

# U.S. SECONDARY MARKETS

## WHY WATERLOO?

**3** MAJOR OBSTACLES ARE HOLDING BACK  
TECH COMPANIES AROUND THE WORLD:

**WATERLOO** IS THE ANSWER FOR TECH  
COMPANIES LOOKING TO RELOCATE OR EXPAND.



## TECH TARGET CLUSTERS

- ARTIFICIAL INTELLIGENCE
- SECURITY
- AUTOTECH
- QUANTUM TECHNOLOGY
- FINTECH
- ROBOTICS & AUTOMATION

## LOCATION & MARKET ACCESS

At the western edge of the Toronto-Waterloo Corridor, we are part of the second largest tech hub in North America with 9,697 tech companies - 2,036 of which are startups. This massive tech ecosystem is supported by over 280,000 high-tech workers.



	Toronto - Waterloo Corridor	Austin	Detroit	Pittsburgh	Phoenix	Salt Lake City
Annual Number of Passengers (TOTAL)	51,196,553	17,343,729	35,236,676	9,779,114	46,288,337	26,808,014



# TALENT

Waterloo is the fastest growing emerging tech talent market in North America and is among the fastest growing tech labour pools in Canada. The CBRE 2019 Scoring Tech Talent report ranked Waterloo as 1st in Canada for overall quality of labour, 1st in Canada for tech quality-to-cost and 4th in Canada for tech-related degrees.

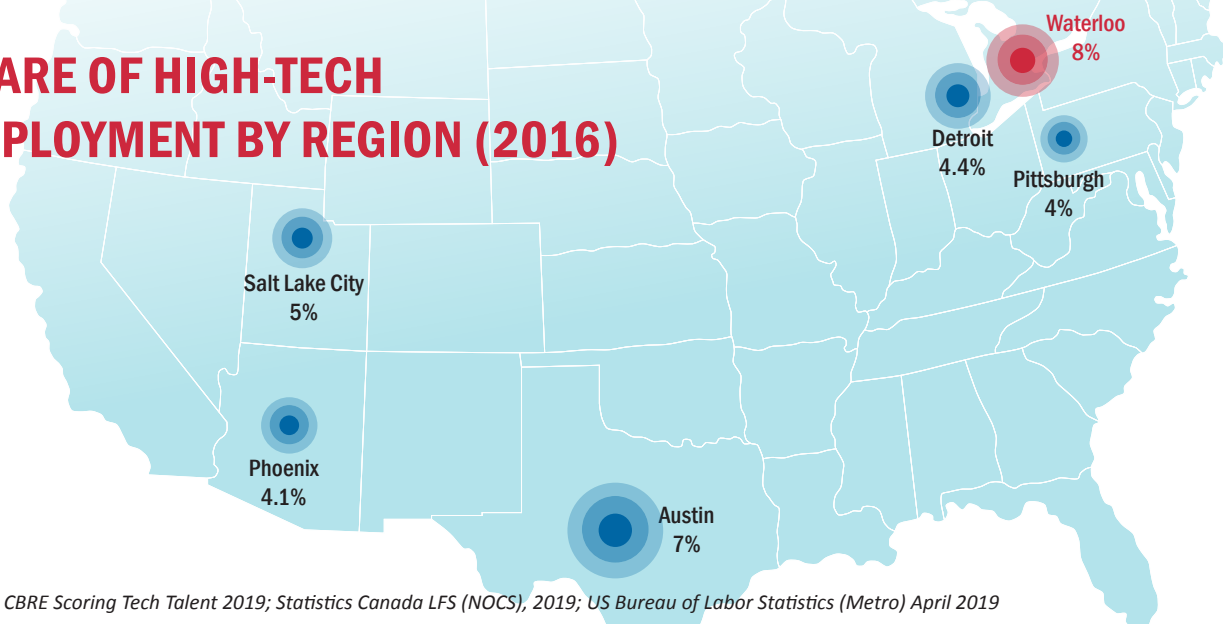
Waterloo boasts over 77,000 university and college students, 20,000 of which are enrolled in STEM programs. The University of Waterloo is ranked among the world's top 50 engineering schools, is home to the world's largest co-op program and ranks #1 in Canada for career preparation and experiential learning.

