance quality of life. Focused efforts include business retention and expansion; competitiveness in the

global marketplace; industry engagement; implementation of the Community Improvement Plan and the Manufacturing Expansion Fund; and tourism.

Primary Value Proposition	<ul style="list-style-type: none">▪ Advanced Manufacturing (120 companies)▪ Logistics & Warehousing (40 companies)▪ Food & Beverage Processing (13 companies).
Secondary Value Proposition	<ul style="list-style-type: none">▪ Cleantech▪ Arts & Culture

Foreign Direct Investment Strategy

Foreign Direct Investment (FDI) is part of the Town's comprehensive economic development efforts to benefit local businesses and create local jobs. Building on past successes, the Town is now developing a comprehensive FDI Strategy that will have a global perspective. The Foreign Direct Investment (FDI) Strategy is an important component of the overall Economic Development and Tourism Strategy. The FDI Strategy will identify and leverage potentially significant international investment opportunities to support local economic activity and job creation. The Strategy will align with Federal and Provincial investment priorities, trade strengths, target markets, key sectors and policy directions.

Brand Visuals and Messaging

The brand is delivering consistent messaging and visuals, which allows audiences to easily recognize the brand and align it across platforms. The brand requires an update in messaging to be appealing to the business community and provide value to become a trusted source for support to grow or establish a business in Halton Hills.

Search Engine Optimization Results (www.investhaltonhills.com)

The website has some level of optimization but could be improved further. SEO is important to ensure that a community can maximize ranking potential and drive traffic to their website from search engines. The Town should ensure that their page fulfils common recommended improvements outlined here before moving onto more advanced SEO strategies.

HTML Header

Title Tag: The website has a title tag of optimal length (between 10 and 70 characters).

Title Tag	Length
Home Page Halton Hills	24

Meta Description Tag: The website appears to be missing a meta description tags. A meta description is important for search engines to understand the content of the Town's page and is often shown as the description text blurb in search results.

Body Content

Header Tags: The website is making good use of header tags. HTML header tags are an important way of signaling to search engines the important content topics of the Town's page, and subsequently the keywords it should rank for.

Keyword Consistency: The website's main keywords are not distributed well across the important HTML tags. The page content should be focused around particular keywords that the Town would like to rank for. Ideally, these keywords should also be distributed across tags such as the title, meta and header tags.

Here is a high-level breakdown of Halton Hills' home page to better understand its current keywords.

Halton Hills FDI Attraction Strategy

Individual Keywords

Keyword	Title	Meta Description Tag	Headings Tags	Page Frequency	
hills	✓	×	✓	31	<div></div>
halton	✓	×	✓	31	<div></div>
business	×	×	×	23	<div></div>
economic	×	×	✓	13	<div></div>
community	×	×	×	12	<div></div>
share	×	×	×	12	<div></div>
development	×	×	✓	10	<div></div>
town	×	×	✓	10	<div></div>

Phrases

Phrase	Title	Meta Description Tag	Headings Tags	Page Frequency	
halton hills	✓	×	✓	31	<div></div>
share on	×	×	×	9	<div></div>
of life	×	×	×	7	<div></div>
economic development	×	×	✓	6	<div></div>
the town	×	×	✓	6	<div></div>
in halton	×	×	×	6	<div></div>
in halton hills	×	×	×	6	<div></div>
learn more	×	×	×	6	<div></div>

Amount of Content: The Town's page has a good level of textual content, which will assist in its ranking potential. Word Count: 1118.

Halton Hills FDI Attraction Strategy

Image Alt Attributes: Ensure all the Town's images have an alt attribute, which is currently missing in some cases on the website. An alt attribute specifies an alternate text for an image, if the image cannot be displayed.

Links

Broken Links: No broken links were detected on the website.

Friendly URLs: The website links appear friendly (easily human or search engine readable).

Other

Robots.txt: The website appears to have a robots.txt file. (<http://www.investhaltonhills.com/robots.txt>)

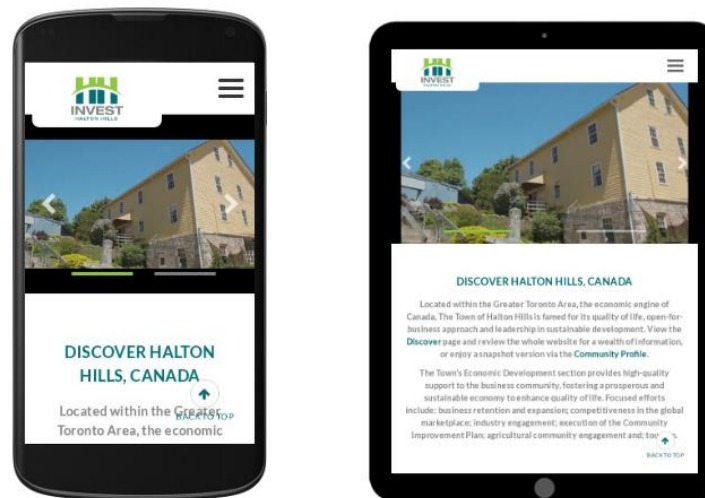
XML Sitemaps: The website appears to have an XML sitemap. (<http://www.investhaltonhills.com/sitemap.xml>)

Analytics: The website is using an analytics tool- Google Analytics.

Usability

The website is acceptable but could be more usable across devices. Usability is important to maximize the Town's available audience and minimize user bounce rates (which can indirectly affect the Town's search engine rankings).

Device Rendering: This check visually demonstrates how the website renders on different devices. It is important that the website is optimized for mobile and tablet experiences as today the majority of web traffic comes from these sources.



Use of Mobile Viewports: The website specifies a viewport matching the device's size, allowing it to render appropriately across devices.

Flash Use: No Flash content has been identified on the page.

iFrames Used: The page appears to be using iFrames. iFrames are discouraged as they can complicate navigation of content in mobile and have historically been harder to index for search engines. There are particular coding libraries however such as Google Tag Manager that require iFrames as part of their functionality.

Favicon: The website has specified a favicon.²¹

Legible Font Sizes: The text on the website appears to be legible across devices.

Tap Target Sizing: Some of the links or buttons on your page may be too small for a user to easily tap on a touchscreen. Consider making these tap targets larger to provide a better user experience.

HTML Block

```
<a href="/Discover/#discover">Community Profile</a>
```

```
<a href="#" class="fa fa-pinterest">Share on Pinterest</a>
```

```
<a href="#" class="fa fa-pinterest">Share on Pinterest</a>
```

```
<a href="/discover">Discover</a>
```

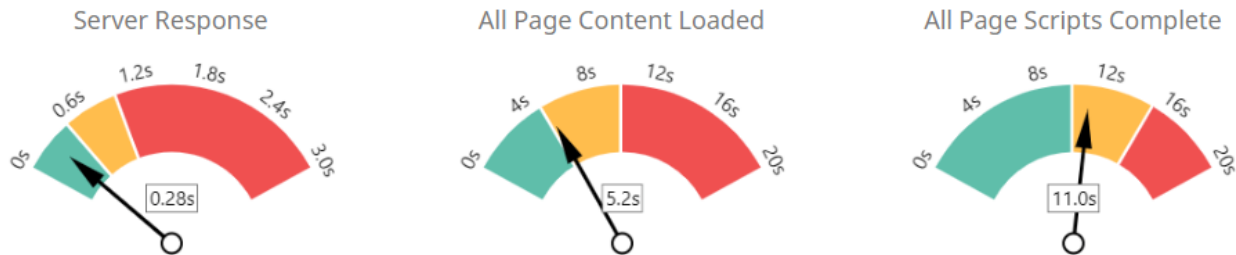
Performance Results

The website's performance has some issues and room for improvement. Performance is important to ensure a good user experience, and reduced bounce rates (which can also indirectly affect Halton Hills' search engine rankings).

