

annual report

2016



QUÉBEC
INTERNATIONAL
Economic Development

about Québec International

Our mission

Québec International's mission is to contribute to the economic development of the Québec City metropolitan region and enhance its international status. As a regional economic development agency, Québec International fosters business growth and development, supports key clusters and attracts talent and investments to the area.

Our mandates

SUPPORT TRADE
AND EXPORTS

ATTRACT FOREIGN
INVESTMENTS

FOSTER INNOVATION
AND HI-TECH
ENTREPRENEURSHIP

ATTRACT QUALIFIED
FOREIGN TALENT
AND INTERNATIONAL
ENTREPRENEURS

DEVELOP AND
PROMOTE KEY
CLUSTERS

PROMOTE THE
BUSINESS
ENVIRONMENT OF
THE QUÉBEC CITY
REGION

message from the chair of the Board of Directors and the CEO



We are pleased to present Québec International's 2016 annual report. Once again, our agency was able to launch many successful initiatives by collaborating with businesses, research organizations and our partners.

Québec International's mission has two major facets. One facet involves attracting qualified talent, foreign investors and international entrepreneurs to the region. In this category, we saw economic benefits of nearly \$130M. The other facet involves developing and exporting regional knowledge. Our entrepreneurship, innovation, marketing, and key cluster development initiatives in this area generated nearly \$55M in benefits.

The Québec International team worked incredibly hard to obtain these results. In fact, we initiated more than 250 activities, missions and events, and our marketing, entrepreneurship and recruitment specialists provided more than 1,200 hours of individual coaching to businesses.

Our agency is proud to be able to contribute to the development of our region, which has experienced economic growth for 25 years running, unheard of in other major Canadian metropolitan regions. This exceptional success is the result of a team effort. It depends on our businesses, which generate wealth; our research centers, which provide innovation; and our socio-economic actors, who implement important actions and strategies. Our firm belief in the region's growing success is what guides us and encourages us to always try harder.

Finally, we would like to thank the businesses, research organizations and numerous public and private financial partners who keep renewing their faith in us year after year. We would also like to congratulate the entire Québec International team, who work tirelessly every day to support the growth of our businesses and the success of our region. Last but not least, we would like to say a special thank you to the Board of Directors for their incredible engagement throughout the year.

Happy reading.

Fernand Labrie, Chair of the Board of Directors

Carl Viel, CEO

2016 highlights

The economic benefits in this report come from our initiatives and programs and are based on data provided by the businesses we've coached. They include direct foreign investments, declared actual and potential sales, actual and potential financing, investments, and estimated GDP created by recruited foreign talents.

\$189.4M in economic benefits

\$102M

Foreign investments

\$12.9M

Trade and market development

\$33M

Attracting international talent and entrepreneurs

\$17.6M

Innovation and hi-tech entrepreneurship

\$23.9M

Development of key clusters

Initiatives

28 international missions to scout foreign investment opportunities, promote exports and recruit foreign workers

70 economic delegations, international buyers and foreign investors welcomed

231 assistance events and programs promoting the development of local businesses

1,206 hours of personalized coaching in exports, entrepreneurship and international mobility

25 promotional, corporate and economic publications emphasizing the region's business environment

12 consortia on innovation and marketing in the area's five key clusters

Clientele served

6,363 participants in our initiatives

1,108 businesses served

62 research centres and chairs involved

10 years of excellence

Québec International was once again named one of the top Canadian economic development groups by Site Selection Magazine as part of its annual Canada's Best Locations 2016 list. It is the only Canadian agency to make the list for the 10th year in a row.

The American magazine releases a yearly list of the top ten economic development agencies in Canada. The list is based on many criteria, including project data (the number of projects with an economic impact on the region), regional partnership, proactive and innovative programming and quality data and Web tools and resources.



promoting the region's business environment

Initiatives

25 promotional,
corporate,
and economic
publications

5 applications
for national and
international rankings

170
appearances
in regional, national and
international media

42 weekly and
quarterly newsletters

1,700
pieces of economic
news shared online, on
social media and in our
newsletters

62,400
people connected
through our social media
platforms

Results

8 prizes and
distinctions received,
acknowledging the quality of
our business environment

450 + media
mentions focusing on the
area, its businesses and our
agency

959,600
visits to our websites
for entrepreneurs, investors
and foreign talent

summary

Each year, our team of professionals performs studies and analyses on the regional economy, the distribution of quality information throughout our business environment, our applications for rankings and awards, the deployment of marketing and media strategies and the production of promotional material showcasing our region and its industries.

