



# London's Competitive Position

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# Our Competition (2009-11)





# Context

- London competes with other cities on every investment opportunity, regardless of scale
- Companies conduct **extensive business planning** when making location decisions
- Business costs are different for each **industry sector**
- Quality of life variables are important, but never are **decisive factors**

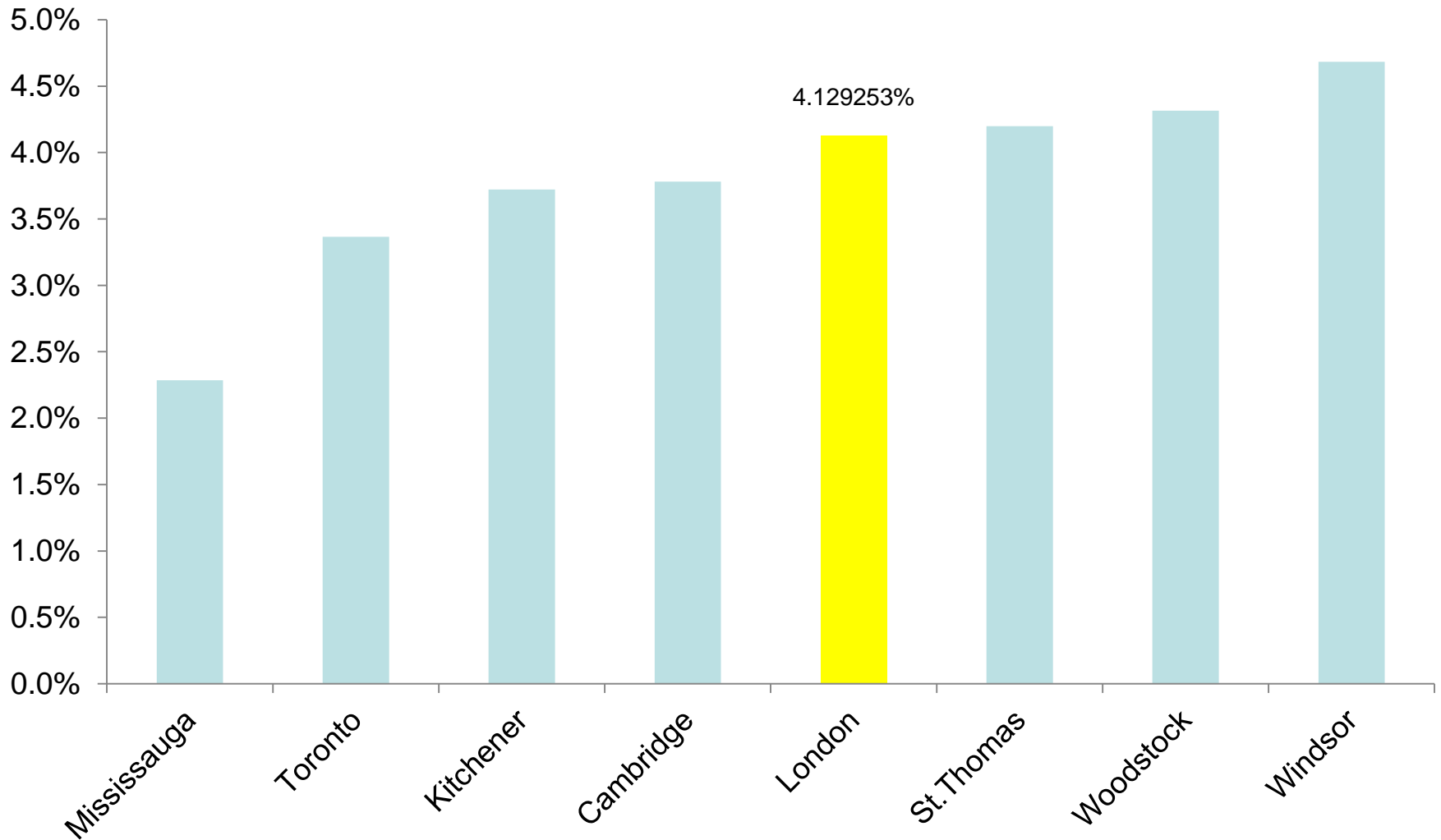


# Industrial Land Pricing

LONDON	\$ 55,000 - \$ 75,000 per acre
CAMBRIDGE/GUELPH	\$ 170,000 - \$ 200,000
CHATHAM	\$ 55,000 - \$ 70,000
ST. THOMAS	\$ 35,000 - \$ 45,000
WOODSTOCK	\$ 55,000 - \$ 75,000
BATTLE CREEK, MICHIGAN	\$ 20,000 - \$ 50,000
MADISON, WISCONSIN	\$ 250,000 - \$ 300,000
DAYTON, OHIO	\$ 275,000 - \$ 300,000

