



ANNUAL REPORT

2017
YEAR IN REVIEW



STRATFORD ECONOMIC ENTERPRISE DEVELOPMENT CORPORATION (SEED CO.)

VISION: Stratford is Canada's leader in digitally enabled approaches for investment in arts, education and industry.

MISSION: The Stratford Economic Enterprise Development Corporation (SEED Co.) advances the economic future of Stratford through excellence, creativity and collaborative leadership.



Advancing Stratford's Economic Future

STRATFORD ECONOMIC ENTERPRISE DEVELOPMENT CORPORATION (SEED CO.)

Annual General Meeting

Thursday, June 7, 2018

**investStratford,
6 Wellington Street
Stratford, Ontario**

7:30am-8:00am

2017
YEAR IN REVIEW

AGENDA

- 7:25am Arrival of Board Members
- 7:30am Call to Order
 - 1.0 Board Business Meeting Called to Order – 4th Annual General Meeting of the Stratford Economic Enterprise Development Corporation
 - 2.0 Declarations of pecuniary interest and the general nature thereof
 - 3.0 Adoption of the Minutes from 2016 AGM (held on September 7, 2017)
 - 4.0 Director’s Report on 2017 – Joani Gerber
 - 5.0 Auditor’s Report and unaudited 2017 Financial Statements – Michael Humble
 - 6.0 Amendments of Bylaws
 - 7.0 Confirmation and Appointment of Acts of Directors
 - 8.0 Appointment of Auditors
 - 9.0 Adjournment

2017 ANNUAL GENERAL MEETING

Thursday, September 7, 2017

7:30 to 8:00 AM

6 Wellington Street, Stratford, ON

MINUTES OF 2017 AGM

Directors Present: Brad Beatty; George Brown; Stephen Cooper; Dennis DesRosiers; Ginny Dybenko; Franklin Famme; Anita Gaffney; Rob Horne; Anne McDougall; Dan Mathieson; Jeff Orr; Kevin Tuer

Staff Present: Joani Gerber; Mike Pullen; Andre Morin

1.0 Board Business Meeting Call to Order – 2016 Annual General Meeting of the Stratford Economic Enterprise Development Corporation

Anita Gaffney called the 2016 Annual General Meeting to order at 7:30 am.

2.0 Declarations of pecuniary interest and the general nature thereof

Declared: Anita Gaffney re: Festival HD Project

Declared: Franklin Famme re: Festival HD Project

3.0 Adoption of the Minutes from 2015 AGM

Franklin Famme noted that the 2015 AGM Minutes should state that the 2015 Financial Statement was unaudited.

Moved by Dan Mathieson and seconded by Jeff Orr

That the Minutes of the Stratford Economic Development Corporation Annual General Meeting dated Tuesday, June 7, 2016 be adopted as amended.

Carried.

5.0 Chief Executive Officer Report 2016

Moved by Anne McDougall and seconded by Stephen Cooper

That the Chief Executive Officer Report be received.

Carried.

6.0 2016 Financial Statement

Andre Morin presented the unaudited Financial Statement, noting a small surplus and costs associated with the relocation to the new office, the 3-Year Action Plan and the Festival HD Project.

Ginny Dybenko asked for more details regarding new equipment costs and the lease for 6 Wellington Street. Mike Pullen provided additional information.

2017 ANNUAL GENERAL MEETING

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Franklin Famme stated that he would recommend refinements to the financial reporting and statements. He requested that a revised financial statement be brought back to the next Board of Directors meeting and offered to work with Joani Gerber, CEO on making changes to the reporting process.

Anne McDougall requested clarity regarding the proposed changes to the accounting process. Andre Morin and Franklin Famme outlined the improvements that have already been implemented and the new ones that are being proposed.

Moved by Franklin Famme and seconded by Brad Beatty

That the unaudited 2016 Financial Statement be received as printed.

Carried.

7.0 Confirmation and Appointment of Board of Directors

Moved by Anita Gaffney and seconded by Ginny Dybenko

To elect Kevin Tuer as President of the Stratford Economic Enterprise Development Corporation.

