IMAGES COURTESY OF SCOTT HUNTER AND TOURISM SASKATOON

Saskatoon

business incentives add to allure of booming provincial economy

A SPECIAL INFORMATION FEATURE

Canada's fastest growing city is having no trouble attracting corporations, entrepreneurs and talented individuals looking for a better and more prosperous life in one of the North America's hottest economies.

"It's not a flash in the pan," says Tim LeClair, CEO of the Saskatoon Regional Economic Development Authority (SREDA). "You're not looking at a boom-and-bust phenomenon."

Economic indicators support the claim. Saskatoon has enjoyed a three to five per cent growth rate in GDP 10 years running. In 2010 alone, it was an astounding 5.2 per cent. In dollar figures, the city's GDP topped $10 billion in 2011, a first.

International demand for minerals and fertilizers has helped fuel growth, but Saskatoon's economic sustainability is also based on the city and region's ability to attract a wide range of entrepreneurs and companies working in a variety of sectors, including high-tech, manufacturing, engineering, scientific, IT, medical science research and more. And the multiplier effect is having a knock-on effect with the rest of the economy, creating growth in professional and financial services, as well as helping mature the supply chain so that markets for products have expanded from regional to national and international.

"These days there are more jobs than there are people to fill them, especially at the higher end," says LeClair.

The result, he says, is that Saskatoon now has the critical mass of services and amenities to make it attractive to both business entities as well as the people who work in them. Its central location in both the country and the continent is complemented by a sophisticated and evolving transportation network. It's also a nice place to live, says LeClair, a Saskatonian by birth who says the city has a vibrant downtown and a beautiful riverfront park system.

Also attractive to inbound business, he adds, are Saskatoon and Saskatchewan's solid and stable regulatory and tax regimes. Capital access is available through national and provincially sponsored sources, and tax incentives and support initiatives include Canada's Scientific Research and Experimental Development (SR&ED) tax credits as well as National Research Council-sponsored advisory and funding opportunities. The provincial government operates its own SR&ED credit program as well

Tim LeClair, CEO, SREDA

With a population of about 232,000, Saskatoon still has room to grow. The city's welcoming nature and picturesque vistas, robust R&D community and diverse economy are among the factors drawing those seeking to participate in the city's continuing rise among Canada's most dynamic centres.

as manufacturing and processing tax credits.

Augmenting all these attractions, says Saskatoon Mayor Don Atchison, is the quality of the people. "We have the four F's," he says. "Food, fuel, fertilizer and fantastic people, who tend to be extremely successful wherever they work, which these days is more often than not right here in Saskatoon."

The University of Saskatchewan is helping by opening its doors to companies looking for academic research and development partnerships, as well as future employees.

"If you're looking for an intern or some students to work on a project or participate in research, then it's my job to help you find the right person to talk to in the university," says Entrepreneur in Residence Dale Lemke.

Business has been so good that Saskatoon has had no reservations in sharing success with surrounding regional economies, says Bruce Richet, SREDA's rural committee chairman.

"The rural communities have a lot to offer," says Richet, including an available labour force and land available for both commercial and industrial use. "It used to be that people commuted to the city to work, but there's so much going on in rural areas many people in communities like Martensville and Warman are working where they live." Most recently, he says, Fortune Minerals decided to develop a $200-million metallurgical processing facility near the Town of Langham in the Rural Municipality of Corman Park.

City or country, Saskatoon appears well positioned for success, now and in the future.

TECH INSTITUTE ANSWERS CALL FOR HIGHER EDUCATION

In response to significant enrolment growth at SIAST Kelsey Campus, the Saskatchewan Institute of Applied Science and Technology has extended the academic day and expanded to off-campus facilities. SIAST's Saskatoon campus has experienced a 29% increase in enrolment over four years and anticipates a further 70% increase over the next decade.

"Our big challenge is knowing where to put the students," says Robert G. McCulloch, SIAST president and CEO (pictured below). "We're developing plans to ensure our facilities can accommodate employer demand for grads."

SIAST's hands-on programs are popular with both students and employers, 98% of whom say they would hire a SIAST grad again. SIAST consults with employers to ensure curriculum is relevant. In response to a needs assessment, for instance, a mining engineering technology program will be introduced in Saskatoon in September.

SIAST is Saskatchewan's primary post-secondary institution for technical education. It serves 26,000 distinct students across the province.

SaskTel's evolution puts businesses on the leading edge of telecommunications

By Ron Styles, President and CEO, SaskTel

To be in business today is to be in the business of change. Markets, economies and regulatory environments shift, and the business that succeeds is the one that knows how to adapt well and take advantage of those shifts. Technology is one of the big forces of change for almost every kind of business, and SaskTel is right in the thick of things, providing the information and communication technologies that are driving most of the change.


