



**BUSINESS**

Sault Ste. Marie

*A Division of SSMEDC*

Sault Ste. Marie's  
Competitive  
Advantage

# Why Sault Ste. Marie

Sault Ste. Marie is attracting business expansion and growth featuring an efficient international border, strategic central North American location, an educated and skilled workforce and highly developed infrastructure and transportation systems.

Businesses are benefiting from:

- operating advantages such as available lower direct cost for human resources;
- a surplus of reliable energy and utilities;
- more affordable real estate acquisition;
- competitive site development costs; and
- access to all major telecommunication networks.

# Strategic Location

- Sault Ste. Marie is strategically located at the centre of the Great Lakes, providing convenient and direct multimodal access to the international marketplace. Sault Ste. Marie has a population of over 75,000 (126,000 including surrounding area) with access to 60 million consumers within 500 miles (800 kilometers).



# Advantages

- Efficient and diverse transportation systems such as rail, highway, marine and air;
- A non-disruptive and efficient border point to the United States via the I-75 and access to the Trans-Canada Highway;
- Convenient direct access to major international airport hubs;
- Access to international supply chain;
- Excellent logistics and manufacturing infrastructure;
- Research and operating capacity to access bio-resources;
- Direct access to all major fibre optic networks and international fibre optic connections;

# Advantages

- International consultant KPMG ranked Sault Ste. Marie in the top five in Ontario in their International Competitive Analysis;
- Updated zoning bylaws improve local development and allow appropriate zoning to accommodate new businesses and help diversify the local economy;
- Government incentives in areas such as technology, innovation, training, site acquisition, infrastructure and manufacturing;
- Highly skilled and technical workforce available;
- Modern post secondary educational programs;
- Superb quality of life reflecting value and unparalleled opportunities.

# Advanced Robust Economy

- Sault Ste. Marie is experiencing unprecedented economic growth as a result of economic diversification efforts and Sault Ste. Marie's advanced competitive advantage.

Business Sault Ste. Marie is aggressively pursuing the following economic sectors:

- Manufacturing (value-added steel and forest products);
- Multi-modal and transportation related (logistics, air cargo, warehousing, distribution);
- Health;
- Education;
- Information Technology/e-Commerce;
- Energy & Environment;
- Bio-Industry (bio-products, biotechnology, biomass);
- Aviation (maintenance, repair, overhaul, assembly, avionics);
- Retail & Tourism Development.

# Advanced Robust Economy

Sault Ste. Marie has a well diversified economy with the following established businesses:

- Essar Steel Algoma (steel);
- Ellsin Environmental (energy)
- Heliene Canada (solar manufacturing)
- Algoma University and Sault College (education);
- Brookfield Power (wind and hydro energy);
- Cross Country Automotive Services (information technology);
- Domtar Inc (forest products);
- Flakeboard Company Ltd. (forest products);
- Provincial and federal research centres (bio-industry);
- Group Health Centre (health);
- Transcomm International (information technology);
- Ontario Lottery and Gaming (information technology);
- Pod Generating Developing Group/Starwood Inc. (solar energy);
- Sault Ste. Marie Intermodal Terminal (transportation);
- Tenaris Group (steel pipe);
- The Sutherland Group (information technology)
- Elementa Group (municipal waste to energy).



# Advanced Robust Economy

## Local investments 2008 – present

• Essar Global - \$1.8 billion	
• (purchase of Algoma Steel with planned expansion)	\$ 500.0 million +
• New Sault Ste. Marie District Hospital	\$ 408.0 million
• Brookfield Prince Windmill Project	\$ 400.0 million
• Starwood Energy/Pod Generating Group	\$ 360.0 million
• St. Marys Paper Biomass Cogeneration Facility	\$ 175.0 million
• Essar Steel Cogeneration Plant	\$ 135.0 million
• Praxair Cryogenic Air Separation Plant	\$ 70.0 million
• New elementary and secondary schools	\$ 60.0 million
• New retail development investments	\$ 50.0 million +
• New federal bridge plaza	\$ 44.0 million
• Tenaris Algoma Tubes (steel) investment	\$ 30.0 million
• Huron Central Railway upgrade	\$ 33.0 million
• Invasive Species Centre	\$ 28.4 million
• New academic wing for Sault College	\$ 25.0 million
• New headquarters for the Algoma Public Health Unit	\$ 22.0 million
• New hotel plus expansions	\$ 20.0 million
• Biosciences and Technology Centre for Algoma University	\$ 16.0 million
• Agawa Canyon Tour Train upgrades	\$ 12.0 million
• Third Line extension	\$ 10.7 million
• Heliene Canada	\$ 6.5 million
• Ellsin Environmental	\$ 5.5 million
• Sault Intermodal Terminal	\$ 4.5 million
• Black Loon Millworks International manufacturing facility	\$ 4.5 million
• 200 homes and six residential subdivisions built over the past two years	
<b>Total</b>	<b>\$ 2.420 billion +</b>