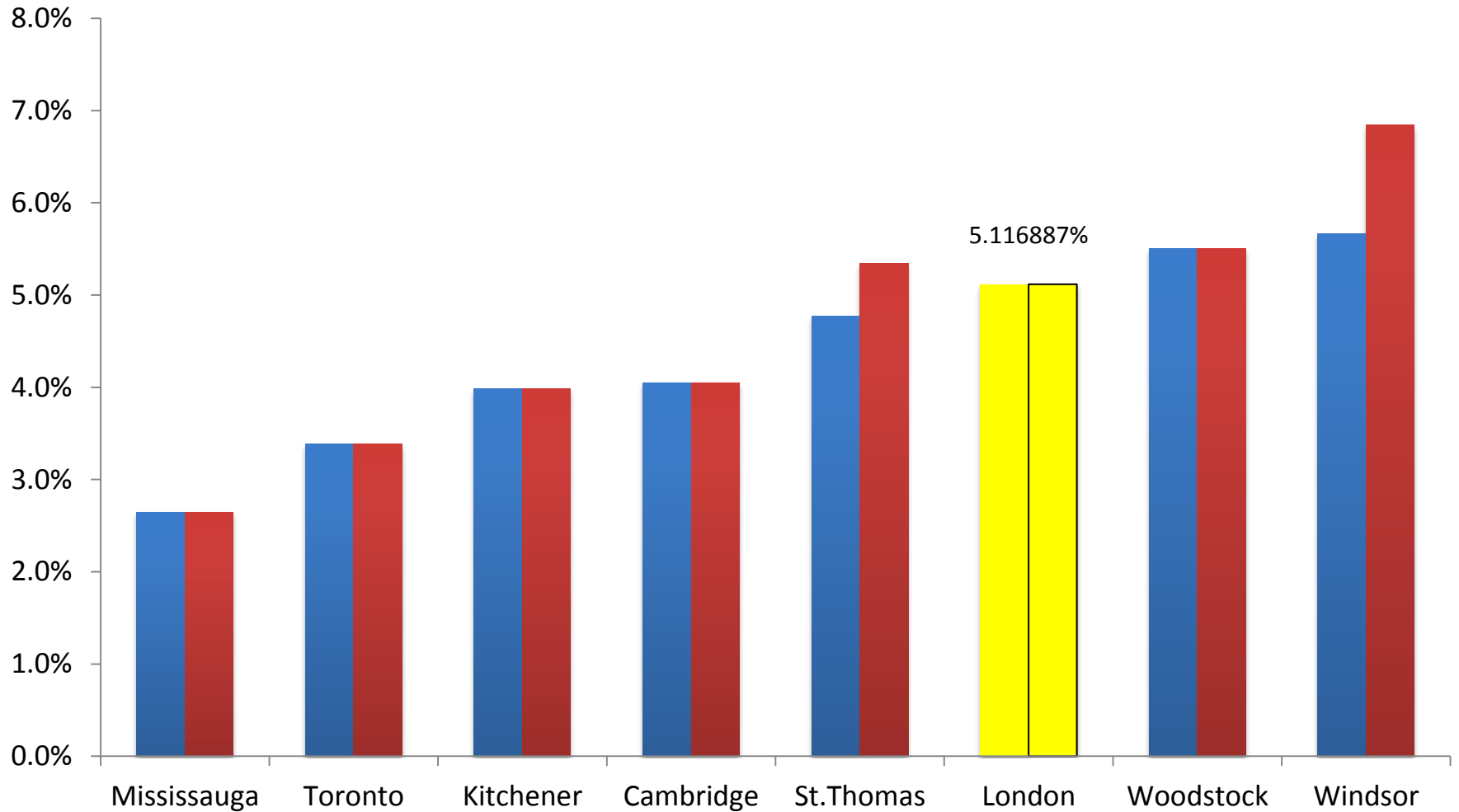


## Commercial Property Tax