## UNIVERSITY PROGRAM SIZES

	University of Waterloo	University of Texas - Austin	University of Michigan - Ann Arbor	Carnegie Mellon University	Arizona State University	University of Utah
Engineering Student Enrollment	10,100	8,000	10,819	3,630	23,903	5,427
Computer Science Student Enrollment	4,000	2,305	1,219	≈ 1,000	2,981	1,365

Sources: University of Waterloo, University of Texas – Austin, University of Michigan – Ann Arbor, Arizona State University, University of Utah, Carnegie Mellon University

## SHARE OF HIGH-TECH EMPLOYMENT BY REGION (2016)



Source: CBRE Scoring Tech Talent 2019; Statistics Canada LFS (NOCS), 2019; US Bureau of Labor Statistics (Metro) April 2019



# COSTS

Waterloo salaries are very competitive compared to other tech markets such as Austin, Detroit, Phoenix, Pittsburgh and Salt Lake City. CBRE's 2019 Scoring Canadian Tech Talent report ranked Waterloo 1st in Canada for tech quality-to-cost, making it one of the best values for top tech talent in North America. With lower real estate & healthcare costs and generous R&D tax credits, Waterloo offers a significant cost advantage to alternative locations – all without sacrificing quality or market access.

## MEDIAN TECH SALARIES (USD)



Median 5-year Experience Salary



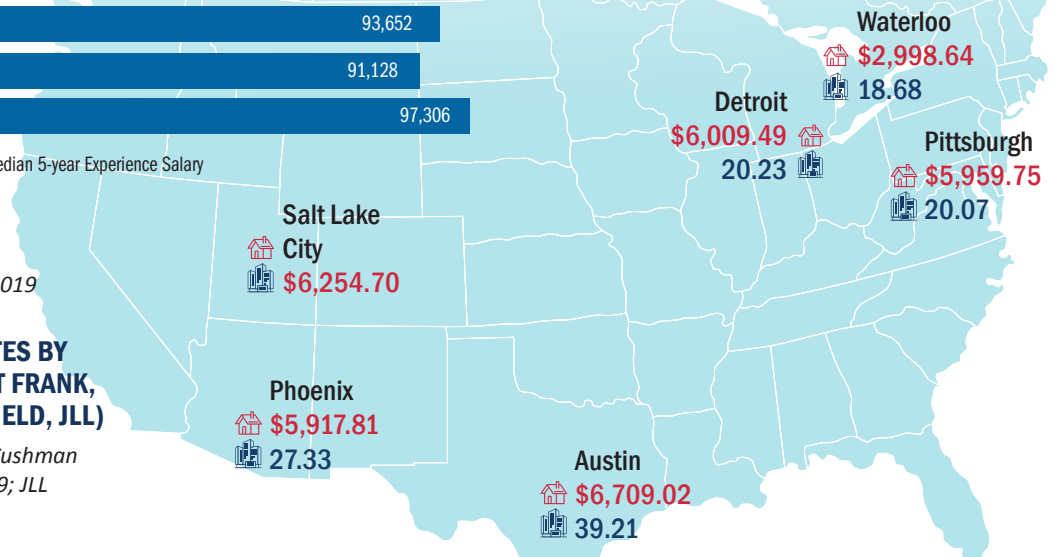
### AVG ANNUAL HOUSEHOLD SPENDING ON HEALTHCARE

Source: Esri Business Analyst Online 2019



### OFFICE & INDUSTRIAL RENT RATES BY AREA (CBRE, NEWMARK KNIGHT FRANK, COLLIER'S, CUSHMAN & WAKEFIELD, JLL)

Source: CBRE Market Outlook 2019; Cushman & Wakefield Marketbeat Reports 2019; JLL Industrial Outlook 2019



## R&D TAX CREDITS – COST REDUCTION FOR QUALIFIED RESEARCH EXPENDITURES

Note: Indicated as maximum percentage of qualified research and development expenditures.