Here are some of the top initiatives of 2016:

SURVEY

Release of the 2016 Business Confidence Survey, which showed that the region's CEOs are anticipating growth in sales, exports, investments and hiring.

DISTINCTION

KPMG's Competitive Alternatives 2016 study ranked Québec City first in business costs for mature markets in cities with 100,000 or more inhabitants.

PUBLICATION

Publication of a brochure highlighting Québec City's expertise in life sciences for the BIO International Convention. The brochure received a Marketing Canada Award from the EDAC.

STUDIES

Publication of two studies: the *Socio-Economic Snapshot of the National Capital Region* (French only) and the *Economic Report and Outlook 2015-2016* for the Québec City CMA, which analyzed the economic performance of the region and its RCMs.

PRIZES

Québec International received an International Life Sciences Award from the UK's *Global Health & Pharma Magazine* and was ranked one of Canada's Best Locations 2016 by American magazine *Site Selection*.

“ Puissance Onze, the group of insurance companies with headquarters in the Québec City and Lévis region, regularly consults with Québec International's economic studies team. They are very familiar with the economic sectors that generate jobs and wealth for the local community, and they're able to provide a historical view of the way these sectors have evolved. ”

DANIEL ROUSSEL, PUISSANCE ONZE



attracting foreign investments

Initiatives

7 missions and
11 activities for
scouting and
promotion
in 16 cities worldwide

300 potential
investors and
businesses met
in Québec City and abroad

57 visits to
foreign-owned
subsidiaries in the area

34 visits from
potential investors
looking for places to start up
or expand

16 economic
delegations
welcomed from Europe,
the Americas and Asia

68 active
portfolios with
medium- or long-term
investment potential

Results

\$102M
in investments for
the expansion or
implementation of
foreign companies
announced

18 start-up or
expansion projects
announced or accomplished
during the year

277 jobs created
or safeguarded
due to these investments

summary

Every year, our team of foreign investment experts coaches foreign investors during their start-up and expansion projects. It also hosts scouting missions and activities, establishes coaching and visit programs for foreign subsidiaries, welcomes investors and strategic partners and engages in promotion activities in networks with high investment potential.

Here are some of the top initiatives of 2016:

MISSIONS

Two international missions allowing us to meet with investors in the digital arts and video games sectors during prestigious events, including the Game Developers Conference in California and Nordic Game in Sweden.

HOSTING

Among the thousands of participants in the Semaine Numérique de Québec were delegations from Belgium and France. We had more than 40 meetings with businesses interested in Québec City.

MISSION

A joint mission to Japan with Invest in Canada and Consider Canada City Alliance gave us the opportunity to meet with more than 75 investors and partners and to attend forums on investment and innovation in Canada.

ACTIVITY

Our promotional activities during BÉNÉFIQ 2016 allowed us to meet decision makers in the nutrition and food processing industries. We were also able to confirm the arrival of MITACS-Nestlé, R-Biopharm AG and Diana Food in Québec and their collaboration with INAF.

SCOUTING

During Cartoon Connection Canada and the Montréal International Game Summit (MIGS), our team was able to establish strategic links with major global producers and distributors in the film, television and video games industries.

“ We have identified interesting opportunities coming from different geographies but I guess what really moved us towards Québec was how much we perceived you truly care about our success. We felt that Geovoxel would not be just one more company in town. I could not expect the level of support I received from Québec International. Each meeting you have arranged and participated, each introduction you have made, was relevant. ”

LUCIANO PANTUSO, GEOVOXEL



attracting international talent and entrepreneurs

Initiatives

8 promotion and scouting missions in Europe, Canada and Latin America

520 hours of consultation services with businesses

891 participants in our initiatives

37 training sessions, codevelopment programs, webinars and information sessions

57 international business portfolios processed, eight of which have high investment potential

11,305 people registered in our talent bank

Results

\$33M in economic benefits, including \$6.4M in investments from international entrepreneurs

343 people recruited during the year for a total of 581 new talents

107 jobs created or safeguarded thanks to the establishment of international entrepreneurs

summary

Every year, our talent and international entrepreneur attraction team provides coaching services for hiring and onboarding talent, consultation services for international mobility, improvement activities, promotion and recruitment missions to targeted regions and personalized support services for individuals who want to set up in the area to create or purchase a business.