Carried.

Moved by Anita Gaffney and seconded by Kevin Tuer

To elect Jeff Orr as Vice President of the Stratford Economic Enterprise Development Corporation.

Carried.

8.0 Appointment of Auditors

Moved by Dan Mathieson and seconded by George Brown

That the City of Stratford's auditor, Millards Chartered Accountants, be appointed as auditors for the Stratford Economic Enterprise Development Corporation for the fiscal year ending December 31, 2017.

Carried.

9.0 Adjournment – 7:45 am

Moved by Ginny Dybenko and seconded George Brown

That the 2016 Annual General Meeting of the Stratford Economic Enterprise Development Corporation adjourn.

Stratford Economic Enterprise Development Corporation (SEED Co.) branded in 2015 as investStratford, is principally funded by the City of Stratford, and has been established as a stand-alone entity with a mission to focus singularly on Stratford's economic future. SEED Co. has been positioned to be a creative and innovative collaborator with partners in the Stratford community and beyond.

The Corporation, under the guidance of a board of directors, offers support services and business focused development events to keep, grow and attract business.

Board of Directors 2017

Kevin Tuer, VP Strategic Initiatives, Communitech (SEED Co. Board President)

Brad Beatty, Councillor, City of Stratford

George Brown, Councillor, City of Stratford

Stephen Cooper, Vice-President, MTE Consultants Inc.

Dennis DesRosiers, President, DesRosiers Automotive Consultants Inc.

Ginny Dybenko, President's Advisor to Stratford, University of Waterloo

Franklin Famme, Partner, Famme and Co.

Anita Gaffney, Executive Director, Stratford Festival

Rob Horne, Chief Administrative Officer, City of Stratford

Dan Mathieson, Mayor, City of Stratford

Anne McDougall, President, Rambri Management

Jeff Orr, Owner/Account Executive, Orr Insurance & Investment Group

investStratford Team

Joani Gerber, Chief Executive Officer

Mike Pullen, Managing Director

Elke Bidner, Marketing and Communications Specialist

Holly Mortimer, Business Advisor, Stratford Perth Centre for Business

Laura MacDougall, Business Advisor, Stratford Perth Centre for Business

Trena Hough, Events Coordinator, Stratford Perth Centre for Business

Message from the Board President

My first year as Stratford Economic Enterprise Development Corporation (SEED Co./investStratford) Board President has been one marked by measurable success.

Four years into our mandate to ‘advance the economic future of Stratford through excellence, creativity and collaboration’, we are making impressive progress towards our goal. Although investStratford is an independent body, we align our goals with those of the City of Stratford. Our community is fortunate to be led by Mayor Dan Mathieson and the hardworking team that makes up our City Council and staff. Our professional team under the leadership of CEO Joani Gerber, maintained and advanced past partnerships and established new ones.

In addition to a Review of 2017 Projects, I'm pleased to present herein the Conference Board of Canada's 2018 Report, assessing the economic impact of this organization from 2015 to 2017. The results reflect the very positive impact investStratford's business investment attraction successes have on the region, the Province and Canada. To date, our “completed projects have contributed \$147.0M to Canada's GDP, of which \$127.3M were generated in Ontario, including \$69.9M in Stratford alone”. The Report revealed that the **economic impact of investStratford is a staggeringly solid ROI of 125% to the local government**. It is an impressive result which validates and quantifies the somewhat ethereal nature of measuring the economic impact of an investment corporation.

Investment in Stratford since 2015:	\$83.1M
Resulting Contribution to Canada's GDP:	\$71.3M (direct, indirect and induced impact)
Contribution to Ontario GDP:	\$61.3M
Contribution to City of Stratford GDP:	\$27M

I, along with my fellow board members, who are a highly skilled and accomplished group of business professionals, are all committed to helping Stratford's business community thrive and grow. The Conference Board report estimates that at time of delivery, there were a remaining \$57M of investment wins in the investStratford pipeline. And new projects have appeared on the horizon. The future is indeed bright. Stay tuned.



