



Dan Dodge, President and CEO of QNX, highlighting a QNX telematics system in an Acura RL

QNX the operating system of choice for demanding manufacturers

ICT

Company: QNX Software Systems
Product: Realtime Operating System Software
Location: Ottawa, Ontario

QNX Software Systems marked its silver anniversary in 2005—and the Ottawa, Ontario-based company has every reason to celebrate. With millions of installations worldwide, QNX has established itself as a leading provider of realtime operating system software for mission-critical applications.

While it may not have the consumer name recognition of Windows or Linux, QNX's software is the system of choice for demanding manufacturers. It plays a crucial role in everything from space exploration and surgery to offshore oil drilling and global warming research, and the company's clients read like a who's who of industry. Among them: **Alcatel, Cisco, DaimlerChrysler, General Electric, Lockheed Martin, NASA, Panasonic, Siemens** and the **U.S. Postal Service**.

"Our operating system is ubiquitous," says QNX President and CEO Dan Dodge. "Millions of people around the world unknowingly rely on QNX when they're watching television, swiping a credit card, calling 9-1-1 or catching a subway train. Companies in all sectors have come to rely on it because it

delivers versatility with unparalleled reliability."

Simply put, it doesn't crash. In fact, QNX software has run non-stop, without mishaps at some customers' sites for a decade or more, thanks to its unique modular design. That design also enables it to run at amazing speed, performing critical operations in a few millionths of a second.

"We take immense pride in knowing that, for a quarter century, QNX has been a driving force in expanding the role of software around the world," says Dodge. "Increasingly software's greatest impact happens off the desktop—in the 'real world'. The systems we power are the ones that people rely on when the stakes are highest."

So, how is it that QNX has done what no other company has managed to do? "We stay ahead of the competition by constantly innovating," says Dodge, who notes that the company's R&D is all done at its Ottawa headquarters.

"Our location in Ottawa is a real advantage for us. There's a critical mass of top-notch talent to draw on, both from Ontario's universities and from abroad."

There's also the lifestyle Ottawa affords, he says. "High-tech people love it here. Ottawa has everything from museums and music festivals to outdoor sports—and all within a fifteen minute drive from home."

WEGU Canada finds its niche

AUTO

Company: WEGU Canada
Product: Niche Auto Parts
Location: Whitby, Ontario

Business is booming for **WEGU Canada**. The Whitby-based subsidiary of a German-based company, WEGU is a developer and supplier of rubber and plastics parts, mostly for the auto industry.

With just 130 employees, WEGU has developed a profitable niche for itself, supplying chassis and system suspension components, and sealing systems to car manufacturers and Tier 1 companies. Its clients include **ArvinMeritor, BMW, Ford, General Motors, Magna** and **Volkswagen**. In 2004, WEGU Canada's sales were US\$17.3 million (Cdn\$20 million)—double what they were five years ago—and the company is growing 10 per cent to 15 per cent a year. This comes at a time when many parts manufacturers are struggling.

"We're known for our unique injection molding technology," says COO Jim Denney, who notes that the company has an R&D lab on-site, where specialists develop and test new products and materials.

"We've built a reputation as an innovative, flexible, full-service company that offers complete in-house, turn-key solutions from design to manufacturing. I think that's why we're doing so well."

WEGU has been operating in Ontario since 1973 when it set up shop to service **Volkswagen** in Westmoreland, PA. Why did WEGU choose Ontario?

Location, location, location.

"Ontario was the perfect springboard for our entry into the North American market," says Denney, who points out that the province sits in the heart of the auto industry and has an outstanding transportation system that enables the company to get raw materials to the facility and finished products to customers on a just-in-time basis.

It also offers a skilled and enthusiastic workforce, committed to the company's growth and success, and is culturally more European than the United States, making it a popular investment location for German companies like WEGU.

What's next for WEGU Canada?

"There's room for growth in our niche," says Denney. "We intend to continue to grow at 10 to 15 per cent a year, so in addition to going after other companies in the auto sector, we're actively marketing our products to other sectors, including construction, materials handling and mining."