Here are some of the top initiatives of 2016:

MISSIONS

Three promotion and scouting missions for international entrepreneurs in Brazil and France. These missions allowed us to establish strategic partnerships and promote our regional business environment.

PROGRAM

30 HR managers took part in the 2016 Recruteurs de talents program. Over 12 months, these professionals took advantage of the diagnostic, training, codevelopment and coaching services offered through the program.

MISSIONS

The virtual mission to Latin America was incredibly successful, both in terms of reach and in terms of the number of people hired. More than 3,000 applications were received, leading to some 200 hiring interviews.

MISSIONS

16 businesses—a record number—participated in the recruitment mission to Paris in November as part of the Journées Québec. Employers conducted more than 850 hiring interviews with pre-selected candidates.

MISSIONS

The addition of a recruitment aspect to the trade mission to the Pixelatl festival in Mexico showed the strong potential for combined services between our recruitment professionals and digital arts and interactive entertainment professionals.

“ I’d like to thank the Québec International team for their professionalism and effectiveness during the recruitment mission to Paris. The mission itself was perfectly organized, and the availability of your partners allowed our candidates to have all of their questions answered. You exceeded my expectations and Métal Perreault’s needs were met. ”

CHARLES CARRÉ, MÉTAL PERREAULT INC.



supporting trade and market development

Initiatives

4 trade and scouting missions to support the development of foreign markets

8 foreign delegations and buyers welcomed, allowing us to explore business opportunities

14 improvement activities and programs to build entrepreneurs' skills

313 hours of coaching through our export consultation service

806 participants in our initiatives

63 export projects initiated, 23 of which were with new exporters

Results

\$12.9M in actual and potential sales declared by participating businesses

22 trade and industrial agreements concluded by businesses

6 foreign establishment projects achieved

summary

Every year, our team dedicated to foreign market development sets up trade missions to target markets, holds improvement and networking activities, welcomes international buyers and provides a personalized export coaching and consultation service.

Here are some of the top initiatives of 2016:

PROGRAM

The *Cercle d'amélioration et mentorat en ventes et marketing* was launched this year. This 12-month program focuses on exchanges between experts and participants, with the goal of using everyone's experience to improve marketing.

MISSIONS

The businesses that took part in the trade mission to New York with the mayor of Québec City were able to meet with key players and take advantage of real business opportunities in this major market.

HOSTING

The more than 20 networking sessions held with a Belgian delegation, in partnership with Flanders Investment & Trade and the Belgian Consulate General, allowed us to cement several partnership agreements.

MISSIONS

The trade mission to São Paulo Tech Week allowed businesses to discover the latest trends and strengthen business relations in the largest IT market in Latin America.

PROGRAM

The 3rd cohort of the SME Passport program came to an end. The seven businesses, which were coached by our experts over the previous 18 months, were able to profit from the program and generate major benefits.

“Over the course of the year we participated in the SME Passport program, our exports tripled. The experience showed us that our business was ready for exports and helped us determine where we should invest our efforts.”

ALEXANDRE GILBERT-VANASSE, OPSUN SYSTEM INC.



supporting innovation and hi-tech entrepreneurship

Initiatives

373
hours of coaching
through our consultation
service

63
businesses coached
through our incubation and
acceleration programs

99 activities
and events supporting
entrepreneurship and
innovation

6 training
and coaching
programs

1,982
participants
in joint activities
with Québec International
and LE CAMP

32
activities organized
by partners in LE CAMP's
entrepreneurial ecosystem

Results

\$17.6M
in potential
investments and
financing obtained
by companies

23 companies that
obtained financing or
launched investment
projects

85% average
occupancy rate
at LE CAMP, a local
incubator-accelerator

summary

Every year, our innovation and technology entrepreneurship team sets up incubation and acceleration programs for technology businesses, coaches technology businesses in seeking funding, develops trade corridors, holds events and activities supporting entrepreneurship and innovation and manages a technological incubator/accelerator that is revolutionizing the business ecosystem.

Here are some of the top initiatives of 2016:

INAUGURATION

150 actors and partners were reunited at the inauguration of the new CAMP facilities. Since it opened, the incubator/accelerator has quickly become an anchor for the business community.

EVENT

More than 300 people participated in the *Opportunités Digitales* event as part of the first *Semaine Numérique du Québec*. The 200 B2B networking meetings allowed participants to explore new business opportunities.

DELEGATION

More than 40 businesses were part of the Québec delegation at the International Startup Festival, one of the largest events of its kind in North America. It was a great opportunity to showcase the energy and talent our entrepreneurs have to offer.

