

The Canadian New Media Industry

This vibrant and growing industry encompasses three broad sectors; many of Canada's new media firms are engaged in more than one sector:

- 82% of firms are **content producers** in gaming, digital animation, web design, e-learning, visual effects, streaming media, and internet publishing. Vancouver is the largest game development centre in the world, with 156 companies
- 17% of firms provide **content delivery** through web hosting, internet service provision, wireless and telecommunications companies
- 43% of firms are **technology enablers** providing software, e-commerce applications, digital compression technologies, and security.

Key market segments:

- Business
- Education
- Entertainment

Intellectual Property

Percentage of firms that produce new intellectual property: 80%

Canada's Multimedia / Digital Interactive Industry

- Small dynamic firms are the dominant force, over 91 percent are privately held
- Over 2,800 multimedia firms with approx. 20,000 employees
- \$3 billion in annual revenue and an annual growth rate of 20 percent
- Nice strengths in advertising, entertainment, animation and special effects, games, interactive content, education and corporate applications
- Over two thirds of Canadian multimedia companies export and more than half export to the United States

The New Media industry is very integrated with Canada's ITC industry:

- 32,000 Information and Communication Technology (ICT) firms
- 545,000 employees
- 9.2% growth between 1997 and 2003 exceeding Canada's 3.7 percent annual growth in GDP
- \$5 billion R&D spending in 2004
- About 70% of ICT products manufactured in Canada are exported
- Seamless access to the North American Market

For further information, contact:

Andrea Lekushoff

Deloitte

416-435-2569

alekushoff@deloitte.ca