

Ontario's Auto Industry

—driving the green revolution



Plug-in
to the
Future

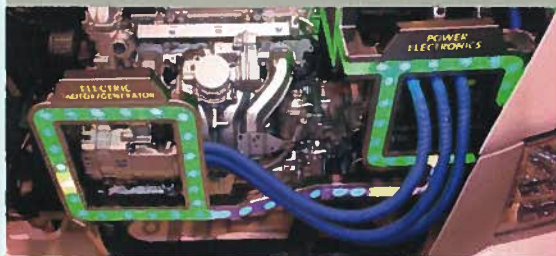


ONTARIO
CANADA

Ontario, Canada: we're North America's automotive powerhouse.



We've seen the future—and it's electric. That's why we're investing heavily in R&D that accelerates the development and manufacture of plug-in hybrids and battery electric vehicles.



We're also encouraging consumers to get behind them by offering rebates of \$4,000–\$10,000 per vehicle, among the highest in the world, and we're joining forces with California-based Better Place to create the necessary infrastructure to operate electric vehicles on our highways.

We're home to six of the world's largest vehicle manufacturers and they produce more vehicles here than in any other North American jurisdiction. We're also home to more than 400 innovative parts makers.

They're all here because we offer significant business advantages.

Top 6 reasons to locate or conduct R&D in Ontario

- ❖ **1. A stable economic environment.** Our banks are well capitalized and our banking system is rated the most solid in the world.
- ❖ **2. Competitive business costs.** Manufacturing costs are lower here than in Japan, France, Germany, Italy or the U.K. and on par with those in the U.S.
- ❖ **3. Strong government incentives.** We have a \$1.15 billion Next Generation of Jobs Fund that offers grants of up to 15% for research, parts production and assembly of electric and plug-in hybrid vehicles.
There's also our \$250 million Emerging Technologies Fund that matches investments in new technologies by venture capitalists and angel investors dollar-for-dollar and a \$50 million Innovation Demonstration Fund that supports new technologies at the pilot or demonstration project stage.
- ❖ **4. Advanced Infrastructure.** Manufacturers doing research in Ontario have access to thousands of world-leading researchers at 29+ auto focused public research facilities. Ontario's workforce is the most highly skilled in the G7—over 60% have a post-secondary education. Ontario's 44 universities and colleges and extensive apprenticeship programs produce thousands of workers with skills and real-world experience in all facets of automotive design, engineering and production.

❖ **5. Exceptional R&D tax credits.** Our R&D tax incentive program is widely recognized as one of the most generous in the world. In fact, \$100 in R&D expenditures can be reduced to less than \$36. A broader range of costs qualify for deductions than in many jurisdictions, and tax credits can be carried forward for 20 years.

❖ **6. Business friendly approach to IP.** We recognize that it takes multiple skills to commercialize breakthrough technologies, which is why we offer companies the opportunity to acquire the rights to the intellectual property developed at our public research centres.



Advancing electric auto technology

Electrovaya is on a mission to accelerate clean transportation and vehicle manufacturers worldwide are taking notice. The Toronto-based company has developed lithium ion technology that lets cars drive further on a single charge than other batteries—and can be used to power all classes of zero-emission electric vehicles and plug-in hybrid electric vehicles. "We got into the technology early-on," says Electrovaya CFO Paul Hart. "Being located in Ontario gives us an important competitive advantage, including access to some of the brightest research minds in the field, exceptional R&D tax credits and strong government support through programs like the Next Generation of Jobs Fund, which is providing us with close to \$17 million."

Going green was a natural next step for veteran truck body designer and manufacturer **Unicell**. In 2007, the Toronto-based company introduced Quicksider, an electric delivery vehicle produced in collaboration with Purolator, Canada's leading overnight courier company, and tested it on the streets of Toronto. With a top speed of 110 kph (65mph), an all-electric range of about 100 kms (62 miles) and an anticipated lifespan of 15 years, the Quicksider quickly caught the attention of major courier companies across North America. Now Unicell is looking for partners to help it with commercialization. "Ontario is a great place to develop green auto products," says Unicell chairman Roger Martin. "Our automotive engineering talent and R&D tax credits are second to none."

Vehicle manufacturers are racing to "hybridize" and increasingly they're turning to **CrossChasm Technologies** for help. The Waterloo-based company's proprietary software enables manufacturers to build virtual hybrids and run them through real-time drive cycles to determine the optimal design, reducing cost and production time. "Ontario is uniquely positioned to become the place for hybrid R&D and production," says CrossChasm CTO Chris Mendes. "We have tremendous R&D depth, a sophisticated automotive manufacturing base and a supportive government that's determined to put us in the forefront of the next generation of electric and plug-in hybrid vehicles."

Ontario—
come and grow your business here.



For more information about Investing in Ontario
please visit us at:
www.investinontario.com

The world works here.


For a list of international phone numbers
to contact us:
www.investinontario.com/contactus
E-mail: info@investinontario.com

Ontario Investment and Trade Centre
35th Floor
P.O. Box 1, 250 Yonge Street
Toronto, Ontario
M5B 2L7
CANADA

Tel: 416-313-3469
Fax: 416-360-1817



All figures are in
Canadian dollars unless
otherwise noted

 Printed in Ontario on recycled paper
© Queen's Printer for Ontario, 2009
ENG/09/09