EVENT

The first *Journée du Fonds InnovExport* allowed more than 75 participants to meet with investors. With a \$30M capitalization, this new technology seed fund was set up at LE CAMP in September 2016.

PROGRAMS

49 entrepreneurs took place in the FastTrac®, TechVenture™ and Mentor Validated Products (MVP) programs. These programs helped them to build and validate winning business models.

“ LE CAMP allowed our team to meet in an ideal work environment. The invaluable advice from our Sherpa really helped us grow our business. It's the perfect meeting place for Québec's startup community. ”

RENAUD TEASDALE - MYCUSTOMIZER



fostering the development key clusters

Québec International promotes the development of the five key regional clusters recognized by ACCORD Capitale-Nationale by implementing initiatives that specifically meet the needs of businesses in life sciences, optics/photonics, digital arts and interactive entertainment, green and smart building, and health foods.

\$23.9M in benefits

including obtained funding, R&D investments, and real and potential sales declared by participants in our initiatives.

9 trade and
scouting missions
to support the development
of foreign markets

70 activities
and programs
for networking and skills
development

12 industrial
innovation consortia
to support marketing and R&D

12 foreign
delegations and
buyers welcomed,
encouraging exploration
of business opportunities

2,684
participants
in our initiatives

12 partnership
agreements with
key clusters
in Canada and abroad



2016 highlights

MISSIONS

Businesses that took part in the Connect With World Food Innovation in California mission participated in the Winter Fancy Food Show and in training and networking activities at UC Davis, a global leader in food innovation.

PROGRAM

10 agri-food businesses launched the *Soyez les grandes gagnantes* program. This 12-month program focused on marketing strategy and sales structure, and offered up to 160 hours of business coaching.

EVENT

The *journée Marketing et innovation alimentaire* for industries took place as part of BÉNÉFIQ, the International Rendezvous on Health Ingredients, which brought together more than 700 people in Québec City.

\$1.7M in benefits

1 trade and scouting mission to support the development of foreign markets

10 businesses coached through this program

18 networking and skills development activities

557 participants in our initiatives to support business growth

1 marketing training and coaching program

2 partnership agreements with key clusters in Canada and abroad

“ Québec International is one of INAF’s key international development and outreach partners. Their collaboration for the latest BÉNÉFIQ event allowed us to solidify our partnerships with international businesses such as Nestlé, Diana Foods and R-Biopharm. We are anticipating significant benefits, and several other projects are already underway, helping to make our region a leader in sustainable foods. ”

RENÉE MICHAUD, INAF

digital arts and interactive entertainment



2016 highlights

PROGRAM

Seven entrepreneurs participated in the “Mentor Validated Products-Video Game Edition” program. Based on the Agile methodology, the training program helps validate and grow ideas quickly and efficiently.

HOSTING

We hosted 12 video game publishers from Brazil, China, Japan, Germany, South Korea and the United Kingdom, who came to visit independent studios in the area. This initiative proved to be very fruitful.

PROGRAM

Bishop Games won the 2nd edition of CATAPULT, a unique accelerator program for independent game studios. The studio won several prizes, with a value of over \$60,000.

\$1.2M in benefits

4 trade and scouting missions to support the development of foreign markets

2 training and coaching programs for early-stage companies and start-ups.

7 foreign delegations and buyers welcomed, encouraging the exploration of business opportunities

433 participants in our initiatives to support business growth

7 networking and skills development activities

1 partnership agreement with a key cluster abroad

“ The CATAPULT program, with its grant, access to Ubisoft’s testing labs and year of free hosting at LE CAMP, was unbelievably valuable for Bishop Games. Thanks to the on-site activities and training, network of contacts, Sherpa coaching and Propulsion program, we can say that LE CAMP truly drove our studio’s growth. We couldn’t have asked for a better support system for our first game. ”

BENOÎT ARCHER, BISHOP GAMES

green and smart building



2016 highlights

PROGRAM

The LEED v4 training and coaching program was launched, allowing participating businesses to acquire in-depth knowledge of the certification system for advantageous positioning on the market.

EVENT

Our *Journées internationales CONSTRUCTION*, organized with DPME International, allowed businesses to hold individual meetings with 14 American and Canadian buyers.

LAUNCH

Launched QUEBOX, a marketing initiative for Québec manufacturers that includes a virtual materials library of green construction products and technologies.