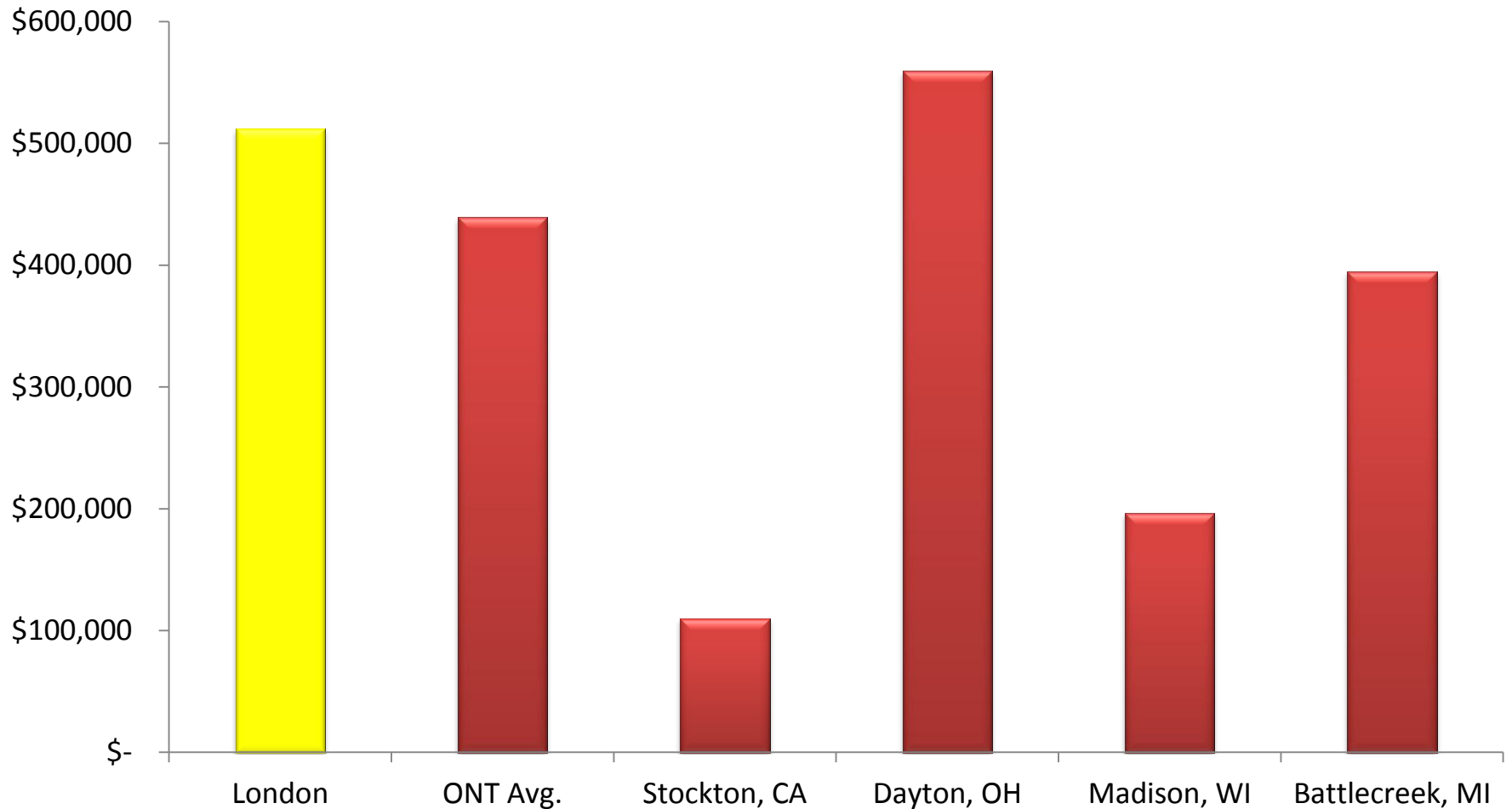


## Industrial Tax Rate