Ron Styles, President and CEO, SaskTel

Wireless communications and the Internet and are revolutionizing all forms of commerce and challenging every company's capacity to manage change. As a service provider, SaskTel is challenged to stay ahead of the curve in order to deliver new systems and networks to provide our customers with the best technology available.

The mining, manufacturing and resource sectors in the Saskatoon area are booming, and SaskTel's ongoing challenge is to adapt and support this boom through our existing and new products and services. The exponential demand for bandwidth is a common theme for businesses and consumers alike in Saskatoon and provincially. To address these bandwidth demands, SaskTel is constantly upgrading and building new networks. Last year it was 4G wireless, soon it will be what is called LTE (Long Term Evolution), a wireless service with even greater bandwidth capacity, and this year we began building our wireline fibre network, Fibre to the Premises (FTTP) that delivers high bandwidth fibre capacity from door to door.

In addition, we are constantly looking for new ways to leverage our primary asset, our network. We've realized that our stock in trade is not so much Internet, TV and wireless services as it is our reliability, our service, and our ingenuity. When we looked at the common concerns of our business customers, from small to large, we kept hearing the same story: new technologies offered by the world of IT and communications are powerful and can help a business be more efficient and find new customers, but the level of overall complexity is becoming difficult to manage. In other words, the very hardware, software and data systems that are supposed to simplify business are adding a layer of management complexity that is undercutting the value of adopting the new systems.

To provide our business customers with the benefit of these computer applications and data systems without the maintenance and implementation costs, SaskTel will be leveraging existing data storage facilities, servers, networks and business applications that we manage for our business customers.

Our new sources of revenue will evolve and grow from services we have provided historically like data hosting, managed hosting, co-location and cloud computing. Like every business, our business is evolving, and to survive our goal will be to find ways of capitalizing on the networks, systems and applications we have invested in that are mutually beneficial to our business customers in Saskatoon and beyond. Evolution in the face of technological change will be required for every business to succeed in the future.

This report was produced by RandallAnthony Communications Inc. in conjunction with the advertising department of The Globe and Mail. Richard Deacon, National Business Development Manager, rdeacon@globeandmail.com.

We drive change by developing business professionals whose integrity and work ethic lead our city, our province and our nation.

Edwards School of Business at the University of Saskatchewan has a long history of excellence in business education – in a city that is now taking centre stage in the world of business.

We continue to evolve our curriculum with five specialized centres and services across two campuses. Our goal is to ensure that students are exposed to both local and global opportunities while gaining invaluable hands-on experience.

Embrace change and visit edwards.usask.ca

EDWARDS
SCHOOL OF BUSINESS
UNIVERSITY OF SASKATCHEWAN

Turning the tide, grad students find gainful employment in Saskatchewan

Saskatchewan has a lot of valuable export products, but none surpasses its people, and university graduates have traditionally been among the most prized of all.

"Our graduates have a reputation for rolling up their sleeves, having no irritating sense of entitlement, and they work hard and with integrity," says Edwards School of Business Dean Daphne Taras.

However, out-of-province employers are being advised to get them while they can because a robust economy in Saskatchewan is leading to an increasing number of grads finding jobs right at home.


Dean Daphne Taras

"We used to be a real people exporter, but that's no longer the case," says Brent Wellman, Edwards' Director of Career Services. He points out that the number of graduating students finding jobs in their home province has risen from 63 to 84 per cent in the last five years alone. Evidently, Saskatchewan's gain has been Alberta's loss; the number of students migrating to Wild Rose country has dropped from 31 to 14 per cent since 2006.

Graduating students are finding jobs all over Saskatchewan and in a variety of disciplines, says Wellman, including mining, high-tech, research and development, agriculture, life sciences, retail, accounting and government. Thanks to a particularly healthy economy in Saskatoon, many are finding they don't even have to leave town.

"Employers aren't just maintaining the status quo, they're looking for new hires," says Wellman, adding that the classroom-to-jobsite transition has been supercharged for many grads by co-op programs that allowed them to enter the workforce with real-world experiences on their resumés.

Funds in hand, students help manage business school trust

Students at the University of Saskatchewan are learning that there's no substitute for the real thing, especially when it comes to money. Thanks to a donation from George Dembroski of Toronto, students in the Edwards School of Business are getting a chance to manage an investment portfolio now grown to $525,000 of cold, hard cash.

"We strive to give our students real-world experiences, and this certainly qualifies," says Dean Daphne Taras. "They're being entrusted with our future."

