



INTERNATIONAL BUSINESS DEVELOPMENT STRATEGY

FY 2018-19 and beyond

Executive Summary

Canada has a great heritage and strength in Intelligent Transportation, and our ITS industry has a significant number of niche technologies which are in high demand around the world. However, it relies on export for growth and most of our commercial members are Small and Medium Sized Enterprises (SMEs) and need help and assistance to move into and prosper in the international market. It is therefore important for ITS Canada to place a focus on International Business Development.

Based on the goals and objectives of ITS Canada, its International Business Development Committee is responsible for the development and update of the IBD Strategy annually and oversees its execution once it is approved by the ITS Canada Board. The Committee is chaired by Mr. Joe Lam, who has years of ITS export experience, and is comprised of government and industry members who have a direct stake in our export marketing efforts.

The mission of the IBD Committee is to develop and execute activities to foster and develop partnerships and business linkages between ITS Canada Members and those of our sister organizations/societies around the world, with priority on ITS-growing economies. By monitoring ITS trends around the world, the Committee also provides information to our members on the latest ITS technology trends, markets and opportunities for their consideration.

The current IBD Strategy was approved by the Board of Directors of ITS Canada in early January of 2018 and covers a period of 5 years from Fiscal Years 2018/19 through 2022/23, with decreasing granularity as we move towards the future.

It is designed to cover all areas of the globe where we believe there are markets for our members. However, due to limited resources, we cannot cover the entire world all at once. We therefore use the annual ITS World Congress as our centrepiece, starting from Asia where we already have some success and diversifying geographically to ITS markets in Europe, Latin America and the Middle East,



while incrementally enhancing our activities in Asia. The US ITS market is huge and a lot of our members are already quite active in it. However, some of our SME members venturing into this market may need our help from time to time.

As new ITS trends emerge and innovations are developed in subsequent years, export opportunities for our members will change and our IBD Strategy will be modified accordingly. As with any active strategic plan, opportunities shift, markets emerge, and plans adapt. Thus, our priorities may shift as new opportunities emerge. Each opportunity will be evaluated on the potential returns it provides to our industry in both the medium and long term and pursued appropriately.

We were busy and successful in 2017 in a number of fronts. Early in the year, we assisted ITS Malaysia in organizing an ITS Seminar in Kuala Lumpur, which culminated in a very successful and well attended event in February 2017.

In June, ITS Canada led a trade mission to Shenzhen, China for the ITS SZ Expo and also Hong Kong for the Asia-Pacific ITS Forum. With the help from our local trade commissioners, our mission was well received and we were able to make a significant impact in both exhibitions. The visit was very timely as the Asians were about to commit major expenditures in ITS implementation. For example, 3 major ITS tenders have been released in Hong Kong since our visit which may benefit our members greatly.

Contacts with Asia are maintained and refreshed through our IBD Chair, and because of the large ITS funding commitments there, further increments of our promotional efforts are required there. It should be also noted, ITS Canada recently signed a Memorandum of Understanding with our sister organization ITS Korea. At the same time, we have to devote more attention to Europe on its Connecting Mobility developments. Anticipated efforts in the Indian and South American ITS markets will have to be reduced or delayed due to the comparatively lack of prospects from these regions.

Our contacts in Asia also pays off in contributing success to the 24th ITS World Congress in Montreal in October/November, 2017. Over 3500 fully registered delegates attended the Montreal Conference with a significant contingent from East Asia. Over 50+ Canadian ITS companies exhibited in the exhibition with overall attendance of over 8000 participants representing 65+ countries.

Seven international guests were invited by ITS Canada to attend the Montreal event where they had the opportunity to meet our members/non-members and exhibitors and be informed of our exporting efforts in the near future.



There is one remaining activity for this fiscal year. An outgoing mission will be dispatched to the Intertraffic Exhibition in Amsterdam, a platform with over 25,000 delegates from around the world for intelligence on job prospects and partnerships for trade and product distribution. A side trip to Finland is contemplated to follow up on the MaaS movement in Europe.

During 2016, ITS Canada took a hard look at the objectives of our association and streamlined our operation in many areas. As a result, the IBD Committee received a stronger mandate to assist our members in IBD and at the same time we aim to be more focussed and cost-effective in undertaking IBD activities. This focus paid off in 2017 as the IBD Committee expects its program to be financially self-sustaining in the current fiscal year.

The IBD Strategy for the next fiscal year (2018 - 19) is based on what we have achieved last year and what we need to follow up on after the very successful ITS World Congress in Montreal last fall, 2017. The following activities are being contemplated.