²¹ A favicon also known as a shortcut icon, website icon, tab icon, URL icon, or bookmark icon, is a file containing one or more small icons, associated with a particular website or web page.

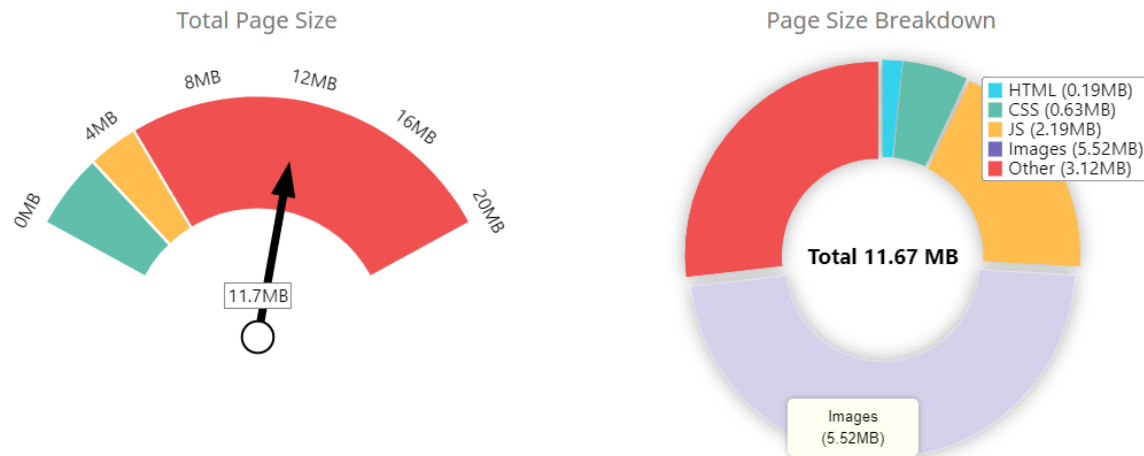
Halton Hills FDI Attraction Strategy

Page Speed Info: The website's server response time is reasonably low which is good for load speed and user experience.



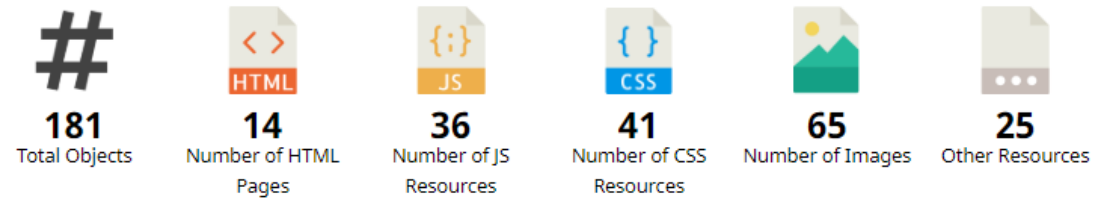
Page Size Info: The page's file size is quite large which, regardless of other optimizations, can reduce load speed and impact user experience. A general rule is to keep the page under 5MB in total file size.

Here is a high-level breakdown of Halton Hills' page size info.



Halton Hills FDI Attraction Strategy

Number of Resources: This check displays the total number of files that need to be retrieved from web servers to load your page. As a general rule, having more files to retrieve increases the number of server requests and can subsequently increase page load time. It is a good idea to removing unnecessary files or consolidate files like styles and scripts where possible.



JavaScript Errors: The website is not reporting any JavaScript errors.

GZIP Compression: The website is using GZIP compression.

Optimize Images: The Halton Hills page appears to include images which are poorly optimized. Properly formatting and compressing images can have a significant impact on page load performance.

Halton Hills FDI Attraction Strategy

Image	Save Size	Save Percentage
http://www.investhaltonhills.com/sites/default/files/2017-11/AirportArrival_GovtDelegation2_CBdx_0.JPG	1.8MiB	98%
https://live.staticflickr.com/4815/30798853007_15d635a3c8_b.jpg	273.6KiB	89%
https://live.staticflickr.com/4864/45950574075_73a5aee57b_b.jpg	267KiB	83%
https://live.staticflickr.com/4827/45688729352_9dbd7490cc_b.jpg	242.1KiB	88%
https://live.staticflickr.com/4811/45688732472_847cbbba1b_b.jpg	225.4KiB	89%
https://live.staticflickr.com/1907/31867644778_8b0743d9c8_b.jpg	170.3KiB	88%
https://live.staticflickr.com/4817/31867645048_4cbb3ac5d1_b.jpg	161.7KiB	87%
https://live.staticflickr.com/1964/45739222791_68bd55543d_b.jpg	157.5KiB	88%
https://live.staticflickr.com/1943/45688729532_e6c2330376_b.jpg	154.7KiB	88%
https://live.staticflickr.com/4864/46140073214_4628068bdd_b.jpg	139.2KiB	78%
https://live.staticflickr.com/1915/45688729032_6fbdbc33fa_b.jpg	135.8KiB	77%
https://live.staticflickr.com/4836/45688732372_4b1985db71_b.jpg	131.2KiB	85%
https://live.staticflickr.com/1948/45688729162_2ca21c358d_b.jpg	106.5KiB	87%
http://www.investhaltonhills.com/sites/default/files/styles/full_width_crop_1600_x_500_/public/2017-08/image-content-block_04.jpg?itok=Tp_ZHt2s	8.5KiB	42%
http://www.investhaltonhills.com/themes/haltonhills/images/dropdown-arrow.png	6.6KiB	96%

Halton Hills FDI Attraction Strategy

https://live.staticflickr.com/1943/45688729532_e6c2330376_b.jpg	154.7KiB	88%
https://live.staticflickr.com/4864/46140073214_4628068bdd_b.jpg	139.2KiB	78%
https://live.staticflickr.com/1915/45688729032_6fbdbc33fa_b.jpg	135.8KiB	77%
https://live.staticflickr.com/4836/45688732372_4b1985db71_b.jpg	131.2KiB	85%
https://live.staticflickr.com/1948/45688729162_2ca21c358d_b.jpg	106.5KiB	87%
http://www.investhaltonhills.com/sites/default/files/styles/full_width_crop_1600_x_500_/public/2017-08/image-content-block_04.jpg?itok=Tp_ZHt2s	8.5KiB	42%
http://www.investhaltonhills.com/themes/haltonhills/images/dropdown-arrow.png	6.6KiB	96%
http://www.investhaltonhills.com/modules/blocks_social_feed/src/images/social-feed-bg.jpg	3.7KiB	11%
http://www.investhaltonhills.com/themes/haltonhills/js/bxslider/images/controls.png	2.9KiB	76%
http://www.investhaltonhills.com/themes/haltonhills/logo2-white.png	2.7KiB	42%
http://www.investhaltonhills.com/sites/default/files/2018-01/chinese-flag.png	883B	58%
https://yt3.ggpht.com/-KKKo77IUIx4/AAAAAAAAAI/AAAAAAAAAA/hUichw7gIGY/s68-c-k-no-mo-rj-c0xffffff/photo.jpg	783B	33%
http://www.investhaltonhills.com/themes/haltonhills/logo-white.png	470B	14%

Minification: All your JavaScript and CSS files appear to be minified.