PHOTO COURTESY OF WEGU CANADA

WEGU associate in the Engineering and Manufacturing laboratory

NIR Diagnostics set to revolutionize blood testing

LIFE SCIENCES

Company: NIR Diagnostics

Product: Handheld Blood Testing Technology

Location: Campbellville, Ontario

NIR Diagnostics is positive-proof that you don't have to be big to be brilliant.

The Campbellville, Ontario-based company has just 8 employees, but it's poised to revolutionize blood testing, according to respected diagnostic report magazine *MD Byline*.

That's because NIR has proprietary breakthrough infrared light technology, developed in Ontario, that makes testing blood quick, painless, onsite and inexpensive.

Says CEO Duncan MacIntyre, "Our handheld near-infrared technology is to blood testing what handheld wireless devices are to electronic messaging."

NIR's first commercialized device, HemoNIR, tests for anemia, internal bleeding and carbon monoxide poisoning. Recently cleared by the FDA for laboratory use, the handheld device, which sells for less than US\$4,319 (Cdn\$5,000) compared to US\$38,871 (Cdn\$45,000) for existing devices, uses just a drop of blood and no chemical reagent. With more than 600,000 people admitted to hospitals in North America each year to be tested and treated for poisoning, HemoNIR is positioned to capitalize on a large global market.

And HemoNIR is just the first in a series of blood testing products in the company's pipeline. There's also GlucoNIR, which measures blood sugar levels—a \$US4.5 billion (Cdn\$5.5 billion) market and growing fast—and CardioNIR, which measures cholesterol. The company is also working on a device called LiproNIR, which will measure LDL, HDL and triglycerides.

"The market potential for our technology is huge," says MacIntyre, a turn-around specialist brought in to head the company in 1998, who notes that from concept, to FDA approval of HemoNIR took just 13 months, something of a record in the life sciences industry.

So, how has this little company done what leading medical devices companies couldn't?

"There is a commitment to excellence here in Ontario," says MacIntyre, "and great people are coming out of our universities who are well educated and committed to succeeding on the world stage. Being an Ontario-based company also gives us credibility worldwide. Potential partners know that we have a tradition of scientific achievement here, together with good business principles."

Also key to the company's success has been its ability to attract the best and brightest, both from inside and outside the province. "Lifestyle matters to people in our industry, and we have the best of all possible worlds here, because we offer both green space and all the amenities of big city Toronto, which is just a half-hour drive away."



Duncan MacIntyre, President and CEO of NIR Diagnostics, with the HemoNIR

Ontario-based Hostopia is the brand behind the brand

ICT

Company: Hostopia
Product: Web Hosting Services
Location: Mississauga, Ontario

In 1999, at the height of the Internet boom, Franc Nemanic had what he now calls his “epiphany moment”. Nemanic noticed that while all of the big telcos and media companies were selling Internet services to consumers, none were selling hosting services. He saw an opportunity to create a brand new business category: private label hosting.

After writing the business plan for **Hostopia** and gathering a group of initial investors (led by Bill Campbell, Colin Campbell, and John Nemanic, founders of Internet Direct and Tucows) Nemanic started knocking on doors. The first big sale to a national TV/Internet service provider set the stage for growth, and gave Hostopia a 24-month lead on the competition. The company has never looked back.

“We’re the brand behind the brand,” says Nemanic, who now runs a company with 150 employees in Mississauga, Ontario. “The auto industry offers a good analogy, where you have all these unseen companies supplying the parts and in some cases even assembling the vehicles. Our clients are ISPs (Internet Service Providers) who do the branding and marketing and sales to their customers, but we do everything else, behind the scenes.”

Hostopia remains as the dominant player in the category it created, providing Web hosting and related services for a long list of clients, ranging from small ISPs to huge communications conglomerates. The company, which *Profit Magazine* recently



*Franc Nemanic,
President of Hostopia*

named one of the five fastest growing Canadian companies, has remained at the top because of its willingness to adapt to market conditions. Even though it is essentially a Canadian company, Hostopia’s corporate registration is in the U.S., allowing it to be listed on NASDAQ and giving it a strong presence in a key market. Operations are headquartered in Mississauga, Ontario.

