



Report to: Development Services Committee

Meeting Date: March 21, 2023

SUBJECT: 2023 International Business Trade and Investment Missions
PREPARED BY: Chris Rickett, Director, Economic Growth, Culture and Entrepreneurship

RECOMMENDATION:

1. That the report entitled “2023 International Business Trade and Investment” be received;
2. That the City engage in the identified business trade and investment missions identified;
3. That the City be represented by the following as part of each prospective mission:
 - a. Silicon Valley, San Francisco Bay Area, California, U.S. – 2 staff and the Mayor.
 - b. AutoTech Detroit Conference, Novi, Michigan, U.S. – 2 staff.
 - c. Web Summit, Lisbon, Portugal – 2 staff and the Chair or Vice Chair of the Economic Development Committee
4. That the total cost of the “Trade and Investment Missions in 2023 to the U.S. and Portugal” not exceed \$38,500 and be funded from within the International Investment Attraction Operating Budget; and,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to seek Council’s approval for staff to undertake the following international trade and investment missions in 2023:

- 1) AutoTech Detroit Conference, Novi, Michigan, U.S. from June 7th to 8th
- 2) Silicon Valley in San Francisco Bay Area, California, U.S. in 2023 at a date to be confirmed
- 3) Web Summit, Lisbon, Portugal from November 13th to 16th

BACKGROUND:

In support of Markham’s International Investment and Attraction program, staff have identified three international trade and investment business missions for 2023.

The City undertakes international trade and investment missions to help support targeted economic growth opportunities in Markham. By attending international business events and organizing business missions, the City can focus on attracting investment in key

sectors that add to local economic clusters, leverage local skills and talent, and have higher than average economic and employment multipliers.

From an economic cluster perspective, the City is focused on two areas specifically at the moment – autotech and semiconductors.

As part of Canada's second largest tech cluster, Markham is also home to over 440 businesses in the automotive sector, including GM, Honda, Hyundai, NGK, Mitsubishi, Multimatic, Magna and Tesla, but it is the research and development that happens in Markham that touches just about every vehicle on the road.

Autotech activities concentrated in Markham are helping drive the electric vehicle transition. GM Canada's Technical Centre is focused on automated driving, electrification, next-generation infotainment systems and new technologies for mobility solutions. Virtually every carmaker in the world uses Qualcomm semiconductor technologies for in-vehicle communications, entertainment and advanced driver assist systems. And, Veoneer Canada develops the next generation of cutting-edge automotive safety electronics (driver monitoring systems, night vision, HD mapping) assisting in the development of advanced driver-assistance systems.

Given the transformation taking place in the auto sector and its drive for more technology, Markham has the potential to grow existing suppliers within the community and attract new company investments that want to leverage Markham's strong technology sector.

Markham also represents the largest concentration of semiconductor companies in Canada. Many of the global leaders in semiconductor chips are in Markham – including AMD, Qualcomm, Intel, Creation Technologies, Vexos, ITL Circuits, SMTC, Invotek, Microart, Astera Labs, and The Six Semiconductor. According to the Canadian Semiconductor Council, for every job within the semiconductor sector another 5.4 jobs are created in other sectors, such as hardware manufacturing.

This cluster of semiconductor companies has become a magnet for other companies, as they want to access the talent and connections of these companies within Markham. As an example, just last year Astera Labs opened their semiconductor Research and Design Centre in Markham. They want access to talent in their sector and to do that they needed to be close to other semiconductor companies.

Given the global supply chain challenges around semiconductors and the focus on diversifying the supply chain, Markham has potential to grow this cluster.

OPTIONS/ DISCUSSION:

The proposed business international missions for 2023 seek to achieve the following key objectives:

- 1) Promote and attract investment interest in Markham's innovation ecosystem and key tech clusters in autotech and semiconductors.

- 2) Identify and build connections with autotech and semiconductor companies in the targeted market locations in order to attract new investment to Markham.
- 3) Reinforce relationships with existing Markham tech employers that have U.S.-based operations.

1) Silicon Valley, San Francisco Bay Area, California, U.S.

Silicon Valley, in the southern San Francisco Bay Area of California, is home to the world's largest technology corporations and thousands of technology companies. It is also home to many companies that have locations in Markham, including semiconductor companies AMD, Qualcomm, Astera Labs, and Intel.