Deprecated HTML: No deprecated HTML tags have been found within the website.

Inline Styles: The website appears to be using inline styles. Inline styles are an older coding practice and discouraged in favor of using CSS style sheets, due to their ability to degrade page load performance and unnecessarily complicate HTML Code.

Line	Style
1131	background-image:url('')
1171	background-image:url('')
1211	background-image:url('')
1253	background-image:url('')
1293	background-image:url('')
1582	text-align:center

Social Results: The website does not appear to have a strong social presence or level of social activity. Social activity is important for customer communication, brand awareness and as a marketing channel to bring more visitors to the website. We recommend that Halton Hills has all of its profiles listed on the page for visibility, and work to build a following on those networks. Currently the Town's marketing tools are not supporting each other as the Town does not have an economic development-specific Instagram or a LinkedIn profile.

Security Results

SSL Enabled: The website has SSL enabled.

HTTPS Redirect: The website does not redirect to a HTTPS (SSL secure) version.

Malware Check: The website has been flagged as safe by popular malware scanners.












Email Privacy: No email addresses have been found in plain text on the website.

Technology Results

These software or coding libraries have been identified on the website:

Halton Hills FDI Attraction Strategy

	Technology	Version
	Apache	
	Drupal	8
	Google Analytics	
	Google Font API	
	jQuery	
	Modernizr	
	PHP	
	Twitter	
	YouTube	

Website Wireframe and Customer Journey:

- **Call-to-Action:** The website is lacking a “call-to-action” on key pages; it is not prompting visitors to do anything specific to convert them or driving visitors to specific parts of the website. It does direct visitors to the “Discover” page, however, this is an all-encompassing page which will not drive conversions for the Town.
- **Wireframe:** The wireframe is the blueprint of the website and currently is lacking organization; this may have been due to items being added to the website over a course of time by different leads. It is highly recommended to review and update this as this affects accessibility to information.
- **Home Page:** The home page requires content updates. The content is generic and needs to capture visitors with unique value proposition points, for example, stats.

Driving Conversions:

After reviewing Google Analytics and Social Media posts, it is evident that these are not platforms driving conversions nor traffic to the main website. These need to act as referral sources especially since they are where many businesses will visit first.







Halton Hills' strategy should include link building and referencing the www.investhaltonhills.com website when posting about business in Halton Hills and how to grow. Also, frequency of content needs to be much greater and content that adds value. *Example, A high-level overview shows that #HHEconomicDevelopment was only posted 6 times in 2019 on Facebook asking viewers to read the newsletter. The posts have no international or local hashtags to drive viewers nor does it prompt visitors to read more with information to excite them. The newsletter sign up links lead visitors to www.haltonhills.ca not www.investhaltonhills.com where information would be custom to why they are clicking the link.*

Audience:

The website (www.haltonhills.ca) is driving approximately 30 percent new visitors and 70 percent returning visitors. This provides indication that the website should have frequent updates as many are returning for other or additional information. The website's top countries of online visitors are Canada, U.S.A (2nd) and India (3rd).

The following chart further breaks down the Canadian audience to specify what cities drive most visitors. This is helpful information to help target information/content provided on the website. For example, Brampton drives a high number of leads, therefore, providing comparison charts between the communities may be helpful for visitors.

Halton Hills FDI Attraction Strategy

City	Users	% Users
1. Halton Hills	3,028	 34.72%
2. Toronto	1,585	 18.17%
3. (not set)	1,011	 11.59%
4. Brampton	450	 5.16%
5. Mississauga	419	 4.80%
6. Milton	305	 3.50%
7. Hamilton	237	 2.72%
8. Oakville	190	 2.18%
9. Guelph	112	 1.28%
10. Burlington	110	 1.26%

The website also has a very high bounce rate of 67.81 percent which is concerning. This is the percentage of single-page sessions in which there was no interaction with the page. A bounced session has a duration of 0 seconds.

As of December 2019, the Town has initiated a work plan to begin addressing the findings of the Marketing and Communication Audit.

Appendix H

Analysis of Community Strengths and Weaknesses

To gain a local perspective regarding the strengths, weaknesses, opportunities and threats, the study team engaged key stakeholders, including business/industry representatives, Town Councillors, Town's Senior Management Team, representatives from Halton Region, and the Ministries of Agriculture, Food and Rural Affairs, and Economic Development, Job Creation and Trade. The consultants also attended a workshop on economic development.

A common theme that emerged centered on Halton Hills' "quality of life", "small town living at its best" and the ability of both management and employees to achieve a healthy life/work balance. Halton Hills was referred to as a "good place to live", "a tight knit business community", "a family friendly environment with a strong sense of community". This is especially true for those who can live and work in the community and for many companies it is a key factor in reducing turnover especially amongst senior employees.

Another community strength that kept recurring was the ability of local companies to easily access markets. The proximity of Halton Hills to the Toronto International Airport is very attractive especially for those companies that have a global footprint. Access to the highway system, the 401 and the QEW are key factors that contribute to the community's strength as a business location. It is relatively easy for companies located in Halton Hills that operate on a global scale to manage their logistics and transportation costs. Being located away from the congestion of Brampton and Mississauga means that shipments originating in Halton Hills traveling west by truck can avoid the afternoon rush hour.

Accessing talented employees is a challenge that all businesses face regardless of their location. In Halton Hills accessing labour is seen as both a strength and a weakness. For those companies that require skilled knowledge workers, the Toronto Region labour pool proves to be a good source of talent. Often these companies source talent from across Canada and Halton Hills can offer employees a very attractive lifestyle. However, for those companies seeking semi-skilled or unskilled workers it is difficult to attract them to Halton Hills. The lack of transit can be a deterrent for employees that rely on public transit to get to work.