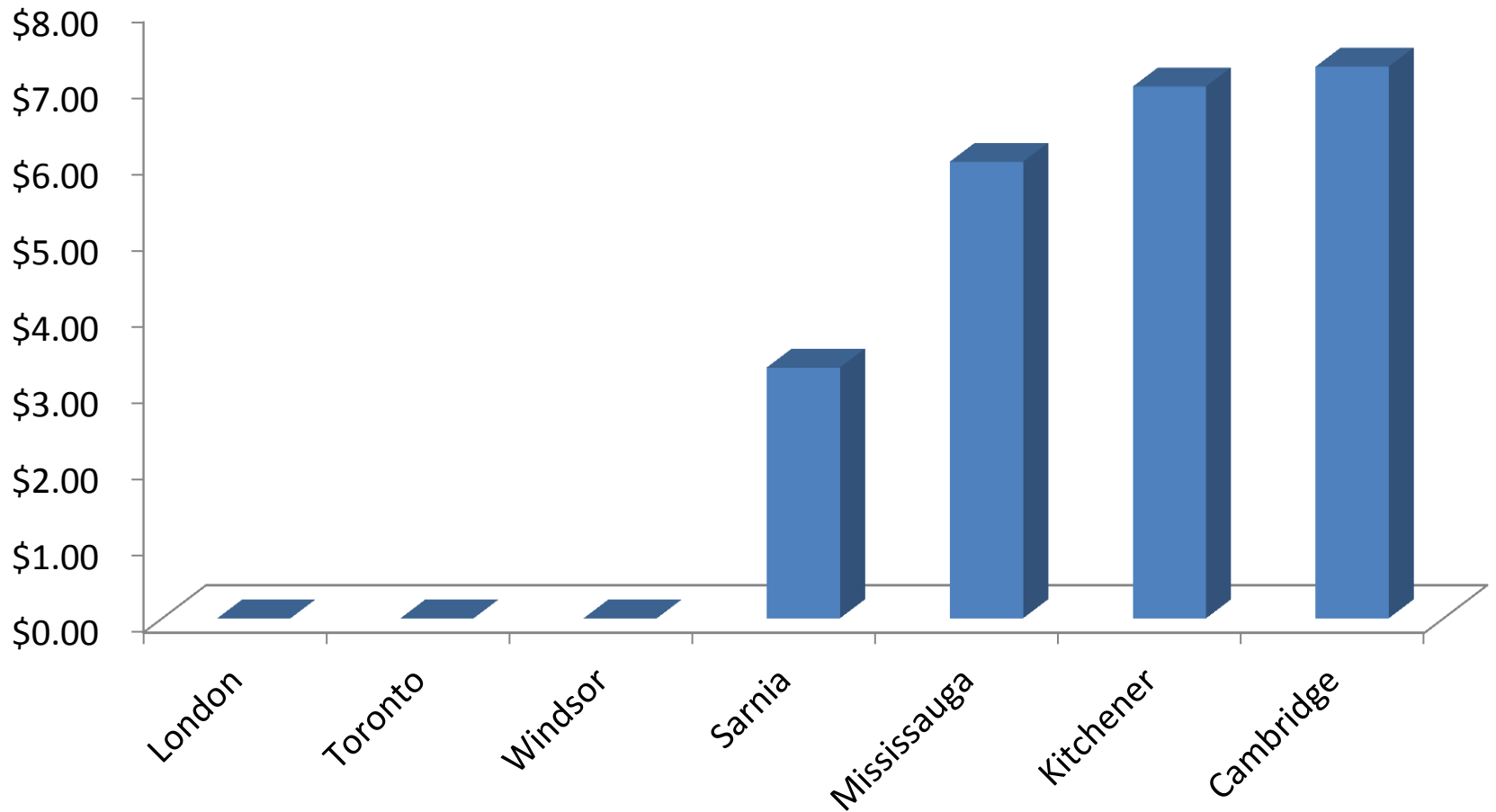


## ONT v/s US property taxes (on \$10 