Student Dean Stanton, 23, who's lucky enough to be enrolled in the Investment Strategies Training and Education Program (ISTEP), says the impact on investment thinking triggered by using real money has been profound.

"It's like the difference between playing poker for fun and playing for real," he says. "We all used to be big risk takers. Now we're being more prudent; we're doing a lot more research before making choices."

And that was pretty much the idea from the start, says Scott McCreath, a University of Saskatchewan alumnus with BMO Nesbitt Burns in Calgary and an adviser on ISTEP's governance committee.

"They realize they have to be very studious in analyzing companies and digging deep in order to understand their balance sheets, what makes them work, and if they are viable and sustainable," says McCreath.

Is he concerned about today's turbulent market conditions?

"Tough times are when you have the greatest opportunities," he says fearlessly.

Transparency is guaranteed thanks to a public TV monitor that will display portfolio performance to all who walk through the Edwards School.

Innovation – Saskatoon's first and foremost frontier

A cluster of leading-edge R&D assets as well as significant intellectual strength provided by a wide range of complementary disciplines at the University of Saskatchewan and other facilities has shaped Saskatoon into an innovation engine now helping power the local, provincial and national economies into the 21st century.

What surprises many outsiders is how long the revolution has been going on, says Matthew Dalzell of the Canadian Light Source (CLS), a unique national synchrotron research facility that provides a range of analytical and research services for environmental, life, pharmaceuticals and materials science.

Providing a source of brilliant light that enables scientists to study materials at the atomic level, the CLS plays a key role in Saskatoon's robust R&D matrix. In fact, demand for CLS services by national and international clients and researchers is so great the facility is now being expanded.

What distinguishes the CLS is its ability to serve a wide range of clients operating in vastly dissimilar sectors, says company director of business development Royal Hinther. For example, the CLS recently worked with AREVA Resources Canada (a division of the French nuclear energy giant that operates uranium mines in Saskatchewan) in developing environmentally friendly waste management systems. The synchrotron has also been used in the agricultural industry to examine fibres in plants as a way to develop crop varieties with consistent-quality fibres.

"The best way to look at fibres is with a synchrotron," says Hinther, who adds that the facility also serves oil companies and researchers working to minimize the environmental impact of the oil sands.

For good reason, companies like POS Bio-Sciences thrive in Saskatoon. POS Bio-Sciences began 35 years ago as a federally funded institution and has grown into an independent company engaging in confidential contract research, toll processing and analytical services for industries including biofuels, bio-industrial, food ingredients and nutraceuticals, says company president and CEO Dale Kelly.

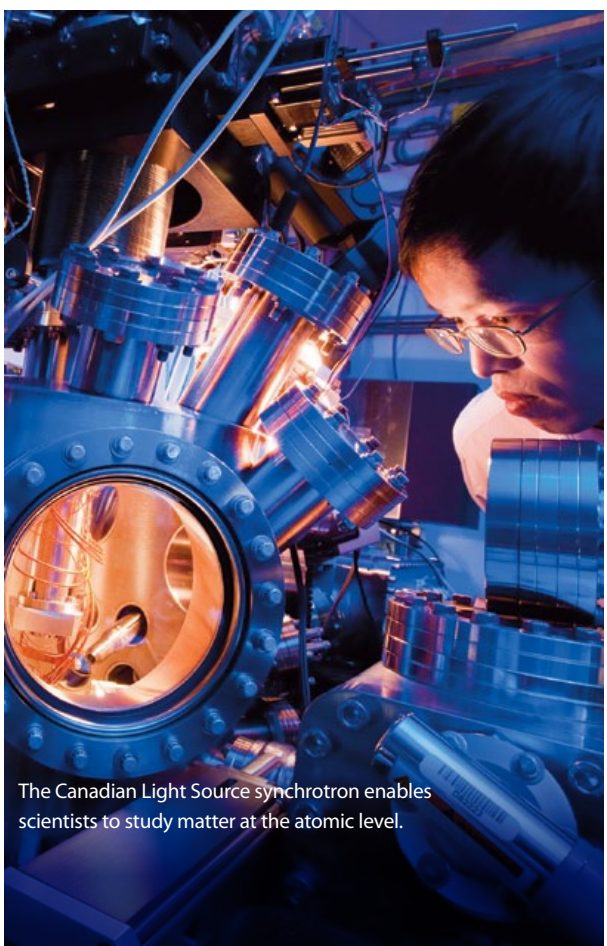
"The original idea was to figure out how to add value to proteins, oils and starches," says Kelly, noting POS was the birthplace of the now multi-billion-dollar canola oil industry.