Those interviewed, however, also indicated that a public transit system coupled with greater diversity in housing would resolve this issue. A public transit system that linked with the Brampton and Mississauga services would make companies in Halton Hills more attractive to employees living those communities. Although Halton Hills is part of the larger Toronto region, due to a lack of public

Halton Hills FDI Attraction Strategy

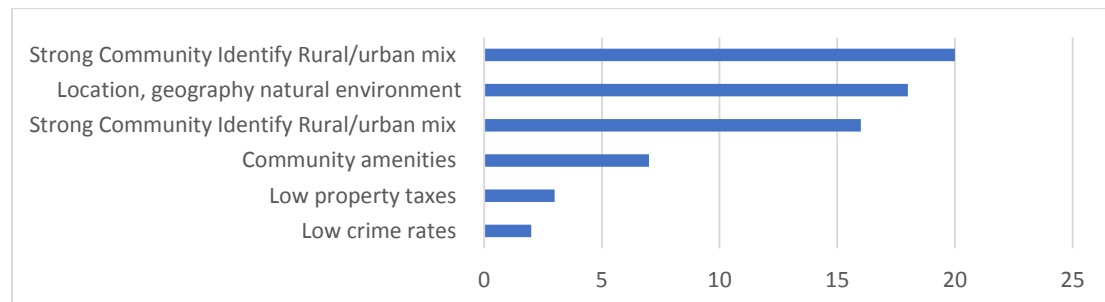
transit the community cannot access the advantages of being so close to the Toronto region. Currently the GO service only covers the morning and afternoon rush hour periods. An all-day GO service would allow companies to reach out to a much larger labour pool and attract a broader range of talent.

Several respondents mentioned that Halton Hills Hydro is providing an excellent service, helping companies to adopt more energy efficient technologies and thereby substantially reducing their energy bills. They also pointed out that there needs to be more investment in water and wastewater management and high-speed internet needs to be more broadly available.

Respondents indicated that over the years the municipality has become much more supportive of the business community adopting an “Open for business attitude”. This has changed an earlier perception that the Town was a difficult place to do business. Nevertheless, some businesses believe that the development process in Halton Hills is overly complicated with high development charges and a time-consuming permitting process. The Town should consider adopting a Business Retention and Expansion (BR&E) program, which could offer both new investors and existing businesses a concierge service to remove any uncertainty and streamline the process.

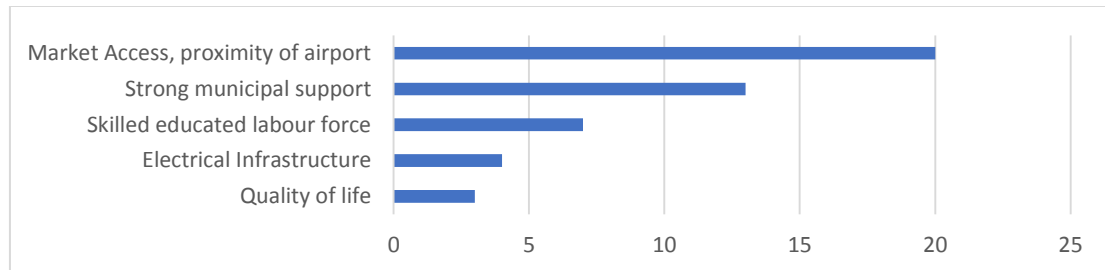
The following charts summarize the responses that the study team received from the interviews and the input obtained from the workshops.

What are some of the good things about living in Halton Hills?

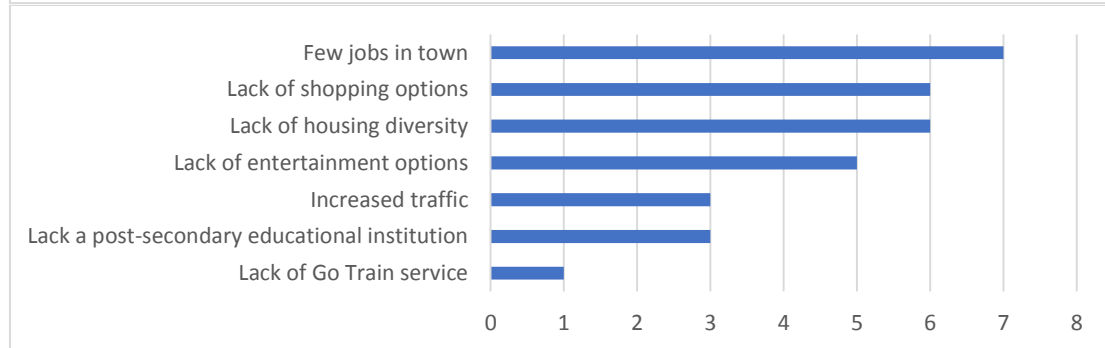


Halton Hills FDI Attraction Strategy

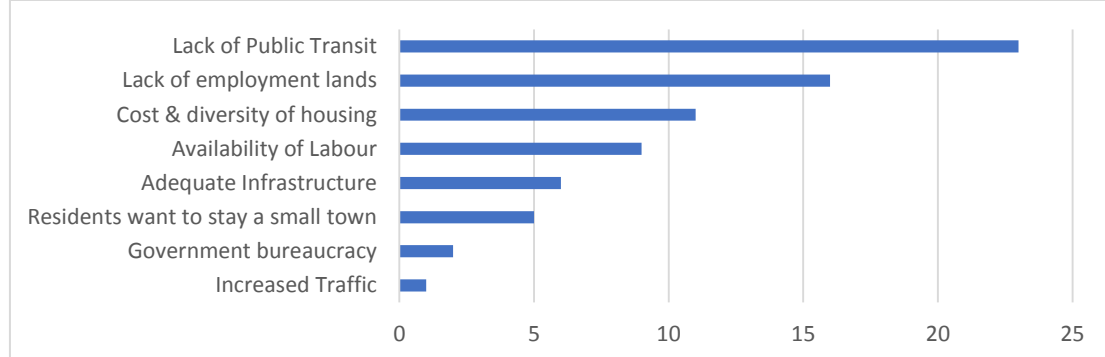
What are the top three benefits that businesses, operating in Halton Hills enjoy?



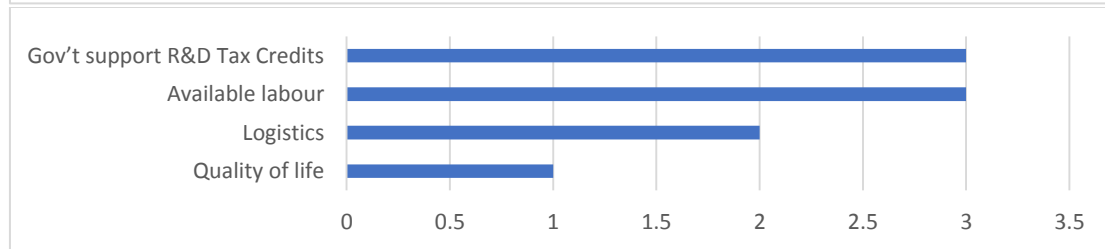
What are some of the challenges that residents face living in Halton hills?



What are the top three challenges that businesses face operating in Halton Hills?