Kevin Tuer
Board President, SEED Co.

A handwritten signature in blue ink that reads "Kevin Tuer". The signature is fluid and cursive, with a long horizontal stroke at the end.

Kevin Tuer

Board President, SEED Co.

Message from the Chief Executive Officer

It has been my privilege to serve the City of Stratford, our citizens and businesses over the past year. We've built upon the strong foundations set since our inception in 2013, and 2017 was a record year.

Aggressive industrial land development led the way in 2017 – sales exceeded \$800,000 and more than 50,000 square feet of production, warehouse and distribution space will come online as a result. The collaboration efforts between multiple Municipal departments has been critical to this level of activity – we look forward to working with the teams at Development Services, Building and Planning in 2018 and beyond.

In 2017 we were incredibly pleased to support the expansion initiatives of many of our local firms. Plans and funding were announced in 2017 that will add almost \$30 million of new investment – companies like Hayashi Canada, C.R. Plastics and VR3 Engineering will add new equipment, technology and capacity to their existing operations.

Our private-public partnership with Renesas Electronics officially took shape as we cut the ribbon on the 4-acre test track for the development of Autonomous & Connected Vehicle technology – and on the heels of that launch, we were proud hosts of the Premier of Ontario and Ministers of Economic Development & Growth and Research & Innovation to officially kick off the Autonomous Vehicle Innovation Network. With over \$80 million dollars being invested into the Province to test and develop technology, Stratford will showcase the best and brightest within our Demonstration Zone – the only one of its kind in Ontario.

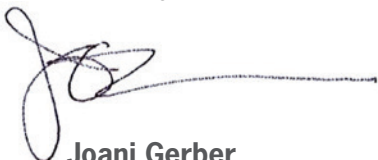
We know that people are critical to business success and as a result, workforce development and attraction of talent has been a key priority. While there is still much work to be done, we're proud of our involvement in the Connect2Skills program and the participants who've found gainful and long-term employment as a result.

Entrepreneurship is important to the fabric of any community, and we are pleased to support and grow those start-up companies not only in Stratford, but also the Town of St. Marys and the County of Perth via the work done through our StratfordPerth Centre for Business. Funded collaboratively by the City of Stratford and Province of Ontario we supported more than 200 small businesses and helped to create over 230 jobs in the Region.

As we move the team into 2018, we will continue to focus on measurable outcomes for the City of Stratford and anticipate a successful year as SEED Co. continues to deliver on increased jobs and assessment for the community.

It is with great pleasure that we report on SEED Co.'s 2017 year and present the following 2017 Annual Report.

Sincerely,



Joani Gerber

CEO, Stratford Economic Enterprise Development Corporation (SEED Co/investStratford)



Joani Gerber
CEO, SEED Co./investStratford

June 2018

In 2017, investStratford, the City's Economic development corporation continued to build upon its reputation as a comprehensive business concierge service dedicated to new investment, business growth and economic opportunity within the City of Stratford.

MAJOR HIGHLIGHTS FOR THE 2017 OPERATIONAL YEAR INCLUDE:

- \$800,000 in Industrial Land Sales in the Wright Business Park
- Over 50,000 square feet in new industrial buildings
- Samsonite Canada Relocation and Expansion: After 60 Years of history in Stratford, Samsonite broke ground on a new headquarters and warehouse facility in the city's east end. The 13,000 square metre (141,000 square foot) space to open June 2018.
- Joani Gerber assumed CEO role at investStratford
- Completion of seven videos as part of Video Enhancement Project
- Ongoing promotion, advertising, partnership and support of local businesses
- Renesas America, Autonomous Vehicle Chip Maker leased and officially opened their Lorne Avenue AV testing parking lot with a ribbon-cutting and Public Open house.
- South West Ontario Veterinary Services (South West), a swine veterinary practice and Poultry Health Services and Western Canadian poultry veterinary practice officially opened their 14,000-sq. ft. facility. It began construction in 2016 and has been operational since February 2017, employing over 40 people in a wide range of positions.
- In May, the Province identified the City of Stratford as Ontario's Autonomous Vehicle Demonstration Zone. A partnership with the Automotive Parts Manufacturing Association (APMA) allowed the City to benefit from Ontario's \$80 million investment in the Autonomous Vehicle Innovation Network (AVIN).
- In November, the Premier visited Stratford to announce that the City of Stratford would be Ontario's official Automated Vehicle Demonstration Zone within AVIN. The Premier's visit was complemented with a Technology Showcase featuring Miovision, Rhizome, Carnegie Technologies, Escrypt, Renesas and the University of Waterloo's Autonomoose program. Many City departments worked fluidly together to create a successful event featuring buses, fire trucks, and hydro vehicles for the Premier's visit.
- Ontario announcement reinforces Province's status as a go-to destination for developing automated vehicles by launching AVIN, the Autonomous Vehicle Innovation Network, in Stratford. Stratford's unique demonstration zone will be among the first of its kind in Canada and will allow researchers to hone the technology and test an AV in a wide range of everyday, real-life traffic scenarios.

2017

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- VicWest Expansion: VicWest announces centralization of Ontario operations and the relocation of Oakville operations to Stratford's Lorne Avenue, naming it the "Stratford Centre of Excellence." The 262 Lorne Avenue facility will expand from 70,000 sq. to 90,000 sq. ft. The decision is a strategic one, positioning Vicwest to continue to further bring quality and innovative products to its customers.
- Stratford's GreenSeal Cannabis Company, Ltd. Granted Federal License: Health Canada approves the license application and allows production after company meets strict federal guidelines. The \$5.5M facility will create 20-30 full and part time jobs in the short term, with continued growth and additional jobs expected later in 2018 and beyond.
- Four manufacturers will spend \$23M to expand Stratford-area plants: FIO, Hayashi and CR Plastics (along with Atwood based meat processing plant) invested in scale-up projects and will create 71 jobs at auto parts, furniture and food processing companies in Stratford and Southwest Ontario.
- Full integration with the Stratford Perth Centre for Business - Under the management of investStratford and its board, the Stratford Perth Centre for Business is a provincially-funded and municipally supported program dedicated to small business.

Stratford Perth Small Business Centre Highlights include:

- Stratford Perth Centre for business assisted **209** small businesses to start or expand and created **230** small business jobs in the Stratford Perth St. Marys' area
 - Stratford Perth Centre for Business also provided essential learning to startups and entrepreneurs presenting **107** workshops, events and learning opportunities to over 3,500 participants.
 - Granted 9 students (enrolled in secondary and post-secondary education) \$27,000 in start-up funding for their Summer Businesses via the Summer Company Program
 - Granted 9 young entrepreneurs (under 29) \$50,000 in start-up funding, which in turn leveraged over \$100,000 in economic growth for our community.
 - Hosted the first ever Digital Revenue Summit which saw **120** small business owners from the region spend a day learning to implement their digital marketing strategies inside of their businesses.
 - Pioneered Facebook Live programming to reach over 10,000 new small business owners globally, educating them on our city's small business success and growing our reach.
- *Conference Board of Canada report for 2015-2017 determined the Corporation's ROI and Economic Impact to the City as 125% (see appendix).*

Retention & Expansion Highlights:

- VR3 Engineering Ltd. VR3 Engineering Ltd. has owned and operated at 45 Dunlop Place since 2005. Their new building in the Wright Business Park will allow for a significant expansion for the company with new equipment and production space required to meet current and increased production demands.
- D.H. Jutzi Ltd. Currently located at 279 Lorne Avenue, D.H. Jutzi Ltd. will be constructing a new facility in the Wright Business Park that will be close to double in size of their current operation.