m. assessment)





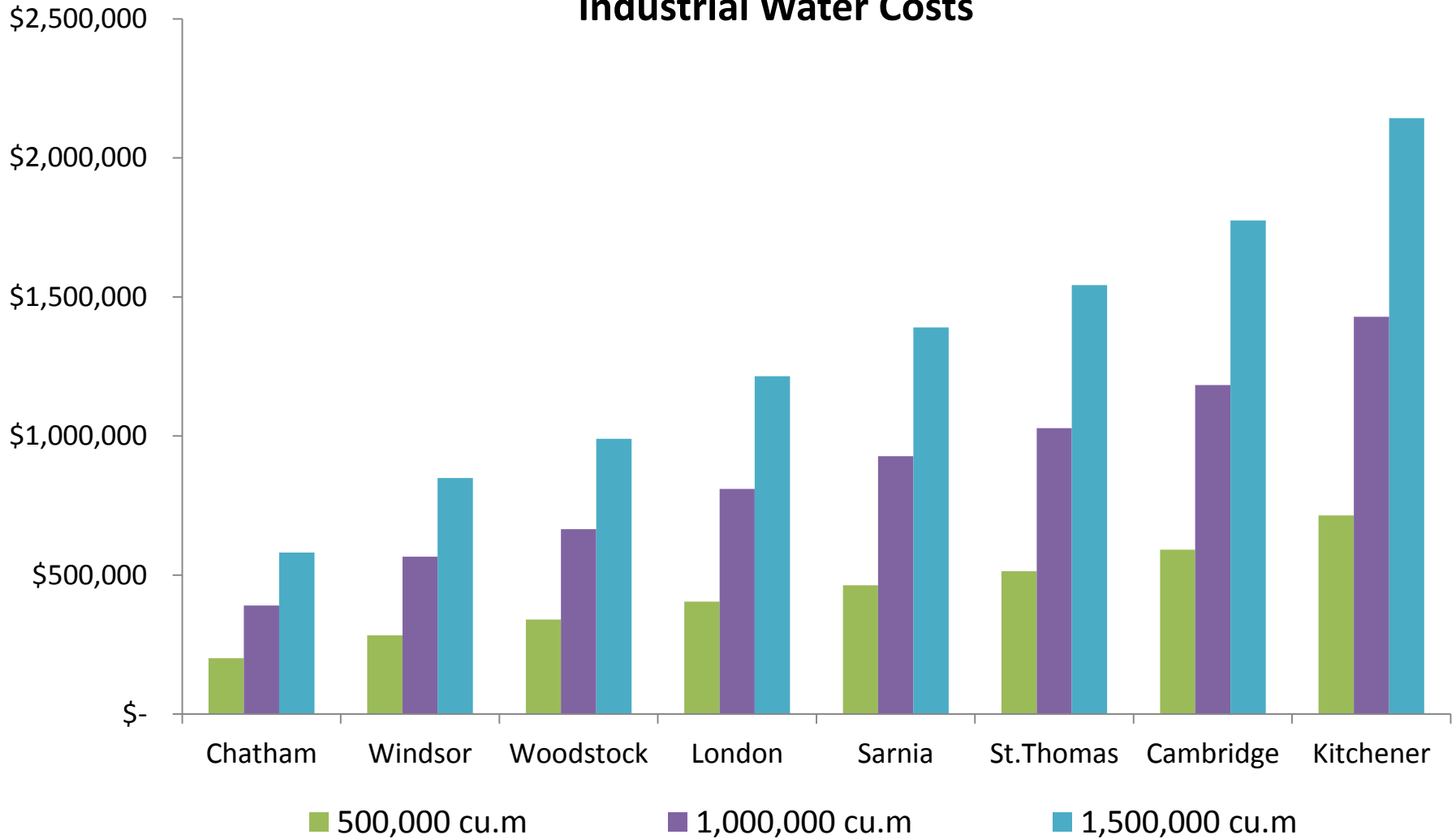
## Industrial DC