\$2.9M in benefits

1 trade and scouting mission to support the development of foreign markets

1 reception for delegations and international purchasers to explore business opportunities

12 activities and programs for networking and skills development

404 participants in our initiatives to support business growth

2 industrial innovation consortia to support marketing and R&D

2 partnership agreements with key clusters in Canada and abroad

“ Thanks to the Green and Smart Building sector of excellence, QUEBOX has finally provided us with an open, user-friendly tool that allows us to showcase our unique products. It’s a great way to stand out! Thank you and bravo! ”

ANDRÉ HUOT, NORDIC STRUCTURES



2016 highlights

EVENT

The Optics Photonics Industry Circle allowed participants to align their technological developments with the needs of DRDC-Valcartier, a key player in the industry's development.

HOSTING

The *Optique-photonique au service de la Cosmetic Valley* event, held when we hosted a delegation of French cosmetics laboratories, allowed us to identify many collaboration opportunities and projects.

EVENT

L'innovation au service de la ville intelligente, an activity organized with the UMRsu, gave businesses the chance to apply their technological know-how to help the cities of tomorrow. The event led to several concrete projects.

\$7.3M in benefits

1 trade and scouting mission

to support the development of foreign markets

9 industrial innovation consortia

supporting marketing and R&D

17 activities and programs

for networking and skills development

24 businesses and research centres

involved in the consortia

241 participants in our initiatives

to support business growth

2 partnership agreements

with key clusters in Canada and abroad

“The 3rd Optics Photonics Industry Circle, which focuses on the needs of the defence and aerospace industries, helped KinetX Aerospace International to build a partnership that allowed us to respond competitively to a call for proposals in the defence sector. The discussions we had during the forum helped us to understand the needs of the defence sector, identify potential partners and create a consortium of nine organizations to share our expertise and strengths with one another.”

FRÉDÉRIC PELLETIER, KINETX
AEROSPACE INTERNATIONAL



2016 highlights

MISSION

More than 40 people, including the mayor of Québec City and the five winners of the Devtech BIO competition, made up the regional delegation to BIO San Francisco. This trade mission helped to conclude many contracts and agreements.

EVENT

The 10th Québec City Healthcare Industry Forum had record 400 attendees. Organizing two full days of programs, the QCHF is the largest annual life sciences event in Québec.

CONFERENCES

The 2016 *Des succès inspirants!* conferences were once again enormously successful. Participants learned about renowned businesses and research centres, including CIRRIIS, the INRS, Opsens and Dectro International.

\$10.8M in benefits

2 trade and scouting missions to support the development of foreign markets

1,049 participants in our initiatives to support business growth

4 foreign buyers and delegations welcomed, allowing us to explore business opportunities

1 industrial innovation consortium supporting marketing and R&D

13 activities and programs for business networking and skills development

5 partnership agreements with key clusters in Canada and abroad

“ Québec International’s life sciences team gave me invaluable support when I was marketing Prehos. These people were highly qualified. They listen to you and offer you services adapted to your needs. The events I attended allowed me to network with major players in the field. ”

CHRISTIAN CHALIFOUR, PREHOS

our Board of Directors ¹

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President and CEO, Québec International

Secretary

Christian Racicot ⁴

Attorney, BCF Lawyers LLP, Secretary of the Board

Québec International would like to thank **Marie-Claude de Billy** and **Christian Audet**, who left the Board of Directors in 2016. We would also like to thank the representatives of our major backers: **Marie-Ève Harvey**, Acting Regional Director for the Québec-Chaudière-Appalaches region at Economic Development Canada, **Bernard Auger**, Division Director-Industry, Trade and Services with the Ville de Québec, **Alain Kirouac ³**, Associate Secretary General at the Secrétariat Capitale-Nationale and **Jean-François Talbot**, Regional Director at the Ministère de l'Économie, de la Science et de l'Innovation.

¹ Composition as of December 31, 2016

² Member of the Human Resources and Governance Committee

³ Member of the Auditing Committee

⁴ Non-voting member

thank you to our partners

Major Public Partners

Government of Québec

Secrétariat à la Capitale-Nationale
Ministère de l'Économie, de la Science et
de l'Innovation

Commission des partenaires du marché
du travail du Québec

Ministère de l'Agriculture, des Pêcheries et
de l'Alimentation du Québec

Ministère du Travail, de l'Emploi et
de la Solidarité sociale

Ministère des Relations internationales et
de la Francophonie

Government of Canada

Innovation, Science and Economic
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la coopération décentralisée

Fonds Innovexport

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