“Ontario offers a key competitive advantage,” says Nemanic, “with access to a highly educated group of motivated people. Our staff is our greatest strength, and we have a strong internal culture. Most of our staff are college and university educated, in several disciplines. We don’t have to be physically close to our customers, but as a wholesaler, we must be cost competitive.”

The rapidly-growing Hostopia currently serves 280 partners, who in turn serve 150,000 hosted websites, 500,000 domains and more than 1.5 million e-mail accounts around the world. The company’s 80,000 sq. ft. state-of-the-art data centre is located near Toronto, Ontario and uses four North American points of presence to ensure reliability. That reliability was tested during the great northeast power blackout of August 2003 in North America (affecting approximately 50 million people) and Hostopia passed with flying colours.

“We maintained a flawless operational performance during the power failures,” says Nemanic. “All websites and e-mail for over 260 private label partners functioned without interruption or degradation of service of any kind. Not everyone in our business can say that, and it’s another key competitive advantage that we have.”

A Hostopia data centre



PHOTO COURTESY OF HOSTOPIA

Tira Wireless paves the highway between content developers and mobile operators

ICT

Company: Tira Wireless

Product: “Porting” Technology

Location: Toronto, Ontario

Tira Wireless of Toronto bills itself as the premier provider of “porting” technology for the mobile content market—and leaders in the industry like **Disney Mobile**, **Nokia**, **Sega Mobile**, **Sony Pictures Mobile**, **Sony Ericsson**, and **THQ Wireless** agree.

Tira’s proprietary technology, called *Tira Jump*, makes it possible for mobile publishers, operators and developers to bring quality mobile content to the market quickly and cost effectively. And that’s no mean feat in a marketplace that’s exploding.

“Companies developing java-based games for mobile phones want to deliver them quickly to as many cell phone manufacturers as possible,” says Wayne Seifried, Tira’s Director of Product Marketing. “But there are hundreds of different phone models, and more coming onto the market all the time, which makes developing the application for each model expensive and time-consuming. That’s where Tira comes in. Our technology automates the process, making it easy to port games to all phone models.”

It’s technology that’s garnered the company a number of awards, including the 2004 CDMA (Code Division Multiple Access) Industry Achievement Award for Innovative Entertainment Technology Development.

Tira Wireless got its start in January 2002, with help from Toronto, Ontario-based **Brightspark**, Canada’s leading incubator of technology and Internet start-ups.

“Brightspark helps identify emerging technologies and solutions that address large market opportunities,” says Seifried. “It saw the market for downloadable java content on mobile phones and Tira Wireless was born.”

Today, Tira has more than 100 employees, with more than 50 per cent of them involved in research and development. The company has generated more than 6,000 ports, from 2,000 applications, running on 20 mobile operator networks and 200 devices in eight languages, making it the frontrunner in what industry experts estimate will be a billion dollar business by 2010.

How did Tira do it? Seifried says it’s because all the elements for success were in place. “Ontario has vibrant and innovative software and wireless industries, a forward-thinking venture capital community and a supply of skilled workers coming out of its universities.”

He adds, “Also key was our ability to respond to the changing marketplace quickly”.



Wayne Seifried, Director of Product Marketing at Tira Wireless

PHOTO COURTESY OF TIRA WIRELESS

Spheral Solar Power's technology a breakthrough

ALTERNATIVE ENERGY

Company: Spheral Solar Power

Product: Solar Module Manufacturing

Location: Cambridge, Ontario

With rising energy prices, deteriorating air quality and aggressive government policies in many countries, the demand for clean, renewable solar products is growing.

That's great news for Cambridge, Ontario-based **Spheral Solar Power** (SSP). A division of **ATS Automation Tooling Systems**, SSP has developed an automated process for manufacturing flexible solar modules at dramatically lower cost. It's revolutionary technology, developed almost entirely in Ontario, and positions SSP as a major player in the estimated US\$3.4 billion (Cdn\$4.1 billion) global solar industry.

"We've definitely got a leg-up on the competition," says President Milfred Hammerbacher, a veteran of the solar power industry, recruited from Dallas, TX-based **Texas Instruments**.