Sault Ste. Marie's excellent air, highway, marine, rail and telecommunication connections ensure rapid and economical transportation of people, products, raw materials and information to markets globally



# Cost Advantages and Incentives

- Sault Ste. Marie ranks in the top tier when it comes to comparing business costs in North America, Europe and Asia Pacific. Sault Ste. Marie's low cost of doing business, financial incentives, available infrastructure, growing market and willingness to partner are key factors that create a profitable business opportunity for any company.
- The Competitive Alternatives: The CEO's Guide to International Business Costs, conducted by KPMG consultants represents the most thorough comparison of international business costs ever undertaken. The industry sectors examined were Manufacturing, Research and Development, Software and Corporate Services.

# Cost Advantages and Incentives

- Location-sensitive business costs include:
  - Labour Wages, salaries and all other benefits provided by employers (ie government funded healthcare, pension plans etc.);
  - Facility Low land purchase and building costs for new industrial facilities
  - Transportation Cost vary by industry and are determined by volume and frequency
  - Utility Low utility costs represent 2-9 % of location sensitive costs
  - Income Tax Canada offers significant R&D tax incentives

# Funding Incentives

Business Sault Ste. Marie, a division of the Sault Ste. Marie Economic Development Corporation, has expertise accessing many government funding programs available to qualifying businesses establishing, relocating or expanding operations in Sault Ste. Marie. One of the roles of Business Sault Ste. Marie is to work with entrepreneurs and multi-national businesses to access the appropriate funding programs including:

- FedNor Industry Canada
- Northern Ontario Heritage Fund Corporation (NOHFC)
- Ministry of Economic Development & Trade (MEDT)
- Ministry of Research & Innovation (MRI)
- GO (Government of Ontario) North Investor Program
- National Research Council (NRC-IRAP) and
- Service Canada.

Business Sault Ste. Marie also has access to a variety of unique community funding programs such as the Economic Development Fund (EDF) and the Industrial Community Improvement Plan. Development Sault Ste. Marie has an exceptional high achievement reputation in securing funding for new and existing business ventures that promote community economic development, diversification and job creation.



# Advanced Energy and Utilities

- With its recent energy projects, Sault Ste. Marie has clearly established itself as a world leader in energy diversification. Sault Ste. Marie has excessive, reliable and uninterrupted back-up power capabilities.



# Advanced Energy and Utilities

## Hydro

- Brookfield Power is one of North America's lowest cost producers of electricity with a history of almost 100 years of profitable hydroelectric operations;

## Solar

- Pod Generating Group will be constructing a new solar farm in Sault Ste. Marie capable of delivering 60 MW of renewable electricity to the Ontario grid - enough to supply electricity for 21,000 homes. It is the largest solar farm in Canada. Heliene Canada is a newly formed company in Canada partnering with Spain to manufacture solar panels to feed the North American marketplace.

## Cogeneration

- Lake Superior Cogeneration facility (LSP) operates in conjunction with Brookfield Power's 21 hydroelectric power plants in Northern Ontario. The 110 MW combined cycle cogeneration plant comprises two 40 MW gas turbines and one 30 megawatt steam turbine. The facility is normally fueled with natural gas but is capable of using fuel oil as well;
- Essar Steel Algoma will be operating a new 70 megawatt cogeneration power The new facility is fueled by blast furnace and coke oven gases from Essar's steel plant operations and will generate electricity and process steam, for a combined heat and power generation plant.



# Advanced Energy and Utilities

## Wind

- The Prince Wind Energy Project, completed by Brookfield Power is comprised of 126 wind turbines extending over nearly 20,000 acres. With a total installed capacity of 189 megawatts, Prince is now the largest wind farm in Canada.