1. IBD Committee conference calls and meetings throughout the year, including numerous one on one chats, to utilize the international experience of the committee members and obtain input from our membership.
2. Outgoing mission to Asia Pacific to attend specially designed bilateral workshops with potential clients and partners in Shenzhen, China, Hong Kong and Taipei as an incremental follow up to our successful trade mission in 2017, moving our members incrementally towards project realities.
3. Sending a small contingent to attend the Smart Cities week in Santa Clara to learn from the international community how new applications of ITS technologies are being used to develop smart cities around the world.
4. Outgoing mission to the 25th ITS World Congress in Copenhagen in September, 2018 to expand our European network built up in Montreal last year as well as to further our efforts in getting involved with the MaaS (Mobility as a Service) development and implementation in Northern Europe. A side trip to Brussel to obtain input from the European Union is being considered.
5. Workshop on Export Assistance to provide our SME members information on the types of financial, technical and logistical support they can obtain from agencies such as Transport Canada, Global Affairs Canada, CCC , EDC, etc. This activity will be funded by ITS Canada and its members.



6. Two observational trips to new market areas to help us to plan for activities in Fiscal 2019 – 20, namely the South Africa Transport Conference in Pretoria in July 2018 and Andinatraffic Conference in Columbia in March 2019.

ITS Canada will communicate our objectives, plans, mission details and results of our activities regularly by direct emails to all members and also through our newsletters. Direct personal contacts will also be maintained between the IBD Committee and members of the association.

Our IBD plans are aimed to provide the maximum benefit to our members in a cost-effective manner. As such, their performance will be evaluated for lessons learned and subsequent improvement. Our end game is to help our exporting members win overseas projects and increase their revenues but intermediate performance also has to be measured, including the number of contacts made, partnerships obtained and job prospects.

Sector Overview

ITS was invented or initiated in Toronto, Canada and we therefore have a great heritage and strengths in many aspects of intelligent transportation, including tolling technologies, traffic management systems, roadside ITS infrastructures and planning and integration of ITS technologies. More recently, with the advances in smart cities, intelligent mobility, location-based **services and the accompanying 'big data' requirements, the focus of ITS Canada has moved to a** broader base of applications and software-based technologies, rather than just our traditional traffic and transit design and hardware supply businesses.

The ITS industry in Canada consists of (1) a handful of large, integrated firms, some of which are subsidiaries of foreign or multi-national firms, **(2) a secondary tier of 100 or more SME's that are** hardware manufacturers, software integrators and engineering and consulting firms that develop the technologies and/or assist end users in planning and designing ITS systems, and (3) the academic and research organizations that conceptualize the technologies that are subsequently commercialized by the firms.

Many of our commercial members, and much of the ITS industry in Canada, rely more on international than domestic revenues. Despite its size, the population of Canada is significantly smaller than many global markets, unlike the USA. The total addressable ITS market outside Canada is significantly larger than within Canada. Quite simply, the USA and other international markets



spend vastly more than Canada on transportation and its automation, and many of our members must market abroad to remain sustainable.

While our ITS industry has a large number of niche technologies which are quite in demand around the world, many of our commercial members are SMEs and we lack the large ITS contractors or systems houses to spearhead our exporting effort, unlike Europe for example. The role of ITS Canada as facilitator is therefore a very important one. Also, instead of direct marketing to the end users, Canadian firms often have to partner with large firms in a foreign country in order to increase our market share in that country and better still, in a third country.

According to a study carried out by ITS America in 2013 based on surveys of governmental agencies (<http://www.itsa.org/businessdevelopment/its-market-data-analysis>), the private sector and academic organizations, the North America ITS market will grow from \$48B in 2009 to \$67B in 2015 in terms of end use revenue. The ITS sector is a well-paying industry, employing some \$183K end user employees (\$445K in the value chain) in 2009, rising to \$208K in 2015.

Many private studies have also been done on ITS markets around the world with similar results (although the actual numbers may vary depending on the definition of ITS and the inclusion of secondary markets). In any case, it is safe to assume that the ITS market is huge and the Canadian ITS Sector stands to gain significantly from the ITS expenditures in many economies. In fact, the ITS market is expected to continue to increase because of the increased emphasis on connected and automated vehicles.

The ITS industry is also a very innovative one, with ITS patents growing 17% a year compared to little or no growth in other sectors. ITS applications follow IT trends closely and therefore their requirements and markets shift quickly. For example, the **“Connected and Automated Vehicle”** awareness and development is progressing rapidly, and this is a multi-billion dollar revolution in the vehicular market, whereby vehicles will be connected in real time to each other and the infrastructure that surrounds them.

Vehicle-to-vehicle technologies have been emerging that enable vehicles to automatically warn others in close proximity that they are approaching, turning, braking, decelerating or taking emergency/evasive actions. The next wave will be vehicle-to-infrastructure applications and technologies that enable the vehicle to automatically communicate with local infrastructure (signals, traffic meters, speed and congestion detectors, etc.) and between these local infrastructure elements and the central traffic control centers in each region.