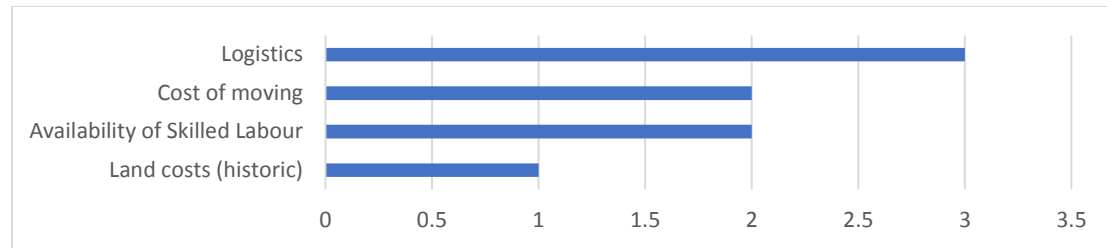


Why do businesses locate in Halton Hills

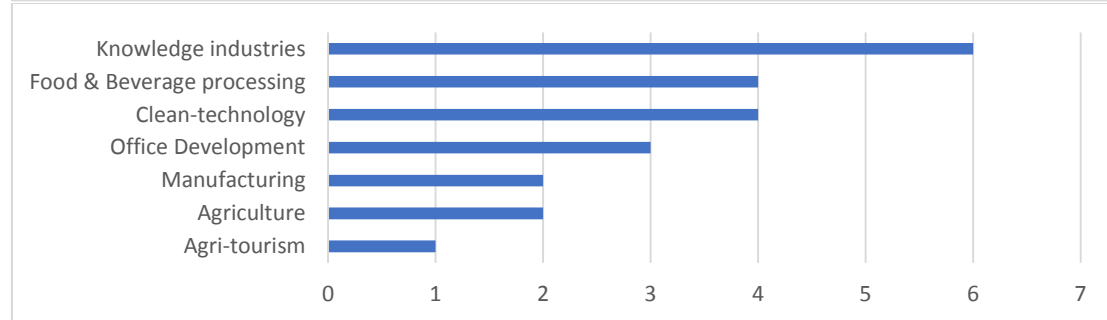


Halton Hills FDI Attraction Strategy

Why do businesses stay in Halton Hills?



What types of investment does Halton Hills need more of?



The feedback obtained through interviews suggests that the following issues rank high in the minds of public sector and business community representatives.

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> • Perception that Canada and Ontario are an attractive place to do business. • Being located in Canada/Ontario/Toronto region offers investors business, HR, R&D, finance, education and market access advantages. • Quality of life attributes – including “small town living at its best”, recreational opportunities, trails, cycling, arts and culture, etc – are considered an advantage for some companies in certain markets. • Confirmation of lake-based servicing. • Planned development within the Vision Georgetown Secondary Plan and associated expanded housing supply. • Strong municipal support for new investment. • Council approved Transit Service Strategy. 	<ul style="list-style-type: none"> • The lack of public transit makes it difficult to attract semi-skilled workers, especially when operating multiple shifts. • Lack of affordable housing makes it difficult to establish a robust local labour force. • The current lack of shovel ready industrial lands will discourage investors with immediate plans. • The lack of fibre in certain areas makes it difficult to attract companies that rely on high-speed connectivity. • No dedicated staff resources exclusively for FDI Investment attraction (*existing staff resources are sufficient to lead FDI attraction in 2020. Need for dedicated/additional resources will be considered as part

Halton Hills FDI Attraction Strategy

<ul style="list-style-type: none"> • Town approval of the Phase 1B Secondary Plan, and launch of the Phase 2B Secondary Plan process to bring additional employment lands on stream. • GO Transit train and bus service. • Launch of the Town's Business Concierge service to streamline investment attraction and approvals. • Development of an integrated Economic Development and Tourism Strategy, and Town's strategic approach to economic development. • Existing Town 'Economic Investment Attraction Fund'. 	<p>of the 2021 Budget) .</p>
Opportunities	Threats
<ul style="list-style-type: none"> • Strength in advanced manufacturing and food processing. • Potential renewable energy investment business case (IBC) involving solar power. • Target foreign corporations that can strengthen and diversify the Town's key clusters, can leverage and stimulate innovative R&D and are diversifying into less volatile markets. • Focus on foreign markets where strong economic growth is creating a pool of well-financed organizations seeking to globalize. • Availability (existing and planned) of about 423ha of industrial lands to accommodate future development/investments. • Ongoing widening of Hwy 401 and expanded transportation infrastructure/market access. • Town's focus on climate change as a priority, aligned with Federal government's priorities. • Designation of Provincially Significant Employment Zones. • Opportunity to leverage partnerships and expertise of other organizations, including Halton Region (e.g. Small Business Centre and Global Business Centre, past regional experience with trade missions), provincial and federal agencies, foreign consulates in key markets, Toronto Global, etc. • Launch of the Affordable Housing Working Group. • Location within the Innovation Corridor. 	<ul style="list-style-type: none"> • Other communities within Halton Region that have shovel ready land or existing industrial buildings for lease might ultimately secure the investment as a foreign investor might have no local alternative. • The growth of emerging economies provides more choice for potential investors, intensifying the global competition for FDI. • Other communities within the Toronto region are also competing for FDI and have their own in-market initiatives designed to attract investment. • Toronto region communities are also competing for advanced manufacturing and food processing investment • Need to balance investment attraction with pace of growth.

Appendix I

Overview of International Markets

Some of the key markets for investment attraction that Halton Hills will consider as part of its longer-term strategy include, China, Germany, Netherlands, France, U.K., Brazil and Mexico. Although China represents a large market, due to the sensitive political and economic conditions between Canada and China it is not being currently considered as a key market for the FDI Strategy.

EDC analysts suggest that the post 2008 recovery was taking a long-time coming and just as it started to turn-around populism and politics got in the way. Some of the more tangible and obvious moves included; tearing up the Trans-Pacific Partnership (TPP); challenging the Canada-United States-Mexico Agreement (CUSMA); voting for Brexit; the U.S.-China tariff war; etc. This created considerable chaos in the markets and investors started to pull back, opting to sit on the sidelines until the dust settled. EDC believes that there will be resolution on all major issues, and that 2019 will be a pivot-point in the global trade space. The shift will occur because the costs of impasse or escalation are simply too great for all parties involved and there is simply too much political motivation to get the programs back on track.

EDC's Spring 2019 Global Economic Outlook forecasts that after a temporary moderation in growth, the global economy will accelerate from 3.4 percent this year to 4 percent in 2020. This presumes the resolution of trade friction and the subsequent unleashing of business investment, which spurs job creation and a rebooting of residential investment. Developed markets will ramp up from 1.9 percent growth in 2019 to 2.2 percent in 2020, with the U.S. economy taking the lead. Emerging markets will follow on with 4.2 percent growth in 2019, which increases to 5.4 percent in 2020.

Despite this ramp-up, commodity prices are generally expected to see only modest growth. The temporary softening of growth in 2019 has slowed the pace of interest rate hikes, which together with the commodity price outlook will ensure that the Canadian dollar stays below the US \$0.80 threshold. As such, Canada's exports are forecasted to post back-to-back growth in spite of the challenges posed by specific trade-inhibiting policy actions. Demand conditions across the globe paint a positive near-term picture for exporters.