## Bio-energy

- **Elementa is a newly formed company that has established a steam reformation pilot project in Sault Ste. Marie. This system uses municipal solid waste as the input through a process of thermal degradation in an oxygen free environment. The steam reformation process converts organic (carbonaceous) materials into a hydrogen-rich synthetic gas that is very similar to natural gas and can be used as a process gas, in power generation (fuel cells, turbines and boilers) and converted into useful carbon-based products.**

## Water

- The PUC operates a direct water filtration plant at 60 000 m<sup>3</sup>/day during peak demand. Provisions have been made to extend the plant up to 120 000 m<sup>3</sup>/day;



# Advanced Labour Force

- Sault Ste. Marie offers an available work force that is highly skilled, dedicated, cooperative, loyal and suitable to meet or exceed the needs of business and industry sectors.
- The local workforce is productive, young, energetic and highly skilled both technically and professionally;
- The area's workforce consists of a cost competitive environment for skilled trades and production labour, in some cases with a 20 percent cost advantage over southern Ontario cities, and is unmatched in academic and vocational training for skilled trades, disciplines and industry specific programs;
- Sault Ste. Marie's workforce is a balance of unionized and non-unionized workers, with a pro-active attitude in working with businesses;
- Government agencies such as Service Canada, Canada Job Fund & Targeted Wage Subsidy and Ontario Works Programs are available to support labour and training costs to businesses in Sault Ste. Marie to encourage economic growth;
- As a result of our world-class research centres, Sault Ste. Marie has one of the highest PhD's per capita in Canada.



# Advanced Education

- Sault Ste. Marie boasts two post-secondary institutions, Algoma University and Sault College, and has direct international bridge access to Lake Superior State University in the state of Michigan. Sault Ste. Marie provides students and workers with the appropriate training and skills necessary to meet the requirements of employers. About 8,000 students attend these institutions.



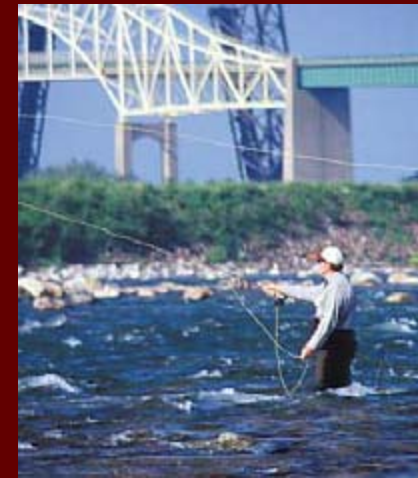
# Advanced Site and Infrastructure

Sault Ste. Marie's structural infrastructure plays an important role in the attraction of industrial and commercial investments in the community.

- Fully serviced industrial sites; up to 500 acres available for immediate startup;
- Available land cost starting at \$25,000 per acre; fully serviced to property line;
- Marine, rail, air, highway and deep water port access;
- Straightforward and effortless connection to city water and sewers;
- Access to all major fibre optic networks and international fibre optic connections;
- Reliable, uninterrupted, hydro, natural gas and energy available at a considerable cost advantage;
- State-of-the-art geographical information system (GIS) multiple layer analysis available for site acquisition decisions.

# Quality of Life

- Sault Ste. Marie provides businesses with an opportunity to achieve a competitive advantage while providing a natural balance with the environment, family, innovation and growth. Its beautiful and diverse natural surroundings provide an excellent setting for all types of four season recreation.



# SSMEDC Strategic Mandate

- **To engage in outreach efforts to domestic and new international markets by performing economic development activities with the public and private sector in attracting investment, job creation (retention) and an increase in the municipal tax base.**
- **Building the brand to fulfill the promise that Sault Ste. Marie is the preferred place to do business offering exceptional value and service.**

# SSMEDC Structure

- **Not-for-profit corporation with 16 employees**
- **Funded by Municipal, Federal & Provincial Governments and Private Sector Partners.**
- **Report to a Board of Directors representing various businesses of the community. Two members of city council are on the board and the Mayor serves as ex-officio.**
- **Comprised of four divisions:**
  - **Business SSM – Business, Youth & Economic Development**
  - **Tourism SSM - Where to stay, What to do...**
  - **Corporate Services – Administration**



# Business SSM - Marketing

- **This associated staff are often a client's first contact with Business SSM who solicit and/or receive, qualify and service potential clients/prospects by:**
  - **Developing and delivering targeted marketing strategies for Business SSM priority sectors**
  - **Developing, maintaining current and distributing relevant print and electronic marketing materials**
  - **Promoting Sault Ste. Marie to potential investors through attendance at relevant national and international business forums/trade shows**
  - **Developing standardized and customized presentations, presentation/information packages for prospective investors including organization of community visits**