The emergence of automated vehicles, where the driver turns control of the vehicle over to an on-board computerized control system, will begin to be commercialized during the span of this strategy and Canadian research institutes and software firms have already positioned themselves to become significant contributors to this revolution. The Active Aurora Testbed in UBC supported by Transport Canada, initiatives in the University of Alberta and WATCAR in Waterloo are good examples of this.

Additionally, as “Connecting Mobility”, and “Mobility as a Service” (MaaS) in particular, become commercial reality, the demographics of vehicle ownership, vehicle sharing and basic social interaction will undergo significant changes.

The significance of the ‘limitless’ data generated by these connected/automated vehicles cannot be underestimated. Not only will these ‘big data’ streams require sophisticated automation to effectively manage but also their commercial value will be immense. The growth of analytics for big data has become inevitable.

These emerging connected and automated vehicle technologies are projected to be the areas of most rapid growth worldwide over the next ten years, and Canadian technology firms and institutions are poised to be a major part of such research, development and deployment initiatives. At the same time, these **new technologies will impact how the “traditional technologies”** are perceived, interfaced and integrated.

As new technologies evolve and new applications of these technologies are being developed to manage transportation and improve its safety and reliability, the concept of smart mobility naturally emerges and it is enhancing the market potential of ITS. Since mobility is an essential function provided by a modern city, **it helps to foster the idea of “Smart City” and a new and significant market for ITS products and services quickly follows.** The recent announcement by Infrastructure Canada of the Smart City Challenge **signifies Canada’s commitment in the development of this concept.** The challenge for the IBD Committee is to provide a bridge between our members and smart cities development around the world. We first have to learn from the experience of the major cities of the world so that we can modify our products and services to suit the need and requirements of this emerging market, not only in Canada but also around the world.

Notwithstanding the aggressive growth projected for this new market segment, ITS Canada must not forget its traditional markets and must also facilitate a better understanding of the technical challenges and potential regulatory hurdles that this new wave of technologies will precipitate and thereby provide an appropriately balanced leadership in all aspects of this change.



Subsectors

Traditionally, Canada has been very strong in the provision of consulting services in planning and designing ITS as well as supplying traffic management software and roadside ITS hardware. Our strongest markets are in the US and many countries in Asia and South America. However, we have not been as successful in Europe since they have similar technologies of their own, not to mention the special tariff advantages among European countries.

Recently, our members have developed an assortment of mobile technologies for traffic incident detection, congestion management and traffic flow performance measurement, and these are very suitable for the European market. The recent emphasis on Connected Mobility in Europe including MaaS, coupled with the rise of connected and autonomous vehicles should be a very favorable situation to our mobile technology developers.

At the same time, we should review the free trade agreement recently signed between Canada and the European Union to see what advantages we can derive from it for our exporting members.

ITS Canada will therefore continue to help and support our members to market their traditional ITS products. At the same time, we must monitor the ever-changing technology trends and their **related market shifts in various countries, and based on our members' input, help them to secure a fair share of the market in the appropriate region of the world.**

Target Markets

Traditionally, ITS Canada's export marketing efforts have been focused on those international markets where large infrastructure projects are being planned in the road construction, public transport, rail, marine, commercial vehicle and air cargo sectors. By their nature, such traditional ITS technologies must be "designed in" to these large infrastructure initiatives, often several years in advance of commencing construction, rather than being "added on" later. That means that our members' export marketing focus has typically been opportunistic in nature. Of course, once each of our members has successfully established a beachhead in these countries of opportunity, then they can expand their 'in-country' potential on an incremental basis.



ITS Canada, in support of those traditional markets, **has also been “opportunistic”** in its export market development efforts, typically attending conferences in the regions where reasonable potential is deemed to exist in any given year. Our goal is to establish good relationships with the local governments and our sister organizations, while always promoting the capabilities of our member firms. We do not however take a role in the contracting for services in those international markets, leaving the true business development efforts to our member firms.

While we continue our focus on the rapidly developing Indo-Asian markets and Europe, the Middle East and Latin America also present significant opportunities. Mexico is the most successful **example ‘down south’ and the UAE and Saudi Arabia continue to spend large amounts on** transportation infrastructure with significant intelligence features. In addition, our continued drive into the USA, which represents by far the single largest market for the Canadian ITS sector, will continue to be supported.

The biggest marketing opportunity for our members is presented by the annual ITS World Congress which rotates among North America, Europe and Asia-Pacific. ITS Canada hosted the 24th ITS World Congress in Montreal in 2017 and all IBD activities planned over the course of the next few years will be closely linked to leveraging this even through the follow ups and the trade opportunities derived from it. This important conference provided visibility for the Society both nationally and internationally and for its members and other Canadian SME participants. As such, it was a tremendous opportunity for our members to market their ITS products and services, conduct trade activities and develop international partnerships. It was also important to carry out follow up activities afterwards.