2017 ACTIVITIES, PROJECTS AND ONGOING FILES

Connect2Skills / Skills Advance Provincial Pilot Project:

- In partnership with the Ministry of Advanced Education and Skills Development, the Four County Labour Market Planning Board and other local employment agency partners, Stratford and Perth County were selected and funded by the Province to be part of the only rural pilot of a Skills Advance Pilot Project.
- The Connect2Skills Program, combines a tailored academic training curriculum, developed and delivered by Conestoga College, with on-the-job learning during a work placement with local manufacturers. The program worked with 5 Stratford companies and trained, graduated and placed approx. 30 local people into local industry and sustainable employment.

Official Demonstration Zone for Connected Autonomous Vehicles (CAV) in Ontario

- The City of Stratford has been officially designated by the Province of Ontario as an official Demonstration Zone for Autonomous Vehicle Testing. This designation confirms Stratford as the site where technologies may be tested, validated and showcased in live scenarios in accordance with applicable laws and regulations using vehicle platforms such as city buses, fleet and OEM vehicles.
- Established unprecedented \$5M partnership with Automotive Parts Manufacturer's Association (APMA) who will operate the Demonstration Zone on behalf of AVIN. The Demonstration Zone aims to position Ontario as a globally-recognized C/AV and infrastructure jurisdiction. The Demonstration Zone will promote a customer-centered approach to the commercialization of innovation in Ontario and Canada and will provide Ontario-based companies with a competitive development option. These activities will also strengthen Canada as a solid region for foreign investment opportunities.
- The AVIN Demonstration Zone will leverage Stratford's existing connected infrastructure comprised of ubiquitous Wi-Fi that covers the city's entire 12-square kilometers that is reinforced by a high-speed broadband network and LTE.
- Initial passenger vehicles at the AVIN Demonstration Zone will be showcasing connected vehicle and infrastructure technologies. In future years, vehicles at the AVIN Demonstration Zone will have autonomous driving features and capabilities to showcase various types of technologies.

ASSOCIATIONS AND MEMBERSHIPS:

SEED Co. has been active in the following associations and organizations:

- Economic Developers Council of Ontario (EDCO)
- Economic Development Association of Canada (EDAC)
- Stratford and District Chamber of Commerce
- Stratford Tourism Alliance
- Automotive Parts Manufacturers Association (APMA)
- Southwestern Ontario Marketing Alliance (SOMA) including:
 - Ontario Clean Tech Alliance (OCTA)
 - Ontario Food Cluster Group (OFC)
 - Ontario Manufacturing Communities Alliance (OMCA)
 - Ontario Real Estate Alliance
 - South Central Ontario Region (SCOR)
 - Centre for Automotive Research (CAR)/Automotive Communities Partnership (ACP)
 - Canadian German Chamber of Industry and Commerce (CGCIC)
 - Japan Society and Canadian Chamber of Commerce in Japan (CCCJ)
 - Western Ontario Warden's Caucus (WOWC)

ACTIVE PARTNERSHIPS:

- Automotive Parts Manufacturers Association (APMA)
- Stratford Perth Centre for Business
- Perth Community Futures Development Corporation
- Stratford City Centre BIA
- Stratford Festival (Festival HD Project)
- Perth County
- Town of St. Marys
- Four County Labour Marketing Planning Board
- Connect2Skills Steering Committee
- Labour Market Strategy Committee
- Ontario Centres of Excellence
- University of Waterloo
- National Research Council
- Federal Economic Development Agency for Southern Ontario (FedDev Ontario)
- Stratford Accelerator Centre
- UW Centre for Automotive Research
- Communitech
- Province of Ontario (various ministries)
- Ontario Investment Office
- Ministry of Economic Development and Growth (MEDG)
- Ministry of Research, Innovation and Science (MRIS)
- Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA)
- Canadian Government (Trade Commissioners)
- Festival Hydro/Rhizome



Corporate Services Department
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May 16, 2018

Joani Gerber, CEO
Stratford Economic Enterprise
Development Corporation (SEED Co.)
6 Wellington St.
Stratford, ON N5A 2L2

RE: 2017 Unaudited Income Statement

I have attached the unaudited income statement for SEED Co. operations for the year ended 2017.

