Game On in the Ontario Technology Corridor!

Ontario Technology Corridor

Targeted tax credits and incentives to gaming and digital media companies

Ontario offers excellent growth opportunities for digital media/gaming companies, a low-risk business environment, and generous R&D tax credits – the envy of other G-8 countries. Ontario economic incentives along with federal tax credits can cut the after-tax cost of every $100 spent in R&D to less than $42.

Ontario's Media Development Corporation (OMDC) offers the following incentives:

- Ontario Intellectual Property Development Fund - refunds 30 percent of eligible early stage development costs to bring screen-based content properties closer to production
- Ontario Interactive Digital Media Tax Credit - refunds 35-40 percent of production costs
- Ontario Computer Animation and Special Effects Tax Credit - 20 percent of labor costs
- OMDC Interactive Digital Media Fund - up to $150,000 in project production funding.

So far in 2010, the OMDC has announced $2.9 million in funding support. For the top ten reasons to invest in Ontario, click here.

Ontario leads charge as Canada overtakes U.K. to win over game developers

Producing nearly 40% of Canada's GDP, Ontario is the engine of Canadian innovation. Canada recently "outscored" the United Kingdom to become the world's third largest centre for video-game development. Gaming and digital media graduates from Ontario colleges and universities have long been prized employees at companies like Pixar Animation Studios, Electronic Arts, Walt Disney and Microsoft, and now the world's largest gaming and digital media companies, like Ubisoft and LinkedIn, are investing or expanding in Ontario.

"Small games developers would be comfortable in Ontario, and have the opportunity to partner with larger companies like Ubisoft for growth – it's just a symbiotic relationship… the future of Ontario's presence in the digital space depends almost entirely on the talent we foster today." – quoted from The Wire Report, March 25, 2010

At GDC 2010 in San Francisco – the world's largest professionals-only game industry event – the Ontario Technology Corridor was on site March 9-13, 2010, to showcase world-class digital media creations, increase business connections, and demonstrate that Ontario is a prime destination in North America for gaming investments.

The Ontario Technology Corridor's digital entertainment cluster offers many advantages to investors, and Ontario's creative cluster is the third largest in North America by employment, growing at a remarkable rate of 38% a year.

Employing nearly 272,000 people among 6,700 companies, the Ontario Technology Corridor offers a deep talent pool, strong and stable economy, and targeted incentives to gaming and digital entertainment companies.

For information on opportunities in the Ontario Technology Corridor, click here.

LinkedIn, Ubisoft join RIM, Silicon Knights, Magmic and others to consolidate gaming talent in Ontario, increase investment advantages

The news items below give evidence that Ontario's approach – building talent and providing tax incentives - is working!

1. **LinkedIn**, a company with an online global member network of over 65 million professionals, is investing in the Ontario Technology Corridor with a facility in Toronto. Lured by the province's educated work force and robust economy as well as Canadians' high usage rates of social media, LinkedIn estimates it will hire 40 people in its first two years.

2. At **Ottawa's Algonquin College,** the three-year game development program has increased enrolment six-fold, from 40 students in 2005 to 240 currently, and as of April 2010, over 300 people are on a waiting list. The school's third annual Video Game Expo showcased five games made by students for **Microsoft**'s Xbox 360 game system. Scouts from Microsoft attended. **Magmic Games**, notable as a top-10 North American game developer and for publishing across mobile platforms such as J2ME, BlackBerry, Windows Mobile and iPhone handsets is located in Ottawa.

3. Waterloo-based **RIM**, Canada's $15-billion technology company, announced it will allow downloads onto its smart phones through more channels, including third-party sites. Although most services designed for RIM devices are aimed at business, gaming developers can now more freely focus on this platform. Since the launch of App World, RIM's application distribution service, small and mid-size gaming developers note the opportunities of locating and networking in Waterloo.

4. The **universities of Waterloo and of Western Ontario**, in London, are collaborating at the Stratford Institute, breaking ground June 2010. Waterloo's Stratford campus focuses on digital media and the related areas of business and creativity, while the research Institute will foster strong academic-business partnerships and commercialization activities. Western University helped spin off top digital media companies such as London's **EK3**. And, local London game developer, **Digital Extremes**, was named a Financial Post's Ten Best Companies to Work For – 2010.

5. Mike Schmalz, President of **Digital Extremes**, explains, "Government support is critical, if you're an independent games developer." Along with numerous tax incentives offered by the Ontario government (see below), the Canadian federal government also supports gaming in Ontario. Niagara's **Silicon Knights**, developer of the top game *Too Human,* has received a $4 million federal grant. As reported at video gaming site, *The Escapist*, this grant is one of several investments in this region, including $3 million to **nGen, the Niagara Interactive Media Generator.**

6. The Ontario government is investing $263 million over 10 years in **Ubisoft**, an international developer and distributor of interactive entertainment products that is expanding to Toronto. Ubisoft will invest over half-a-billion dollars in this studio and will provide 800 new jobs in the digital media industry in Ontario.

Get the Ontario Technology Corridor Digital Media / Gaming Advantage PDF here.

Contact the Ontario Technology Corridor to meet at GDC Europe 2010

If you're attending GDC Europe, August 16-18, 2010, you can set up a meeting with representatives from the Ontario Technology Corridor to discuss financial incentives, business synergies and recruitment strategies. Email your meeting request to Larry MacKinnon.

Who's who at the Ontario Technology Corridor

The five regions or cities within the Ontario Technology Corridor are the Greater Toronto Area, the city of Ottawa and the National Capital region, the Waterloo region, the city of London, and the Niagara region.

Ontario Technology Corridor members are:
Greater Toronto Marketing Alliance, Ottawa Centre for Research and Innovation, Canada's Technology Triangle – Waterloo Region, London Economic Development Corporation, and Niagara Economic Development Corporation. Invest in Ontario (Ontario Ministry of Economic Development and Trade) and the Department of Foreign Affairs and International Trade Canada are the Ontario Technology Corridor governmental partners.

See the Ontario Technology Corridor contact page

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About Ontario Technology Corridor

Learn why the Ontario Technology Corridor is an ideal place to grow your digital career or access the world's best cultural media sector talent for your company. Visit the website.