While the Montreal event provided a great opportunity for trade activities between our members and ITS delegates from some 65+ countries from around the world, ITS Canada has identified other opportunities that require attention. These include for example what is commonly called Connected Mobility in European countries, one of which is the MaaS initiative in Scandinavia. Effort will therefore be dedicated toward these opportunities while monitoring ITS developments in countries in Latin America, the Middle East and parts of Africa. The upcoming ITS World Congress in Copenhagen 2018 will give us a great opportunity to step up our efforts in the Connecting Mobility market in Europe.

We anticipate a significant increase in the number of Canadian software firms making transportation-related **‘apps’ for mobile devices and for in-vehicle applications**. These types of software companies may not have to market their products along geographic lines but rather focus on selling to consumers through other channels such as App Stores, to automotive OEMs and to



public transportation agencies who integrate these applications into their customer offerings. The business model may also be more flexible and in many cases, a Software as a Service (SaaS) model may be more appropriate. This may also mean that we have to start attending conferences not designed for traditional transportation clients.

The recent development of connecting mobility in Europe, such as the MaaS initiative, is timely for these companies, many of whom are currently not members of ITS Canada. Cooperation with local chambers of commerce and technology alliances in various regions of Canada is therefore essential if we are to attack this market effectively. While this will contribute to our export capability, ITS Canada will indirectly gain new members through this exercise.

During the 2015 ITS World Congress in Bordeaux, France, we learned of the MaaS Initiative in Scandinavia. In a recent trip to the Netherlands, a similar initiative was also identified. We will continue to monitor these initiatives for the benefit of our members. The next stage is to identify marketing and partnership opportunities so that Canadian companies specializing in mobile technologies for transportation applications can eventually gain a foothold in the European market.

At the same time, the Chinese have started initiatives in developing transportation infrastructures along the land and the sea Silk Routes. Many of the projects involved are expected to contain significant ITS elements although the technologies required will be more traditional compared to the European opportunities.

Our primary objective is to strengthen our linkages into major supply chain networks in the target market areas, emphasizing the sustainable element of ITS technologies, particularly important in rapidly developing economies with congestion and environmental issues.

Strategic Priorities

In summary, the strength of the Canadian ITS industry lies in the fact that we are an extremely innovative sector and we produce many niche products that are in the forefront of ITS technologies. However, most of our members are SMEs and we lack the multi-national system contractors to spearhead marketing efforts and provide the needed financial leadership. The role of ITS Canada, along with support from the Global Opportunities for Associations (GOA) program and other Canadian governmental agencies, is absolutely essential if we are going to succeed in inserting ourselves into the ITS global supply chain. The key here is obviously partnership.



ITS Canada has been successful in identifying and securing partners for our members but we can do more. Going through our sister societies in many economies to reach their members has been quite effective. Because of increasingly restrictive tendering processes, it has become more difficult for our members to access their potential buyers directly. By partnering with the local ITS societies (through the signing of MOUs in many cases), we have been able to present our members to the appropriate governmental agencies with greater success.

Another concern we have is that not all technology companies, who may be able to help us in or benefit from our marketing effort, are our members. We should therefore reach out to local technology alliances in the various regions of Canada and make them partners in our IBD activities.

Based on the above, we will improve our IBD process in many aspects. We will continue to look for ITS society partners in economies with promising ITS markets and seek to enhance positions of our members through the signing of MOUs. Through conference attendance and incoming missions, we will render our members “easy to market.”

Through the IBD Committee, we will continuously seek input from our members and other interested parties. At the same time, the Committee can provide valuable information to our members in various ways. With the help of foreign experts and Canadian trade commissioners we can appraise our members of the latest ITS technology trends, markets, activities and potential funding opportunities. By partnering with Canadian agencies such as the EDC and CCC and foreign organizations such as the Hong Kong Trade Development Council, we can assist new entrants into the export market in terms of project funding, risk assessment and foreign tendering regulations. Meanwhile, we will enlarge our IBD scope to include partners from other Canadian groups who may be interested in our IBD activities. These may include local chambers of commerce and technology associations, such as Techno Montreal.

As previously stated, partnership is the key to our future and we have to educate our exporting members to understand that investments in export marketing and securing partners from foreign countries to market in a third country will have a significant place in our IBD plan.

It should be recognized that it is not enough to work with the private sector alone. We have to seek ways and means to educate the public sector in the various economies where they can provide support and in turn end up with better systems and technologies. The Canadian public sector can



showcase our strategic projects in this country to our foreign buyers while their foreign counterparts can help us by reducing protectionism and project risk by adopting proven technologies from Canada instead of asking a local firm to develop a similar one. For example, a demonstration of an integrated traffic management system from jurisdictions across Canada in our Annual Meeting in Calgary in 2016 and subsequently in Montreal last fall impressed a large number of the delegates there, including many of our foreign guests.