Table I1
Global Economic Outlook Overview for Selected Markets

Global Economic Indicators	2016	2017	2018	2019 (f)	2020 (f)
GDP (percent Y/Y)					
World Total	3.3	3.7	3.7	3.2	4.0
Developed Markets	1.7	2.3	2.2	1.9	2.2
Canada	1.1	3.0	2.0	1.7	1.8
United States	1.6	2.2	2.9	2.9	3.0
Euro-Area	1.9	2.5	1.8	1.5	1.9
Germany	2.2	2.5	1.5	1.5	1.8
France	1.1	2.3	1.5	1.5	1.7
Netherlands ²²	2.2	2.9	2.6	2.2	1.9
United Kingdom	1.8	1.8	1.4	1.1	2.0
Emerging Markets	4.4	4.7	4.8	4.2	5.4
China	6.7	6.8	6.6	6.0	6.6
Brazil	-3.3	1.1	1.2	2.2	2.7
Mexico	2.7	2.3	2.1	2.0	2.2

The following provides an overview of economic trends, challenges and opportunities for growth in seven key international markets.

Netherlands

The Netherlands is the sixth largest economic power in the Eurozone and the fifth largest exporter of goods. The country is very open to trade and consequently to the global economic conjuncture. For the past couple of years, the recovery in Europe has allowed the Dutch economy to grow at a dynamic pace: growth was estimated at 2.8 percent of GDP in 2018 driven primarily by

²² OECD (2019), "Country statistical profile: Netherlands 2019/3", in *Country statistical profiles: Key tables from OECD*, OECD Publishing, Paris, <https://doi.org/10.1787/g2g9e5d0-en>

domestic demand, but the pace of expansion is expected to ease from 2.6 percent and 2.3 percent in the next couple of years mainly due to slowing private consumption and investment (IMF).

Holland is Canada's 5th largest export market in Europe (11th globally) and is Canada's 2nd largest source of foreign investment after the U.S. With exports equal to 86.46 percent of its Gross Domestic Product (GDP), the Netherlands is a country steeped in a long history of trading. The Netherlands is a gateway to Europe for Canada across the spectrum of trade, investment and technology exchange with an enormous transport logistics infrastructure built around the Port of Rotterdam (the largest in Europe), and Amsterdam's Schiphol Airport.

One of the most innovative countries worldwide the Netherlands rank 6th in WEF Global Competitiveness Index (4th in 2017). Renowned internationally for its open culture and emphasis on entrepreneurship and innovation, the Netherlands is home to a vibrant, collaborative start-up ecosystem.

Since the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) took force in 2017, it has already generated new economic opportunities for both Canada and the Netherlands. Both exports and imports between Canada and the Netherlands have increased significantly year-over-year since provisional application. Under CETA, comprehensive tariff elimination will enhance the competitiveness of Canadian exports to the Netherlands. Canadian exporters will benefit from duty-free access for agriculture products.

Germany

Strong domestic fundamentals will help support Germany's economy, allowing it to grow by 1.5 percent in 2019 and 1.8 percent in 2020. Economic activity has been constrained by transitory factors on the investment side, such as the adjustment time to comply to new pollution standards for car emissions, as well as the drought last summer that led to transportation bottlenecks.

However, investment is also strongly tied to export growth, the latter being affected by external uncertainties that have begun to hit the real economy. The recovery in investment and exports is expected to take longer than previously anticipated, with trade being by far the greatest risk to the outlook. Beyond the short term, Germany's weak demographic will weigh on potential growth in the long term.

Brazil

EDC Economics expects real GDP to grow by 2.2 percent in 2019 and 2.7 percent in 2020. While the economic outlook has improved since the 2015-2016 recession, the political outlook is cloudy. Optimism around Brazil's post-recession recovery will boost consumption and investment in the coming years.

However, structural challenges will contain Brazil's economic potential, most of which is related to political and implementation risks. Brazilian consumers will continue to benefit from relatively low inflation and interest rates as well as improvements—albeit slow—in labour market conditions. Investment in infrastructure and energy is also expected to spearhead economic activity in 2019-2020.

On the downside, Brazil is facing an uphill battle to bring its public finances and debt onto a more sustainable path and will put market confidence gains on thin ice. Newly inaugurated President Jair Bolsonaro will benefit from about a three-month period to enact a number of reforms in order to maintain market confidence and significantly increase investment.

France

Domestic consumption will be the main driver of France's economy, allowing it to grow by 1.7 percent in 2020. Economic activity was constrained in the last quarter of 2019, mainly due to the social unrests (the "yellow vests") that have spread over the country since November. However, EDC expects these disruptions to continue into 2020.

A strong labour market and pro-consumer measures adopted by the government in late 2018 will support consumer spending. Despite high capacity utilization rates, investment is expected to remain subdued, while exports will be constrained by external uncertainties.

Beyond the short term, comprehensive labour, tax and spending reforms could help raise potential growth and continue to boost employment. However, protests could delay the reform agenda, while the threat of a trade war with the U.S. is already impacting the investment and exports outlook.

U.K.

Economic momentum subsided with 1.1 percent growth is expected for 2019. Brexit deliberations and uncertainty have dragged on, prompting businesses to delay investment spending plans, and some larger multinational companies are shifting gears. Household consumption has witnessed a boost driven by the unknown. There is a broad-based lift in government spending to support changes linked to Brexit, which will support stronger growth in 2020.

Business investment and household consumption will also witness a jump once greater certainty on the road ahead is established. Imports will be tamed due to the weaker pound while exports will see a partial lift for the same reason. The final impact Brexit will have on headline GDP growth depends largely on how current negotiations unfold.

Economic growth will trend toward 1.8 percent over the medium term assuming that an agreement is reached in short order including a fairly comprehensive trade agreement. The Bank of England will try to accommodate the emerging recovery with a gentle nudge to rates next year in order to keep inflation below its 2 percent target.

Mexico

Mexico's solid macroeconomic framework of prudent fiscal and monetary policy supports economic resilience amid policy uncertainty. Strong U.S. growth and the expected CUSMA ratification are tailwinds to Mexican exports, and consumers will benefit from surging confidence, a tight labour market, decelerating inflation and high remittance inflows.

However, EDC Economics forecasts sluggish GDP growth over 2019-2020. The shifting political landscape and a streak of controversial government decisions have shaken investor confidence, which will keep capital investment subdued this year. Risks notwithstanding, EDC expects that limited fiscal resources, the challenging global financial market backdrop facing emerging markets and the imperative of improving Mexico's economic performance will limit the extent of policy disruptions.

Therefore, EDC expects policymaking to remain fundamentally pragmatic, supporting a recovery in the medium term. The Central Bank of Mexico is expected to begin lowering its policy interest rate later this year as inflation subsides.

China

China's economic growth path will moderate going forward. EDC Economics expects real GDP to grow by 6.6 percent in 2020. The current trade challenges continue to destabilize the policy outlook for China. Based on the most recent Party Congress, quality rather than quantity of growth is China's overarching strategy.

Importantly, two of the three major economic policy issues cited as the focus of China's economic policy efforts over the near term are deleveraging financial risks as well as reducing pollution, both growth-dampening. These are now coming into question considering the impact of external forces on the Chinese economy.

That said, economic stability is still a paramount feature of China's policy drive. Recently, the focus on deleveraging appears to have weakened significantly. As in 2015/16, stimulus measures are likely to be made to minimize volatility in the market. Overall, policy continuity with strong intervention from the government can continue to be expected.

