

Introduction:

Congratulations to the 23 companies approved for project funding and their 77 investment partners (including SDTC), announced on February 15th by Federal Ministers Joe Oliver and Peter Kent. SDTC has supported more than 245 projects and allocated \$592 million since the inception of the SD Tech Fund over 10 years ago. A list of these companies is included in this edition of *Spotlight on Cleantech*.

These important announcements were part of a busy week for clean technology in Canada, including national television coverage of the industry on [CBC's The National](#), and reflect the growing recognition of the industry's importance to the Canadian economy. In this *Spotlight*, we highlight the investments that these companies are making in technology innovation that enable the advancement and competitiveness of a broad cross-section of industries.

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Canadian Clean Technologies: Strengthening Canada's Economy

Announcements made by Minister of Natural Resources Joe Oliver and Minister of Environment Peter Kent of project funding for innovation-based companies demonstrate how Canadian industry is putting its faith in Canadian clean technology across a wide range of sectors including oil and gas, mining and minerals, shipping, forestry and agriculture.

Canadian clean technology companies are commercializing technologies that will enable Canada's traditional industries to be more productive and globally competitive. SMEs, such as the ones recognized by Ministers Oliver and Kent, have invested unstintingly in R&D regardless of the economic cycle. Average R&D investment per SME was \$1.1 million in 2011, up from \$818,000 in 2010. These figures for SME R&D investment compare favourably with the \$1.5 million current average R&D investment for Canadian publicly and privately-held clean technology companies of all sizes.

Annual and Cumulative R&D Investments by Canadian Clean Technology Companies – SME versus Large Companies (2008 to 2011)



Our governments, both federally and provincially, can have confidence in this industry, which is already deriving half of revenues from exports. With a coordinated approach across provinces and federal departments, Canada could gain many benefits from our clean technology industry, particularly at a time of record trade deficit and heightened international interest in Canada's approach to energy.

Here are four benefits that would accrue to Canada as a result of a coordinated approach to the clean technology industry:

1. Potential of \$25 to \$45 billion in exports, equally split between US and non-US markets, with more than \$10 billion in exports in less than 5 years
2. More than 2 million cumulative person employment years before 2020
3. Sustainable and made-in-Canada infrastructure for off-grid communities, both at home and abroad
4. A stronger international brand for Canada in both bi-lateral and multilateral negotiations

The Harper Government has clearly supported Canadian clean technology companies through last week's important announcements and throughout its mandate. Next steps should build on these foundations for a made-in-Canada strategy that directly addresses the government's priorities for energy, trade, innovation and the environment.

Companies approved for project funding by SDTC:

- Agri-Neo, Montreal Quebec (\$1.5M) - Agriculture
- Airex Industries, Laval, Quebec (\$2.7M) - Forestry
- Atlantis Operations (Canada), Halifax, Nova Scotia (\$5M) - Marine Power
- Borealis Geopower, Calgary, Alberta (\$2.4M) - Geothermal
- Canada Lithium, Toronto, Ontario (\$6.5M) - Mining and Minerals
- Développement Effenco, Montreal, Quebec (\$1.8M) - Waste Transportation
- Diacarbon™ Energy, Burnaby, British Columbia (\$1M) - Forestry

- Eocycle, Levis, Quebec (\$6M) - Renewable Energy
- GHGSat, Montreal, Quebec (\$2M) - Satellite Remote Sensing - Oil & Gas
- MEG Energy, Calgary, Alberta (\$7M) - Oil & Gas
- Minesense Technologies, Vancouver, British Columbia (\$1.5M) - Mining and Minerals
- Nichromet Extraction, Thetford Mines, Quebec (\$5M) - Mining and Minerals
- NuWave Research, Burnaby, British Columbia (\$2M) - Agriculture
- Polystyvert, Montreal, Quebec (\$480,000) - Waste management
- Power Measurement, Burnaby, British Columbia (\$1.7M) - Smart Grid
- R.I.I. North America, Edam, Saskatchewan (\$2.8M) - Oil & Gas
- semiosBIO Technologies, Vancouver, British Columbia (\$2.8M) - Agriculture
- Solar Ship, Toronto, Ontario (\$2.2M) - Civil Aviation in the North
- Venmar CES, Saskatoon, Saskatchewan (\$2M) - Green Building
- Verve Energy Solutions, Calgary, Alberta (\$3M) - Oil & Gas
- Western Hydrogen, Calgary, Alberta (\$1.5M) - Oil & Gas
- Whale Shark Environmental Technologies, Vancouver, British Columbia (\$646,000) - Shipping
- Yava Technologies, Toronto, Ontario (\$400,000) - Mining and Minerals

This cleantech insight was prepared by Analytica Advisors, a trusted research and advisory firm and a thought-leader in Canada's technology and innovation industries. The firm's original research and advisory work serving start-ups, financial institutions, think-tanks and governments both in Canada and internationally, combines focused primary research with decades of experience in start-up operations, global management consulting, human capital development, as well as capital market valuations.

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