SSP's breakthrough technology is based on tiny silicon balls, the size of poppy seeds, each one a solar cell capable of capturing sunlight and converting it to electricity. The balls are bonded into aluminum foil that's then coated with a Teflon-protected plastic. The end result is a solar panel that is flexible, durable, affordable—and comes in any colour. It's an elegant, ingenious solution and, thanks to ATS's manufacturing automation expertise, SSP can mass produce them.

"There are an infinite number of applications for the technology," says Hammerbacher, who notes that SSP is targeting the building, transportation, recreational and power generation industries.

The company employs 170 highly educated people at its 193,000 sq. ft. facility and Hammerbacher attributes a great deal of SSP's success to them.

"This is the first time I've had the opportunity to build a team from scratch," he says. "Most of our staff come from Ontario universities and I'd put them up against anyone in the world. They're a really talented and dedicated group of people who believe they have a rare opportunity to make a difference."

The fact that Cambridge is located close to a number of world-class research universities—and Ontario offers some of the best R&D tax credits in the world—has also been an important factor according to Hammerbacher.

And then there's been supportive government, both in terms of investment dollars and demonstration projects.

"Ontario is just a great place for developing innovative technology," Hammerbacher says.



Milfred Hammerbacher, President of Spheral Solar Power, demonstrating a flexible solar panel

ONTARIO
CANADA

For more information about Ontario, visit www.2ontario.com/us91 or call 1 800 819-8701.

Procter and Gamble unveils US\$34.6+ million (Cdn\$40+ million) expansion

Procter and Gamble, a world leader in the production of consumer products, is building a new facility at its Belleville, Ontario site. The US\$34.6+ million (Cdn\$40+ million) expansion will create more than 100 direct jobs. The plant currently exports over 90 per cent of its products to 11 countries.

(Source: Belleville Intelligencer)

Suzuki to resume production at Ontario facility

Suzuki Motor Corp. will resume production late next year at **CAMI**, its joint-venture plant with **General Motors Corp.** in Ingersoll, Ontario. Suzuki will produce a vehicle based on the Concept-X SUV displayed at the Detroit Auto Show in January 2005. Suzuki expects an annual output of at least 60,000 of the vehicles, which will be similar in size to GM's Chevrolet Equinox, currently produced at CAMI.

(Source: CAMI)

International Truck and Engine Corp. to establish a new R&D centre in Ontario

Chatham, Ontario-based **International Truck and Engine Corp.** is establishing a new R&D centre in Ontario in partnership with the University of Windsor. The US\$233 million (Cdn\$270 million) centre, which will replace the company's Process Engineering Center in Ohio, will focus on the development and design of advanced manufacturing technologies for heavy-duty trucks. It will employ 25 staff and a number of students from the University. The Ontario Government will contribute up to US\$27.6 million (Cdn\$32 million) towards the new centre.

(Source: CNW)

NRC Canadian Photonics Fabrication Centre opens in Ottawa

Canada's new Photonics Fabrication Centre has opened in Ottawa. A partnership between the **National Research Council** and **Carleton University**, the US\$37 million (Cdn\$43 million) centre will give companies, universities and other institutions access to fabrication services to develop leading-edge photonics devices. It will also provide training for workers in a sector with enormous growth potential.

The science of photonics is the technology of generating and harnessing light. It has a wide range of applications, primarily in information technology, but is also enabling growth in many other sectors, including health, energy, security, transportation and electronics.

(Source: National Research Council)