Saskatchewan is the ideal location for a company involved in bio-science research, he adds. "The province has almost 50 per cent of Canada's arable land base, and it was a natural extension of our original mandate to expand expertise to the processing of materials from outside Canada."

During its three decades of operation, POS has served clients from more than 40 countries, completed over 5,000 industrial R&D projects, and processed materials from prairies, forests, oceans and deserts, "value-adding" to biological materials sourced from all over the world.

Kelly and Dalzell agree Saskatoon's climate is ideal for innovators. "The intellectual power on the academic side as well as from other research facilities and the industrial connections in the area make this an incredible stable of expertise," says Kelly.

"We have a critical mass of research infrastructure here," adds Dalzell. "Looking out my window, I can see VIDO-InterVac, a leader in human and animal vaccine research. Out my back door is the Western College of Veterinary Medicine, and just north of us is Innovation Place, one of North America's most successful research parks. South of us is the main campus of the University of Saskatchewan with every major science and engineering discipline. It's all here."



The Canadian Light Source synchrotron enables scientists to study matter at the atomic level.

IMAGE COURTESY OF CANADIAN LIGHT SOURCE INC.

Our view on business

The University of Saskatchewan is proud to call Saskatoon home.

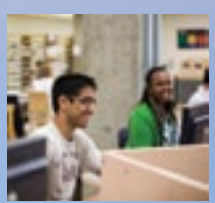
Every year the U of S welcomes thousands of researchers and students from around the world to our campus, and Saskatoon welcomes them with open arms too.

We are heavily involved in our community, from providing legal services to inner-city residents, to developing crops for local farmers, to providing emergency services at our veterinary teaching hospital. Together, the U of S and Saskatoon personify the prairie approach of helping your neighbour and working together to get the job done.

The result is a well-educated, young workforce that's helping Saskatoon lead the country in economic growth. It's a great community to build knowledge, a career and a business.

Discover us at **www.usask.ca**.






Downtown Saskatoon from the edge of the U of S campus

UNIVERSITY OF SASKATCHEWAN | Ingenious

Ambitious
Prestigious
Studious
Adventurous
Curious

Turning ideas to gold

Universities are hotbeds of creativity, churning out new ideas and discoveries that can turn into dollars if they can just cross the gap between the lab bench and the boardroom table.

Glen Schuler and his team at the University of Saskatchewan's Industry Liaison Office (ILO) are committed to helping innovations cross this gap.

"We identify those technologies that have the highest commercial potential, patent them, then search for companies that can commercialize them," he says.

Chad Jones, CEO, CollegeMobile

Glen Schuler, U of S Industry Liaison Office

A recent example is a high-performance catalyst developed by U of S engineering professor Hui Wang and his colleagues. The catalyst, now licensed to a California-based company, allows it to transform methane and carbon dioxide into synthesis gas, or syngas, which is used as a feedstock to create gasoline and other fuels. The technology has implications for the environment as well since it consumes waste carbon dioxide, a greenhouse gas.

For the ILO, such success is the payoff from a lot of hard work. Patents can cost tens to hundreds of thousands of dollars to properly handle, and even then there is no guarantee of success. Only about three per cent of all patents filed make it to market. For this reason, the office is selective about which innovations to commercialize.

Still, the payoff can be great. The economic impact of the ILO is conservatively estimated at $9 million for the last year. The office managed more than 40 active licences in the 2010-11 fiscal year, pulling in nearly $6 million in revenue. Offerings vary tremendously, from a novel process to produce biodiesel, to an implant to reduce damage from glaucoma, to an automated detection system for breast cancer in mammograms, to cereals, pulse crops and horticulture varieties (e.g. blue honeysuckle a.k.a. haskap, a fruit crop).

Coupled with more than $1.25 million from other units on campus, ILO licensing activity puts the University of Saskatchewan in the top 10 per cent in the country and among the top 30 per cent among North American universities, according to data from the Association of University Technology Managers.

Schuler explains the ILO's mandate extends beyond dollars to social responsibility; that is, ensuring that the benefits of university innovation reach the public.

"Ours is an important office, because it moves university technology and research out to the marketplace faster," he says. "It's critical to get these innovations into the hands of the public where they benefit society."

One example is iUsask, an application for mobile devices such as iPhone and iPod Touch. Created by a team of developers from the U of S Department of Computer Science, iUsask literally puts most of the services and much of the information students need right at their fingertips. The ILO worked with the developers to commercialize the technology through a university startup company, College Mobile Inc., that markets it to universities and post-secondary institutions across the continent. The company is one of five the ILO has helped get off the ground in the past two years.

"This is an area of potential growth," Schuler says. "It will take time, but the economic benefits will be significant."