The focus of the City of Markham with this business mission specifically will be the following:

- Investment Attraction – City staff will focus on meeting with prospective semiconductor companies to encourage considering Markham for future expansion opportunities.
- Relationship Management – City staff will meet with a number of businesses with Markham locations that also have locations in Silicon Valley in order to reinforce the relationship and explore future investments.
- Partnership Exploration – City staff will be joined by ventureLAB and will focus on meeting with semiconductor companies to explore partnership opportunities for ventureLAB's Hardware Catalyst Initiative.

The proposed business mission would take place later in 2023 and will be focused on continuing to build Markham's semiconductor cluster.

2) AutoTech Detroit Conference, Novi, Michigan, U.S.

The AutoTech Detroit Conference 2023 takes place in Novi, Michigan, U.S. from June 7th to 8th, bringing together 2,500 plus industry stakeholders. The conference features curated programming focused on the autotech sector, as well as an opportunity for business-to-business meetings focused on trade and investment.

The proposed mission will be a collaboration between the City of Markham, York Region, City of Vaughan and Town of Newmarket. It will include a shared York Region booth at the conference. In addition to economic development staff attending, a number of Markham businesses will also attend, including CietNET, Bluewrist, Ensil, Syntronic, Microart, and Flex.

The focus of the City of Markham specifically with this business mission will be the following:

- Investment Attraction – City staff are currently developing a lead list of investment attraction opportunities with companies that will be attending the conference and will focus on engaging them on expansion opportunities in Markham.

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- Trade Development – City staff are working with Markham businesses planned to attend the conference to support them in setting up business-to-business meetings to support their growth and connecting with international customers.
 - Relationship Management – City staff will meet with a number of businesses with Markham locations that also have locations in the Detroit area in order to reinforce the relationship and explore future investments, including GM and Veoneer.

Overall, the AutoTech Detroit Conference provides an opportunity to promote Markham-based autotech companies, while also focusing on attracting new investment opportunities to Markham from companies in the autotech sector.

3) Web Summit, Lisbon, Portugal

Web Summit is an annual technology conference that attracts over 70,000 attendees from 170 plus countries to Lisbon, Portugal. The event's topics centre on technology and its intersection with society. Web Summit attracts Fortune 500 companies, such as Google, Microsoft, IBM, Accenture, Amazon, BMW, and Samsung just to name a few, as well as thousands of technology startups and venture capitalists.

The conference is the sister event of the Collision Conference, which was hosted in Toronto. In 2018 and 2022, the City of Markham joined municipalities and technology companies from across Canada in attending Web Summit. The missions focused on connecting Markham companies to international customers, while also engaging potential semiconductor and hardware companies about expansion opportunities in Markham.

The proposed business mission would take place between November 13th to 16th, 2023 and would be focused on the following:

- Investment Attraction – City staff will focus on meeting with prospective semiconductor and hardware companies to encourage considering Markham for future expansion opportunities.
- Trade Development – City staff will take a delegation of Markham businesses and assist them with business-to-business meetings to support their growth and connecting with international customers.

Given the global scale of Web Summit, it provides a unique opportunity to engage with companies from across the world all in one place. In 2022, the City was able to develop a number of investment leads that it continues to nurture and by attending in 2023 the goal is to continue to build this pipeline of future technology company investments.

FINANCIAL CONSIDERATIONS

The proposed budget and costs for each mission, including number of representatives are included below. The total budget spend will be \$38,500. The budget will be funded through Economic Growth, Culture and Entrepreneurship's operating funds.

Silicon Valley	
Travel and Logistics (2 staff persons and Mayor at \$3,500)	Cost \$10,500
Total	\$10,500
AutoTech Detroit	
Travel and Logistics (2 staff persons at \$3,000)	Cost \$6,000
Investment Lead Development and Marketing	\$2,000
In-Mission Marketing	<u>\$2,000</u>
Total	\$10,000
Web Summit	
Travel and Logistics (2 staff persons and 1 Councillor at \$4,000)	Cost \$12,000
Investment Lead Development and Marketing	\$2,000
In-Mission Marketing	<u>\$2,000</u>
Total	\$18,000

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Build Markham as the best place to live, invest, work, and experience rich diversity

BUSINESS UNITS CONSULTED AND AFFECTED:

Economic Growth, Culture & Entrepreneurship
Finance Department

RECOMMENDED BY:

Chris Rickett
Director, Economic Growth, Culture
and Entrepreneurship

Arvin Prasad
Commissioner, Development
Services

ATTACHMENTS:

N/A