In the end, of course, the IBD tactical plans have to be coordinated with other ITS Canada activities, in terms of policy, objectives, technical and financial considerations. In general, ITS Canada will pursue those trade shows where we have members who are already registered on their own. In addition, those missions and other activities that receive GOA funding will be a priority as well. The aim is to execute our IBD Strategy cost-effectively.

The short and medium term objectives of our international strategy (in order of priority) are to:

1. Enhance our international reputation as a centre of excellence for the design and manufacture of advanced ITS systems and technologies (ITS sourcing)
2. Enable our exporting member companies to obtain more sustained business abroad
3. Work more closely with our colleague associations and Global Affairs Canada offices around the world to raise awareness of Canadian expertise to our counterparts in the host nations, and to collect intelligence on upcoming prospects for our members.
4. Encourage other countries to leverage Canadian ITS technologies and best practices.
5. Enable our budding exporters to have a sustained and successful IBD strategy.
6. Assist **more of our members and SME's who currently are domestically**-focused to transition into their selected international markets.
7. Recruit new members for ITS Canada through cooperation with technology associations and local chambers of commerce and involving their members in our export activities

3 Tactical Actions

ITS Canada's 5-year IBD Strategy is designed to cover all areas of the globe where we believe there are markets for our members, but due to limited resources, we plan to incrementally diversify our



activities geographically and technically across the world. Using the annual ITS World Congress as our centrepiece, we start from Asia where we already have some success and move to ITS markets in Europe, Latin America and the Middle East, while incrementally enhancing our activities in each region. At the same time, we have to organize activities to assist our SME members who are venturing into the US market for the first time.

In general, our conference attendance activities in each area are incrementally enhanced in the following manner:

- Exploratory missions by our staff, directors and/or members to network with the local ITS community to see if further contacts are beneficial. These activities are usually funded by ITS Canada itself or its members.
- Attendances at local conferences with small walk-the-floor contingents to gather intelligence on market prospects, potential partners, and strength of competitors.
- Full attendance with in-booth exhibitions with concurrent or subsequent meetings with government officials and for business matching. In some cases, a workshop on Canadian ITS product and services may be held during the same year or in a subsequent year.

Recent Progress

ITS Canada has been quite respected in the world because of our heritage in ITS. We invented ITS way back in 1959 when Toronto started to experiment with computerized traffic control and throughout the years, we have established various milestones in ITS achievement. We are less occupied with the domestic market as our southern neighbor and many of our members are export savvy.

We have good relationships with many of our sister societies around the world and have signed bilateral cooperation agreements with many of them, including Malaysia, Hong Kong, France, Ireland, Australia, India, the Netherlands, the USA and most recently with Korea. Through these international partners, our exporting members have been able to market our technology effectively.

Traditionally, we attend the ITS World Congress every Fall and have been able to make an impact there with our presence, although we have learned that not all our members travelling with us **require a booth at the exhibition and therefore we should provide “walk the floor” options in 2019 and beyond.** With the establishment of an IBD Committee, we are now more active in the international arena based on input from our members and expect that this will yield an improved result.



We were busy in 2017 and successful in a number of fronts.

- IBD Committee Meetings. This committee is the major channel for soliciting input from our members. It participated in conference calls and face to face meetings throughout 2017, including a number of one on one chats in conferences and workshops. This activity was funded by ITS Canada.
- ITS Asia-Pacific Forum, Hong Kong and ITS Shenzhen Expo, Shenzhen, June 2017. These two conferences were held in close proximity and during the same week, so we were able to network with Chinese and Hong Kong and other Asian clients and partners cost-effectively. Also, these events were our last chance to promote the Montreal event in Asia and attract Asian delegates to Montreal to discuss trade and partnership. For this reason, an official from the City of Montreal travelled with us. The presence of a public sector client turned out to be quite an asset for the mission.

With the help and support of local trade commissioners, business matching activities and meetings with governmental officials were held both in Hong Kong and in Shenzhen. This enabled us to collect intelligence on upcoming ITS prospects in the region, discuss opportunities with potential partners and impress our Asian clients on our technologies.

Both ITS HK and ITS SZ officials worked hard to ensure our visit was a fruitful one. For example, ITS SZ provided us a booth unit on a complimentary basis while various deadlines were extended by both organizations, so that we did not have to make any financial commitment until our funding from GOA was approved.

- ITS World Congress, Montreal, Canada, October 28 – November 2, 2017. While this important conference was held in Canada, it provided significant opportunities for Canadian manufacturers, consultants, researchers and other ITS industry players to interact with a very large audience from around the world. Over 3,500 ITS professionals were fully registered for the conference and close to 8000 attended the exhibition, which featured over 50+ Canadian ITS companies.