# Business SSM - Marketing

- **Working closely with key site selection personnel in evaluating and confirming Sault Ste. Marie as a preferred location for investment**
- **Identifying and facilitating the development of business-to-business relationships that are supportive of the client needs**
- **Conducting client visits to identify potential growth-related needs and opportunities**
- **Generally supporting and managing the client relationship to the point that the client is ready to make a commitment or conditional commitment (e.g. subject to securing funding, land, etc.) to proceed with an investment in Sault Ste. Marie.**



# Business SSM - Investment

- **Investment Support is Business SSM's lead on client files once a client has made a commitment or conditional commitment to proceed with an investment opportunity in Sault Ste. Marie.**
- **Investment Support services will engage with and/or support the client in matters such as:**
  - **Advanced due-diligence and risk management analysis;**
  - **Negotiating and contracting the terms of any public/private sector partnerships (e.g. SSMEDC, City);**
  - **Concluding lease or purchase arrangements for lands and buildings;**
  - **Negotiating and concluding arrangements for site development and servicing including coordination of efforts with utility providers;**
  - **Identifying, evaluating, applying for government incentive funding;**
  - **Liaison with City and other government officials for purposes of regulatory permits, approvals.**
- **Investment Support will also act as the lead on the development and maintenance of key investment data/reports (e.g. Community Profile/Indicators; State of the Economy). Data collection functions will be supported by other DSSM Programs and other SSMEDC Divisions**





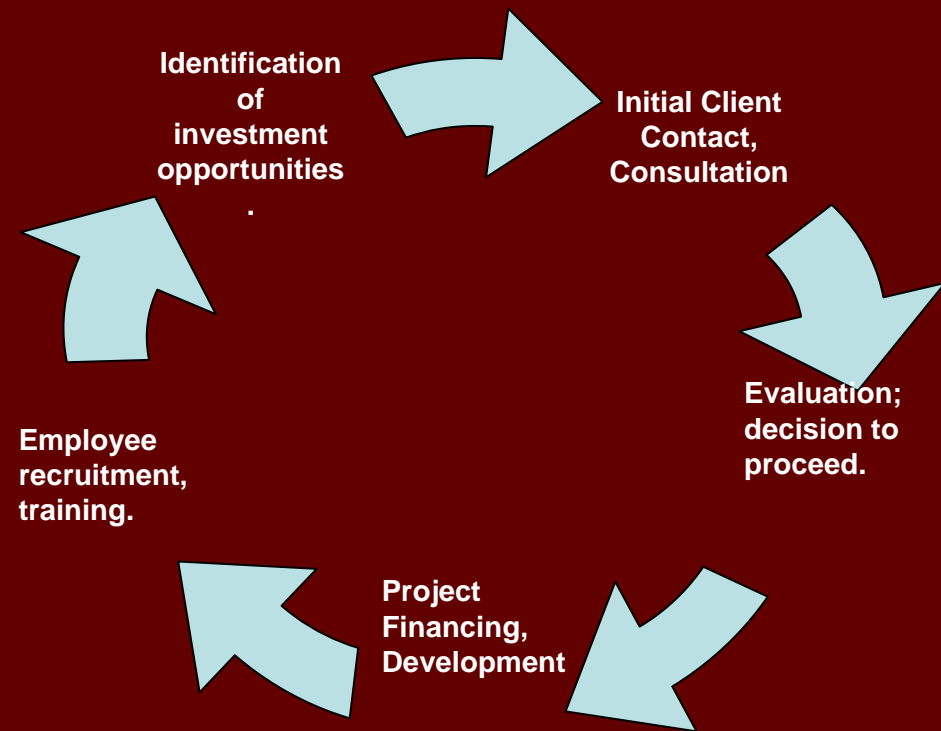
# International Relations/Global Logistics

- **The International Relations and Global Logistics program is a new program that will deliver on the City's International Relation Strategy.**
- **The International Relations and Global Logistics program will deliver on international activities including:**
  - **The City's International Relations Strategy**
  - **Follow-up and development of prior trade missions**
  - **Facilitation and completion of planned trade mission**
  - **Development of new/emerging trade partnerships**
- **The International Relations and Global Logistics program will provide project development, facilitation and logistical support to related initiatives.**



# Client Servicing/Relationship

- **Client services will be provided on the basis of a “development wheel”**
- **Business SSM staff utilize a team approach or “case management” style collaborative management system of client files. That is, each client will be assigned a principal staff contact who will serve as the primary liaison person for the client throughout the development cycle**
- **Business SSM will use best practices from business expansion and retention programs including Ontario’s BR & E tool kit**



# Business SSM Team

*For More Information Contact:*

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***or Visit***

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