	Waterloo	Austin	Detroit	Pittsburgh	Phoenix	Salt Lake City
Maximum Benefit with Federal & State/Provincial R&D Tax Credits	66.5%	26.5%	21.9%	30%	44%	37.5%

Source: Waterloo EDC, State of Texas, State of Michigan, State of Pennsylvania, State of Arizona, State of Utah



**WATERLOOEDC**  
inventing the future

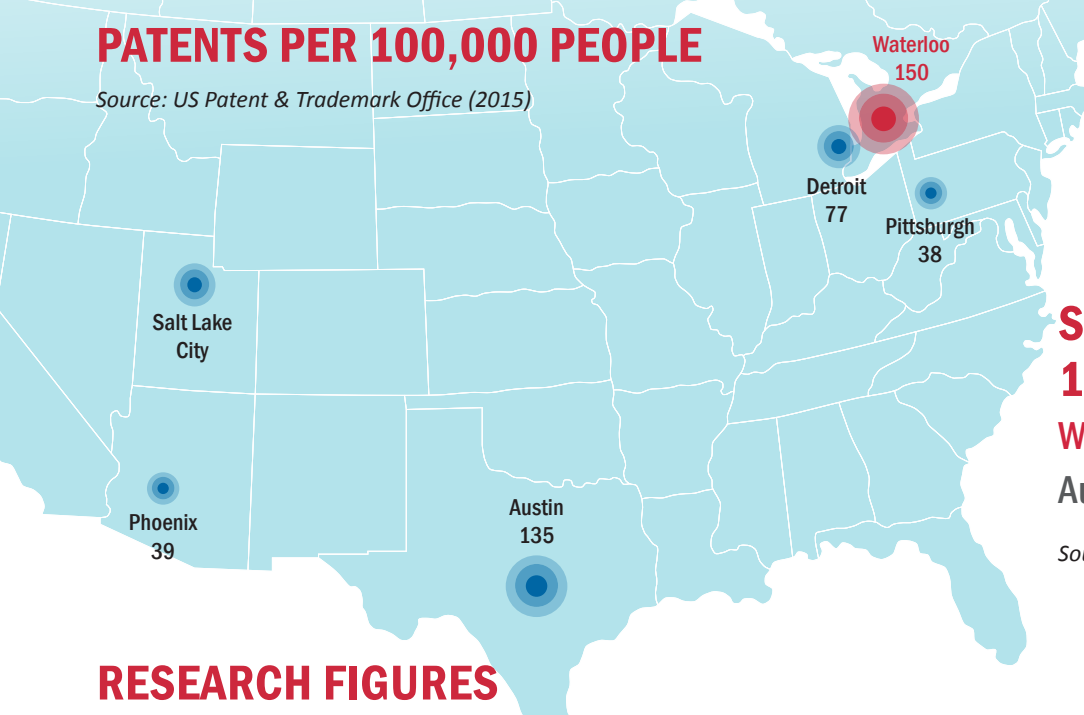


# WATERLOO SECRET SAUCE

Tech culture is a major part of our identity. Waterloo has the second most startups per capita behind Silicon Valley, exceeding that of Austin. 34% of our MBA graduates start a business one month after graduating, compared to just 7% at the top 7 elite US business schools. The University of Waterloo is staggeringly overrepresented for its production of entrepreneurs in Canada having provided undergraduate education to 18.6% of all tech founders in Canada.

## PATENTS PER 100,000 PEOPLE

Source: US Patent & Trademark Office (2015)



## STARTUPS PER 100,000 PEOPLE (2017)

Waterloo – 96.883

Austin – 95.573

Source: Startup Genome 2017

## RESEARCH FIGURES

	Waterloo	Austin	Pittsburgh	Salt Lake City
Times Highly Cited per 100,000	3.488	1.362	0.342	0.084
Times Cited per 100,000	1354	393	452	175
Web of Science Documents per 100,000	324.6	132.4	84.4	53.9