The Montreal gathering was well supported by the Government of Canada, through Transport Canada and Infrastructure Canada, and both the Ontario and Quebec provincial governments. The Honorable Marc Garneau, Minister of Transport participated in a number of key events throughout the conference as well.

Seven international guests were invited from economies with strong ITS prospects to attend the congress and participate in the related trade and promotion activities. Their attendance contributed greatly to successful interaction with the respective Canadian ITS community



and also attracted their colleagues to join them in Montreal. The guests included 2 from China, and one each from Thailand, Indonesia, Mexico, Chile and Romania. They were introduced to as many of our members as possible and had ample opportunities to have in-depth looks at many of our ITS technologies through interactions with the over 50 Canadian ITS companies and many more individuals throughout the congress.

- Intertraffic, Amsterdam, the Netherlands, March 20-23, 2018. This activity is yet to take place at the time of writing this strategy. This show, held in Amsterdam biannually, represents one of the biggest in the world, with expected attendance of over 30,000 from over 130 countries and over 800 exhibitors. ITS representatives from all over Europe and many other countries will be present. We anticipate having a booth to house 4 to 5 member companies interested in exhibition and allow a budget for up to 3 members to walk the floor in search of partners and to learn about the latest in ITS development, particularly that in Europe. Business meetings will be held for partnership discussions for project cooperation and product distribution. Special attention will be paid to projects and markets related to MaaS and similar opportunities in Connected Mobility as well as more traditional opportunities in Eastern Europe.

A side trip to Finland will be taken by our staff and one member to investigate the current status of MaaS development there and the potential of local partnership.

- Contacts need to be maintained and this is done through our directors who travel and the IBD Chair. Now that we have secured a satisfactory profile in Asia, we can devote more attention to Europe and perhaps South America while maintaining our momentum in Asia. When necessary, we will support our SME members in their export attempts into the US market. After any successful mission, follow up efforts are critical to maintain the good will and relationship achieved. In many cases, incremental step up efforts are required to capitalize on the business development effort expended to date.
- **In response to changes in many areas, we have to “do more with less”. Providing maximum benefits to our members with a cost-effective approach will be the key in our future IBD activities.** For example, we will attempt to have only one staff member participating in outgoing missions to reduce cost and provide more participation opportunities to our members. We have also improved our communications framework with our members so that we can appraise them of our IBD activities, among other things, in a more detailed and timely fashion. In order to make our missions more cost-effective, we have reached out to other associations which may contribute participants for our missions and future members for ITS Canada.



IBD Program for 2018 – 2023

The following international meetings, trade shows and missions have been proposed by the IBD Committee over the next 5 years, in reducing degrees of granularity. It should be noted that we do not intend to seek funding from GOA for all the activities listed. Some of the following will be funded by ITS Canada and/or our members.

1. 2018-19 – Follow up on IBD from Montreal and activities for Traditional ITS Initiatives in Asia and Connecting Mobility in Europe
 - a. IBD Committee Meetings, as in FY2017-18
 - b. Follow up activities for Montreal. ITS Canada will assist our members to conduct follow-up activities resulting from the Montreal ITS World Congress. This may include technical workshops, further missions and/or meetings with foreign government officials. Support will be sought from our sister societies as well as Canadian trade commissioners in the countries involved. Assistance from EDC and CCC may also be required in some cases. With our own funding, our IBD Chair will visit some of these countries to investigate and identify ITS opportunities. The economies involved include China, Taiwan, Hong Kong, Korea, Mexico and Malaysia, among others.
 - c. Outgoing Mission to Shenzhen, Hong Kong and Taiwan. In our mission to Shenzhen and Hong Kong in 2017, we networked with a large number of potential clients and partners and obtained a lot of data on market prospects. A number of memoranda of cooperation for partnerships have also resulted. To penetrate more sharply into the ITS market in this region, an incremental effort is required. It is proposed that another trade mission be dispatched there, circa July 2018, to hold a one-day specially designed bilateral workshop in each of Shenzhen, Hong Kong and Taipei. Discussions will be focussed on not only traditional ITS topics but also new areas of automated vehicles and smart cities. Visits to factories that manufactures ITS products and large local ITS companies will also be conducted.



- d. ITS World Congress, Copenhagen, September, 2018. ITS Canada will lead an export mission to the 25th ITS World Congress to be held in Copenhagen in September 2018. We estimate that travelling with us will be 4 members who require booth space and another 4 walk the floor participants. It is expected that by this time, the Connected Mobility (including MaaS) market in Europe and Canada will start to mature and our presence there will not only be timely but also vital. Business matching activities will be conducted to solicit European partners for opportunities there.