Please be advised that the City of Stratford's annual audited financial statements will be available shortly and will be presented to Council through the Finance & Labour Relations Sub-committee in September.

SEED Co. is part of the City's consolidated financial statements and will be separated as a note to the statements.

Yours truly,

Michael Humble, CPA, CGA
Director of Corporate Services

STRATFORD ECONOMIC ENTERPRISE DEVELOPMENT CORPORATION (SEED Co.)

2017 Income Statement

As at December 31, 2017

	2017 Budget	2017 Unaudited
REVENUE		
City Funding - SEED CO	\$481,557	\$481,557
City Funding - SBEC	104,000	104,000
Provincial funding - SBEC	90,000	99,337
Recoverable Expenses	14,000	14,423
Starter & Summer Company	46,320	119,331
Rentals & Leases		10,200
Projected prior year surplus		-
Grants		-
City Held in trust - one time		-
TOTAL REVENUE	\$735,877	\$828,847
EXPENDITURES		
Operational		
Salaries & Benefits - SEED CO	325,498	286,843
Advertising	-	-
Training/Professional development	1,734	61
Insurance & Custodial	13,525	14,989
Equipment & Capital	4,160	5,279
Support services & fees	23,200	28,983
Office Supplies	6,762	14,533
Consultants	-	24,776
Legal	3,000	4,656
Meals & meeting expenses	3,641	5,835
Contingency	-	-
Total Operational Expenditures	\$381,520	\$385,955
Core Programs		
Conferences/trade shows/travel/mileage	12,400	22,991
Promotions/marketing/collateral materials	61,637	68,008
SBEC	245,320	319,923
Memberships	35,000	33,138
Programming and Program Support	-	-
Total Core Programs Expenditures	\$354,357	\$444,059
TOTAL EXPENDITURES	\$735,877	\$830,014
SURPLUS(DEFICIT)	\$-	-\$1,167

SPECIAL PROJECTS

	2017 Budget	2017 Unaudited	S. Festival HD Project
REVENUE			
Festival Theater - Fed Dev project - grants			205,258
Festival Theater - Fed Dev project - recoverable			243,823
Prior Year Surplus	-198,715		
TOTAL REVENUE			\$449,081
EXPENDITURES			
Festival Theater - Fed Dev project			520,216
Digital media strategy			
Engagement/branding/web site/social media			
Contingency	10,000	-	
Strategic Plan - implementation PH 3	60,000	-	
Connected Car	40,000	16,690	
Centre for business review & reporting			
Strategic Plan - implementation PH 4	88,715		
Labour market shortage strategy			
Office Equipment & Furnishing		9,703	
TOTAL EXPENDITURES	\$198,715	\$26,393	\$520,216
SURPLUS(DEFICIT)	-\$198,715	-\$26,393	-\$71,135
BEGINNING SURPLUS - RESERVE		\$137,260	
ENDING SURPLUS - RESERVE		\$38,565	

NOTES 2017

The Stratford Festival HD project is a 3-year net zero initiative.

The 2017 deficit of \$71,135 is a timing item.

STRATFORD ECONOMIC ENTERPRISE DEVELOPMENT CORPORATION (SEED Co.)

2017 Small Business Enterprise Centre - Expenditure Details

As at December 31, 2017

	2017
	Unaudited
<hr/>	
EXPENDITURES	
<hr/>	
Salaries & Benfits	119,130
Advertising	9,297
Training/Professional development	-
Insurance & Custodial	-
Equipment & Capital	6,712
Support services & fees	-
Office Supplies	12,468
Consultants	6,439
Legal & Audit	3,053
Meals & meeting expenses	2,255
Conferences/trade shows/travel/mileage	7,445
Contingency	-
Rent & Occupancy	65,180
Event	16,441
Grant	71,503
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TOTAL EXPENDITURES	\$319,923
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