Biotech continues its phenomenal growth in Canada—Ontario leads the way

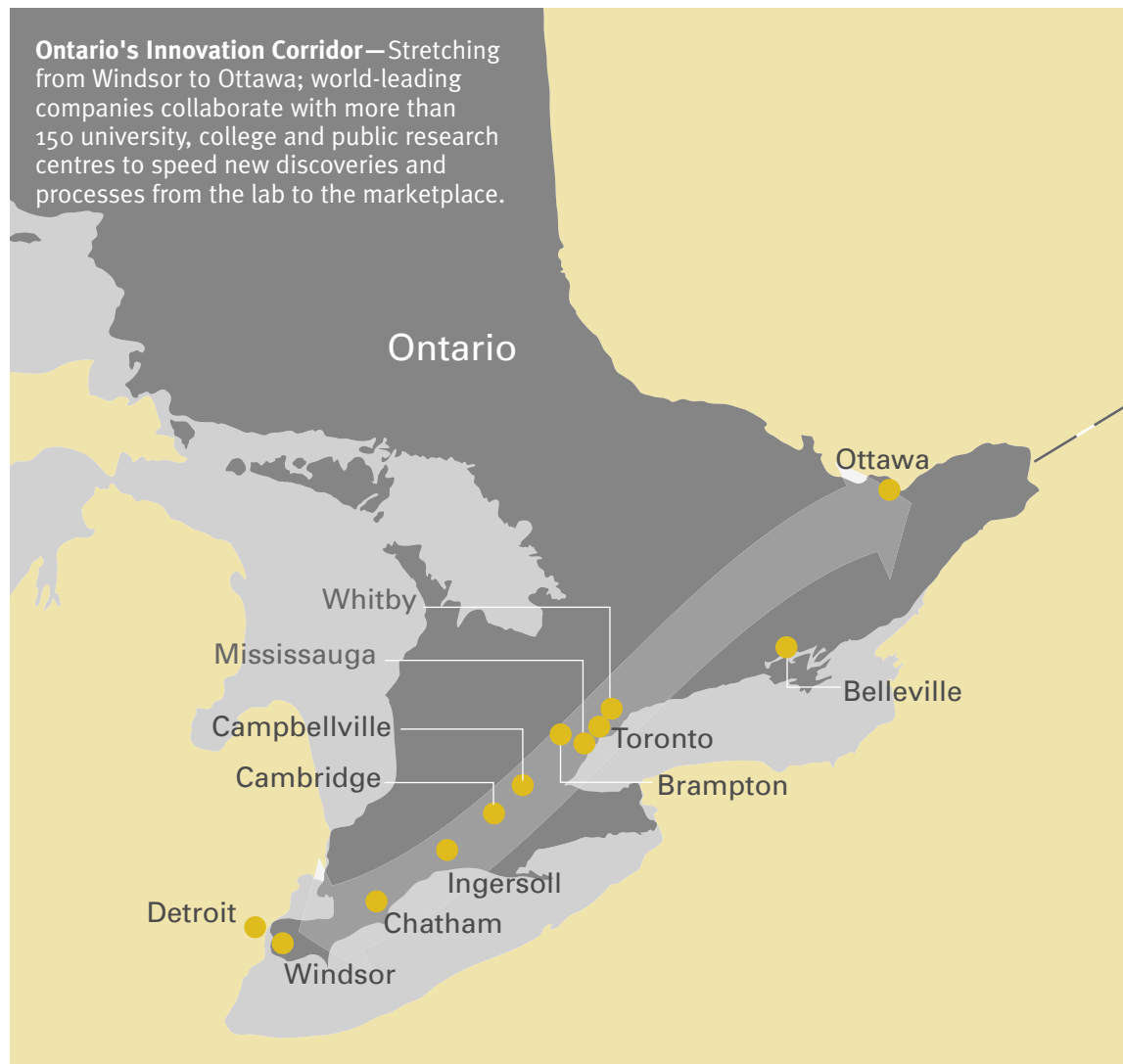
Canadian biotech companies have more than quadrupled their revenues since 1997, says a new report from *Statistics Canada*. Ontario firms lead the way with more than US\$1.7 billion (Cdn\$2 billion) in revenues. Ontario has 130 companies that employ close to 3,600 highly trained people. In 2003, they spent more than US\$388.7 million (Cdn\$450 million) on R&D.

(Source: Statistics Canada)

Penske Logistics opens new facility in Chatham, Ontario

Penske Logistics, a leading provider of transportation services, recently opened a new facility in Chatham, Ontario. The Reading, Pennsylvania-based company supplies just-in-time parts for the **International Truck and Engine Corp.** and **Wallaceburg Preferred Partners**, both located in Chatham-Kent. The new 200,000 sq. ft. facility employs 177 workers in three shifts.

(Source: The Chatham Daily News)



Locations of the organizations and companies featured in this issue