It is also proposed that a side trip be taken to Brussels to gain hands on information on the development of Connecting Mobility (including MaaS) across the European Union. The recently signed CETA will have a positive impact on our members in terms of free trade between Canada and Europe and so an opportunity to provide our members with a better understanding of this aspect will be a welcome addition to the Belgium visit agenda.

- e. A large number of American ITS users, suppliers and systems integrators attended the 2017 ITS World Congress in Montreal. In support of our SME members, a follow-up mission to the 2018 ITS America Annual Meeting in June is planned to enable our interested members to conduct additional marketing activities with a larger group of American public and private sectors. However, the 2018 ITSA Meeting will be held in Detroit and its proximity to most of our members means that we can finance this through our members.
- f. With recent emphasis on smart city development, it is important that ITS Canada keeps itself apprised of development of this concept and the technologies to be implemented for the benefit of our members. For this reason, we will be on the lookout for interesting events on this topic. Initially, we will send a small contingent to observe and learn about this new market. An opportunity presents itself in the Smart Cities Week to be held in Santa Clara in May 2018.
- g. With monitoring of the ITS market in Latin America since 2016 by the IBD Committee and feedback from the Latin American invitees to Montreal, there will be adequate information based on which we can mount a “walk-the-floor” mission to Mexico. The



Intertraffic Mexico Exhibition has been targeted but the next one will not be held until late 2019. For this reason, we may attend Andinatraffic in Columbia in March 2019 as an alternative to gain interim market information for planning our trip to Mexico in late 2019.

- h. The past Chairman and a director of ITS Canada visited India recently to explore the potential of the ITS market there. However, due to lack of prospects and interest on the part of our members, there will be no significant activities for the Indian Subcontinent this year, other than monitoring through the local trade commission and some of the Canadian companies who have on-going activities there.
 - i. Again, as an exploratory mission, our staff, director and/or members will visit an international ITS conference in an east European country, with funding provided by ITS Canada or its members.
 - j. A workshop on export assistance will be considered for 2018.
2. FY 2019-20 – as follow up activities for Montreal winds downs, increase efforts in the Middle East and the Asean regions
- a. IBD Committee Meetings, as in FY2017-18
 - b. 26th ITS World Congress, Singapore, Fall, 2019. We will take a trade mission to **Singapore for the ITS World Congress this year, with 4 or 5 exhibitors and 3 Or 4 “walk the floor” members. This congress will provide us with a great opportunity to** increase our focus on the Asean Region. Special business matching activities and workshops will be held for an Asean audience and side trips to Thailand and Indonesia will be taken to assess the market potential there.
 - c. Incoming Mission from Europe – Winter 2020. Many European trade groups are interested in the ITS Canadian market but more so in partnering with Canadian firms to access the US market. We would like to invite a group from Europe to visit Canada in late 2019 or early 2020. We will organize bilateral technology workshops in major



cities of Canada, in conjunction with business matching activities. We have so far identified a trade group from Germany and arrangements will be made in cooperation with Ertico (ITS Europe) with support from the local trade commissioner and our sister organization in Berlin.

- d. After scouting for market intelligence and prospects in Latin America at the Andinatraffic Show in Columbia in March 2019, we would have obtained the pertinent data required for planning a mission to Intertraffic Mexico in late 2019. If conditions are favourable, ITS Canada will lead an ITS trade mission to Mexico consisting of 4 walk the floor participants and another 4 to exhibit their products in a booth.
 - e. We will continue to explore new areas such as smart cities and automated vehicles and identify worthwhile conferences on these new topics to attend on an observation basis.
 - f. We have scouted for prospects in the Middle East ITS market in previous years and are now ready to mount a mission to attend the Gulf Traffic Exhibition and Conference in Dubai. This venue is chosen because the UAE is a good ITS market in itself and Dubai is politically safe and stable. The said conference has been known to draw many attendees from all of the Middle East region as well as parts of Europe and Asia.
 - g. Our directors, staff and/or members will continue to attend international ITS conferences on an exploratory basis to see if any of them would benefit our exporting members and warrant further contacts for business development purposes. Columbia and Chile are targeted this fiscal year. Again, this will be funded by ITS Canada and its members.
 - h. A workshop on export assistance may be held.
3. FY 2020-21 – Continue activities for the Asean initiative above, while developing new efforts for emerging technologies in the US market.
 - a. IBD Committee Meetings, as in FY2017-18