Appendix J

Business Investment Life Cycle - Targets and Tactics

The business investment life cycle is comprised of a four key phases that include: Pre-Client - an initial period during which Halton Hills is marketing their UVP to a variety of organizations; Lead – where companies have achieved a minimum level of pre-qualification; Prospect - companies have specifically requested more information about Halton Hills; Project – where the client demonstrates serious interest by incorporating their company in Canada. These categories allow the Economic Development Division to manage and communicate with their leads in an effective and efficient manner.

PRE-CLIENT: During this Stage of the Business Investment Lifecycle, Halton Hills actively markets the Community to global businesses, focusing on organizations that have expressed a broad interest in expanding their operations into the Toronto Region or North America. In addition, Halton Hills will at times target businesses that may not have expressed an explicit interest in North America, but which should consider Halton Hills and the Toronto region as an investment destination given the close alignment between a company's global business "signals" and Halton Hill's Unique value proposition.

Halton Hills learns about companies that enter the pre-client Stage through a combination of its own research, from partners at the Provincial and Federal Governments (including in-market posts), lead generators, past client referrals, network of private sector partners that have international operations, contacts via the website, and in-market networking events. Clients that have entered the pre-client Stage are provided with high-level "generic" information about Halton Hill's unique value proposition, sector-specific profiles, and a detailed understanding of the services and targeted value that the Economic Development Division can provide.

LEAD (20-39 percent): Companies that enter the Lead Stage are those that have progressed through the qualifiers of the pre-client stage. At least one of the following qualifiers is met:

- Specific plans to expand;
- Budget has been assigned;
- Projects has a clear timeline;
- Identifiable product or service;
- Jobs will be created;
- Business plan developed; and

- Decision maker identified.

During this stage the Halton Hills assigns resources to better understand the company's needs and goals, investment parameters, propensity and ability to make an investment, timelines, and the investment decision-making process. The Lead Stage is an opportunity for the Town and the client to align mutual expectations. The Community can showcase the process and specific resources (tools, public and private sector networks, and analysis techniques), which it can leverage, enabling the company to optimize its search for a winning global expansion opportunity.

The Lead Stage can be short or long, depending on a number of factors. For example, the client may not have an immediate investment plan in the current year, but as long as the Economic Development Division knows that an expansion into Halton Hills is a possible outcome, the company will remain in the Lead Stage. During these extended engagements, maintaining communication and rapport with the client is of major importance. Halton Hills must remain top-of-mind in order for the Town to effectively compete in a globally competitive FDI environment.

As such, the Economic Development Division encourages the client to make a trip to the Town to gain a better understanding of the business environment and local opportunities. It is important that this suggestion be made in all stages of the lifecycle. In addition, the Town maintains close contact with the client throughout the Lead Stage via regular phone/Skype calls, emails that contain news and articles of interest, face-to-face meetings where possible (for example, during return trips into a market), and social media.

PROSPECT (40-84 percent): Companies that are in the Prospect Stage have expressed an interest in learning more specifics about Halton Hills and are now actively engaged with the team. Once a company progresses into the Prospect Stage, it is considered to have a specific, qualified investment opportunity for Halton Hills. This does not mean that other locations are not being considered, but rather that Halton Hills is at least one of the locations being evaluated for the investment.

In addition to three to five of the above qualifiers listed, two additional qualifiers must be met, including:

- The business matches Halton Hills' sectoral strength
- Client is making specific and targeted inquiries

At this stage, the Town provides the company with customized services – including client-specific benchmarking reports, economic and demographic analyses, business planning support, and custom research amongst other services – and introduces them to key

private and public sector partners that can both provide expertise and help the client better understand how to do business in Canada.

The Economic Development Division can use tools such as KPMG's Competitive Alternatives, fDi Benchmark, Innovation Atlas, and other publicly available sources, leveraging the expertise of public and private sector partners, to provide a targeted level of service to the client. This level of servicing not only enables the client to make an investment more easily, but also drives home the point that Halton Hills is highly supportive of the business community. This stage can take some time as companies gain a detailed understanding of the regulatory and operational environments, as well as the market opportunities. In addition, the client will typically evaluate multiple locations, which can further add to the length of this stage.

PROJECT (85-100 percent): In the final stage of the life cycle the client signals the seriousness of their investment by starting the process of incorporation, recruitment and site (office) selection. At this stage the company has gained a detailed understanding of the regulatory and operational (human resource, tax, cost, supply chain, logistics, etc.) environments, as well as the market opportunities.

The Economic Development Division team takes this opportunity to maintain and grow the relationship with the client, based on respect and trust. The more a company feels comfortable with the value-added service that the Town provides and the partnership they have built with the team, the easier it is for them to view Halton Hills as the ideal location for their next global business opportunity.

This investment attraction activity coupled with the support that the Town provides prospective investors culminates when a foreign investor makes a final decision about their investment plans. This means that there are several types of Closes. While the ideal situation is when a company decides to initiate an investment in Halton Hills, even after a best effort on the part of the Town an investor may choose to locate in a different community.

Close-won: An investment in Halton Hills would be considered a "Close — Won" when the team begins to support the set-up process by facilitating introductions to local service providers and other relevant municipal, provincial, federal partners that can help facilitate the expansion.

Close – Lost: Sometimes, clients decide to locate their business in another city or country, and this would be considered a “Close – Lost.” Clients can determine that another jurisdiction is right for their business at any stage in the Business Investment Lifecycle, and for various reasons.

Close — Not Qualified: A company could determine that it is not the ideal time to expand their business after all and abandons their plan to expand into another market altogether. These companies, as well as companies that do not have a qualified opportunity as determined in the Pre-client or Lead stage, are considered to be a “Close — Not Qualified.” As with “Close – Lost” companies, this can occur at any stage of the Business Investment Lifecycle.

Proactive and Reactive Sources of Lead Generation

Like many regions and communities implementing a new FDI strategy, Halton Hills will need to consider, which lead generation tactic from a multitude of choices, it can best resource as part of an overall plan. In selecting a tactic, or group of tactics the Town should consider which approach will best communicate its unique value proposition directly to foreign investors, investment decision makers and influencers and business intermediaries.