- b. 27th ITS World Congress, North America, Fall, 2020 in Los Angeles. As most of our members are quite familiar with the US market and may have their own booths in this show, only a small walk-the-floor contingent is required for this event for intelligence collection, technology review and general networking. Special considerations will be given to SMEs who are involved in the US market for the first time.
- c. A trade mission with “walk-the-floor” participants will be dispatched to an ITS Conference in Indonesia as part of our Asean strategy based on information collected previously, including from the ITS World Congress in Singapore the year before. In addition, we will deliver a workshop on Canadian ITS Technologies, through help and support from our local consulate.
- d. Through the invitee to the Montreal event in 2017 and our exploratory mission in 2018, sufficient market information will be available for us to plan a trade mission to Eastern Europe this year. However, the venue is still to be decided. It could be in Romania, a neighbouring country or Austria, the gateway to Eastern Europe.
- e. Through our observational efforts in the last two years, we would have obtained a lot of information on new applications of ITS, such as in the areas of smart cities and automated vehicles. We may be ready to attend a conference with in-booth exhibitors this fiscal year.
- f. It is also appropriate for us to invite several potential ITS customers and/or partners from South America, particularly Chile and Columbia to attend our Annual meeting in this fiscal year.
- g. We will continue to explore new markets by relying on the voluntary help from our directors and members.
- h. A workshop on export assistance will be considered.



4. FY 2021-22 – Continue activities in Asia and Europe with emphases on new technologies and partnerships, while developing new efforts for the Middle East market.

a. IBD Committee Meetings, as in FY2017-18

b. 28th ITS World Congress, Europe, Fall, 2021 Hamburg, Germany

By this time, we would have followed the MaaS development in Europe for some years and should have a good knowledge of the prospects technically and geographically. We will use this world congress to further enhance relationships with our European partners and clients.

c. During this fiscal year, we will circle back to Asia, this time focussing on Korea, with a side trip to Japan. A two way approach will be adopted in this case. Seminars will be conducted to share information and business matching meetings will be organized, with the objective of forming partnership to attack ITS markets in the rest of Asia.

d. With information collected through previous contacts, we will invite a group of potential buyers from Saudi Arabia and the UAE to travel to Canada to meet our ITS suppliers, visit our government officials and witness real-life operation of our ITS systems.

e. We will continue to explore new markets geographically and technically as before. As the market for smart city concepts start to mature, we will re-focus our effort into smart city implementation. Other new applications of ITS technologies will also be explored.

f. A workshop on export assistance will be considered.

5. FY 2022 - 23 – Continue activities in Asia with emphases on new technologies and partnerships, while developing new efforts for the Latin American market.

a. IBD Committee Meetings, as in FY2017-18



- b. 29th ITS World Congress, Asia, Fall, 2022 (City yet to be determined)

By this time, we would have followed the Connecting Mobility development in Europe and Smart City Concepts from around the world for some years and should have a good knowledge of the prospects technically and geographically. We will use this world congress to demonstrate and market our new products in these new areas to our Asian friends.

- c. Also during this fiscal year, we will be ready to show off our new developments in smarty city concepts and other new applications to clients in Latin America in an appropriate international conference. As an alternative, we could request our sister societies to help organize bilateral workshops in various economies to market our new products and conduct business matching meetings, with the objective of forming partnership to attack the entire Latin America market.
- d. We will continue to explore new markets geographically and technically as before. In particular, more focus will be placed on key conferences on new topics derived from or beyond automated vehicles and smart cities.
- e. A workshop on export assistance may be held if necessary.

Measurement of Results

Our end game is to help our members realize international projects and increase their revenue. This performance will be tracked for lessons learned and evaluation of our IBD Strategy. However, as an association, we do not have control over our **members' international** business practice and their go and no go decisions but we can assist them incrementally in intermediate steps, including networking, partnership building and job prospecting. It is therefore important to evaluate our performance for every incremental step of our IBD activities. The performance measures include but are limited to the following:



- Number of people networked
- Number of potential clients contacted
- Number of potential partners approached and secured
- Number of distributors sought and contracted
- Amount of job prospects

During each IBD activity, the participating members will be asked to keep track of performance measures such as the above and these data will be merged with those collected by the IBD Committee to enable us to continue to evaluate our performance, benefit from the lessons learned and improve our subsequent activities accordingly.

In addition to standard measurements of international success discussed above, ITS Canada expects success in the following ways, as an association:

1. Increased international membership
2. Increase in the number of ITS Canada members that upgrade from Corporate to Sustaining Corporate memberships
3. Growth in overall membership
4. International initiatives with Transport Canada, Industry Canada, Infrastructure Canada, other federal departments
5. International ventures with provincial agencies and ministries
6. Recognition internationally through attendance by foreign entities at our Annual Conference and exhibition

These successes, once achieved, will return additional value to the membership at large, increase **the revenue potential for member firms and strengthen ITS Canada's international reputation.**

Given the significant effort to mount export missions, it is very important for ITS Canada to carefully track the results and benefits of our IBD activities so that we can better judge its effectiveness and assess its value to not only our exporting members but also to our membership as a whole.