Table J1
Summary of Proactive and Reactive Lead Generation

Proactive Lead Generation	Reactive Lead Generation
Consultants – lead generation companies	Federal government-foreign posts, Ottawa departments (Invest Canada0
In-market representatives (project or retainer basis)	Ontario Government – SEO, IIDR
Sector focused group missions	Effective in-market advertising
Federal government –request leads/introductions	Referral systems
Ontario government-request leads/introductions	Host beneficiary relationships
Private sector- law firms, accounting, banks	Telemarketing
Direct mail campaign-C-suite level executives	Advertorials
Qualified lists	Internet/e-commerce
Networking	Marketing materials
Special events and promotions	Newsletters
Investment closures in Ontario/GTA	Social media -Blogs, twitter
Become a recognized authority	Reactivate previous leads

Exhibitions-Trade Shows	In-market GTA Awareness Building Seminars
Boards and chambers	Website-Live chat, search engine optimization
Research target, prep value proposition, approaches	Private Sector cross-promotion/co-marketing
Research clusters, find gaps, find target firms	
Public relationship & Publicity-Media authority	
National and Regional collaborations	
GTA Foreign Consulates	
Foreign Chambers of Commerce	

Lead generation involves determining:

- which markets to focus on
- which sectors within those markets
- which companies to target
- how to arrange meetings or interactions with the companies
- presentations to the companies about investment opportunities in the GTA

The first two aspects will be based on research to determine which:

- countries have a large number of companies in those sectors
- economic sectors where the Halton Hills should be globally attractive to foreign companies

Table J2

Tracking Leads and New Businesses Attracted	
Performance Measurement	How to Measure
No. of Leads	<ul style="list-style-type: none"> • Tracked by Halton Hills staff
No. of new businesses attracted	<ul style="list-style-type: none"> • Survey of businesses
Investment attracted	<ul style="list-style-type: none"> • Survey of businesses
New jobs created	<ul style="list-style-type: none"> • Survey of businesses
Company expansions	<ul style="list-style-type: none"> • Survey of businesses
Tax dollars generated	<ul style="list-style-type: none"> • Survey of businesses

Filling the Funnel with Leads

As described above there are a number of tactics that can be used to develop leads and attract investment opportunities. Based on experience, the more successful methods involve engaging in one-on-one meetings with potential investors to gain better understanding of their project requirements. These meetings help to build a relationship and provide an opportunity for Halton Hills' representatives to deliver the community's Unique Value Proposition (UVP). Arranging these meetings usually involves working with a lead generation consultant who will schedule the meetings in advance of the investment team's arrival and provide an overview of the client and the opportunity. Depending upon the market some tactics work better than others. For example, in Germany trade shows offer the best venue to meet with clients and discuss their expansion plans. But over time it is expected that Halton Hills will leverage all of the tactics to a greater or lesser degree in order to be successful and become known in a market.

Below is a description of a selected list of tactics and a discussion of their limitations.

Table J3
Lead Generation Channels – Measuring Success – Progress Against Goals

TACTIC	EXPLANATION	LIMITATIONS
Working with Industry Associations	Industry Associations are very pervasive and influential in Europe (Italy, France). Leverage industry associations to establish a network of relationships and alliances to gain more international attention for Halton Hills. Some may even generate leads for a fee.	Industry associations may be more useful for reaching out to a broader audience, but they may be less useful for identifying investment targets. Also, many associations do not want to be responsible or be perceived as helping local companies invest abroad rather than invest in the local market
Marketing Campaigns	Personalized mail outs are effective in creating a buzz and hype about Halton Hills	Many requests of interest are received following a massive campaign, but all leads must be "filtered" in order to find adequate leads as opposed to companies looking for distributors.
Halton Hills Awareness building seminars	Seminars are very popular and very effective at getting the message across and creating awareness at the broad level. A quick and effective way of delivering high level messaging.	Many of the attendees must be "filtered" in order to find adequate leads. The successful seminars are often tied to an industry association event to attract a large audience. Generally, speaking, it's a long-term

		affair with few pre-qualified leads in the seminars.
Industry specific trades shows	One of the best ways to target a sector in Europe because trade shows tend to be very large and bring together a large number of delegates from across Europe and beyond. Usually a yearly point of contact for European businesses	Meetings may be rushed, time frame constraints and the focus may not be FDI, but rather sales. So, the investment team needs to be prepared to deliver a targeted UVP that will garner the attention of the respective client.
Other consultants - accounting, legal firms	Banks and law firms in Europe are a strong vehicle and a source of information. They are amongst the first organizations consulted for advice and support when a company looks to expand. Companies tend to be more advanced in their investment due diligence process. Their expansion plans are more mature.	Large number of consultants, hard to reach all of them. While the companies tend to be more advanced, the intermediaries are protective and in many cases are working with a file number or a representative, but not directly with the company. Client confidentiality becomes an issue.
Federal Posts	The Canadian posts have recently adopted a strong focus on FDI and have identified a senior member with responsibility for FDI attraction. Building a relationship with this individual is key as they can be a good source of leads and offer considerable in-market support.	Federal posts cannot address a company to one specific community but must expose them to all of Canada as a general rule.
Marketing Firms	Marketing firms manage a company's communication elements. When considering an expansion, marketing firms are consulted regarding branding, messaging and the impact of the organization's product or services in the target country.	There are hundreds of marketing agencies all over the world and few of them are on record, meaning companies have multiple agencies working on them so not all of them might be aware of their client's expansion at the right time.
Provincial in-market reps	Under the Conservative Government, Ontario has closed all of its foreign offices so this support is no longer available to communities.	Support from Ontario in-market representatives is no longer available.

Some other tactics that have been used with varying success for generating pre-qualified leads involve developing relationships with in-market organizations to help them provide assistance to their members who are planning to internationalize their operations. Many chambers are finding that their members are interested in expanding to North America and while the U.S. is the target market of choice, they are starting to realize that setting up in Canada can be less expensive and onerous and by leveraging the CUSMA they

can access the U.S. market. Some of these foreign chambers such as CCBC in Brazil encourage and support their members expansion abroad. Developing working relationships with these organizations while important should only be used to augment Halton Hills' efforts in a particular market.

Table J4
Forging New Global Ties

Tactic	Explanation	Limitation
Startup Centers or Business Incubators	They help organizations, mostly in the ICT industry, by providing office space, business consulting service, etc. Their mission is to help organizations find the resources they need to successfully operate, when the resources are located abroad, they provide guidance on how to expand and grow into this market.	They lack a large budget and are usually less than 2 Million CDN in revenue.
Global In-bound Mission Program (New)	An approach which is not often tried but can be quite successful. It's the Think Canada model which works at multi-levels: countries, intermediaries, governments, private sector, local businesses and foreign posts. Inviting pre-qualified investment companies to Halton Hills for a 2-day site selection program, market briefing and B2B meetings.	Initially there is a considerable amount of work and effort required to build out the infrastructure that will support the lead generation channels. However, once this is achieved (in the augural year), the model can be very effective in efficient in identifying 'prospects' and advancing the FDI decision making process. It's an approach that leverages and uses global assets and regional networks worldwide.
In-market representative	Consider a Halton Hills in market representative based in the market, working with identified intermediaries and investment influencers to work one or more markets.	An approach that requires some financial commitment. This may also need to be coordinated with the Federal FDI representative.

<p>Tri-partite country agreements with in-market Chambers of Commerce</p>	<p>Develop an agreement with an industry association or chamber to collectively work on behalf of Halton Hills. The chamber or association would collaborate and agree to a tri-partite contract that would see them leveraging their market presence in identifying leads on behalf of Halton Hills. They have a business network they are constantly communicating with. They know when companies in their network are looking to expand.</p>	<p>A new approach that would require some financial commitment. It's an approach that leverages and uses global assets and regional networks worldwide.</p>
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Mold-Masters, Georgetown



Communications and Power Industries, Georgetown



P&H Milling Group, Acton



QRC Logistics, Premier Gateway