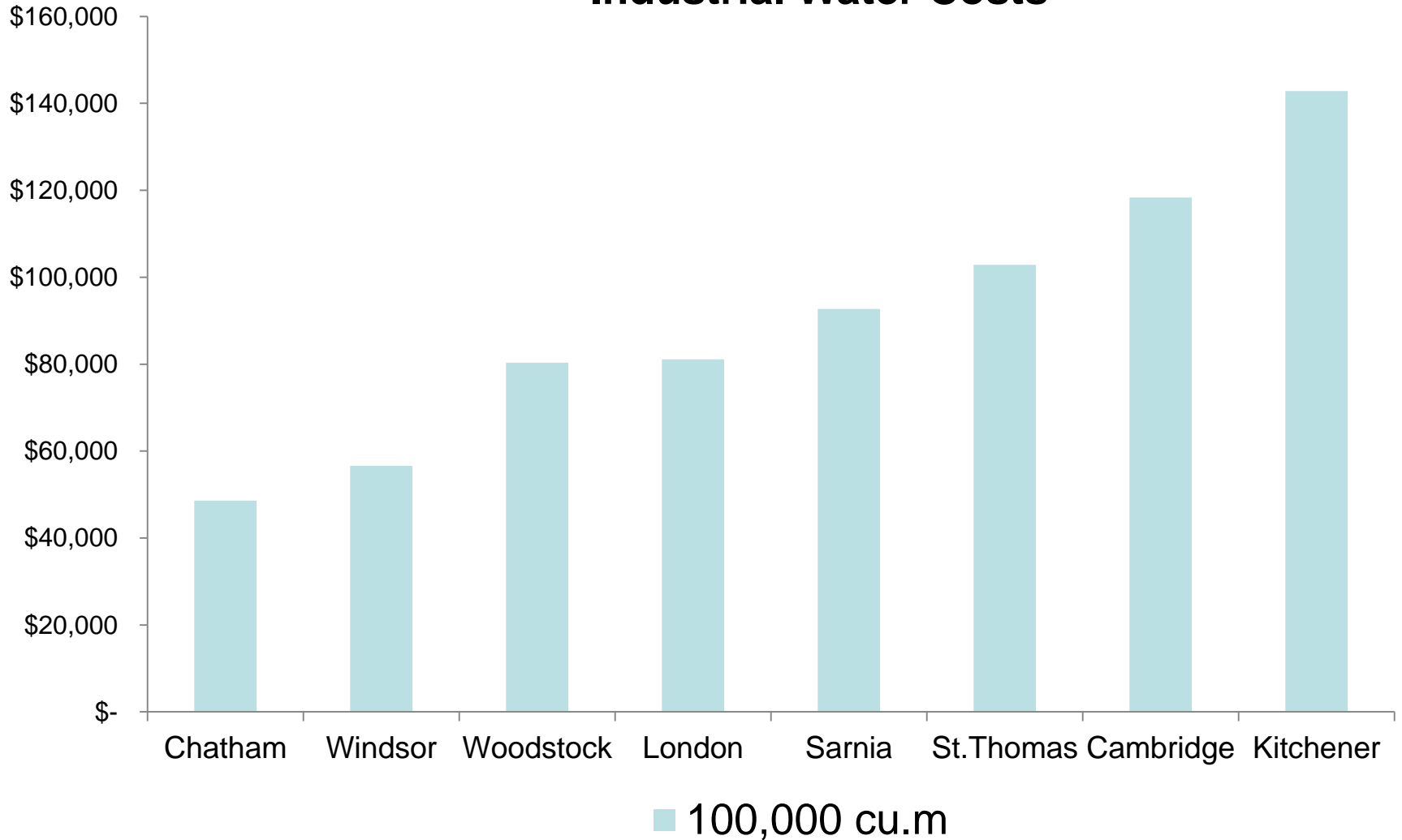


## Industrial Water Costs



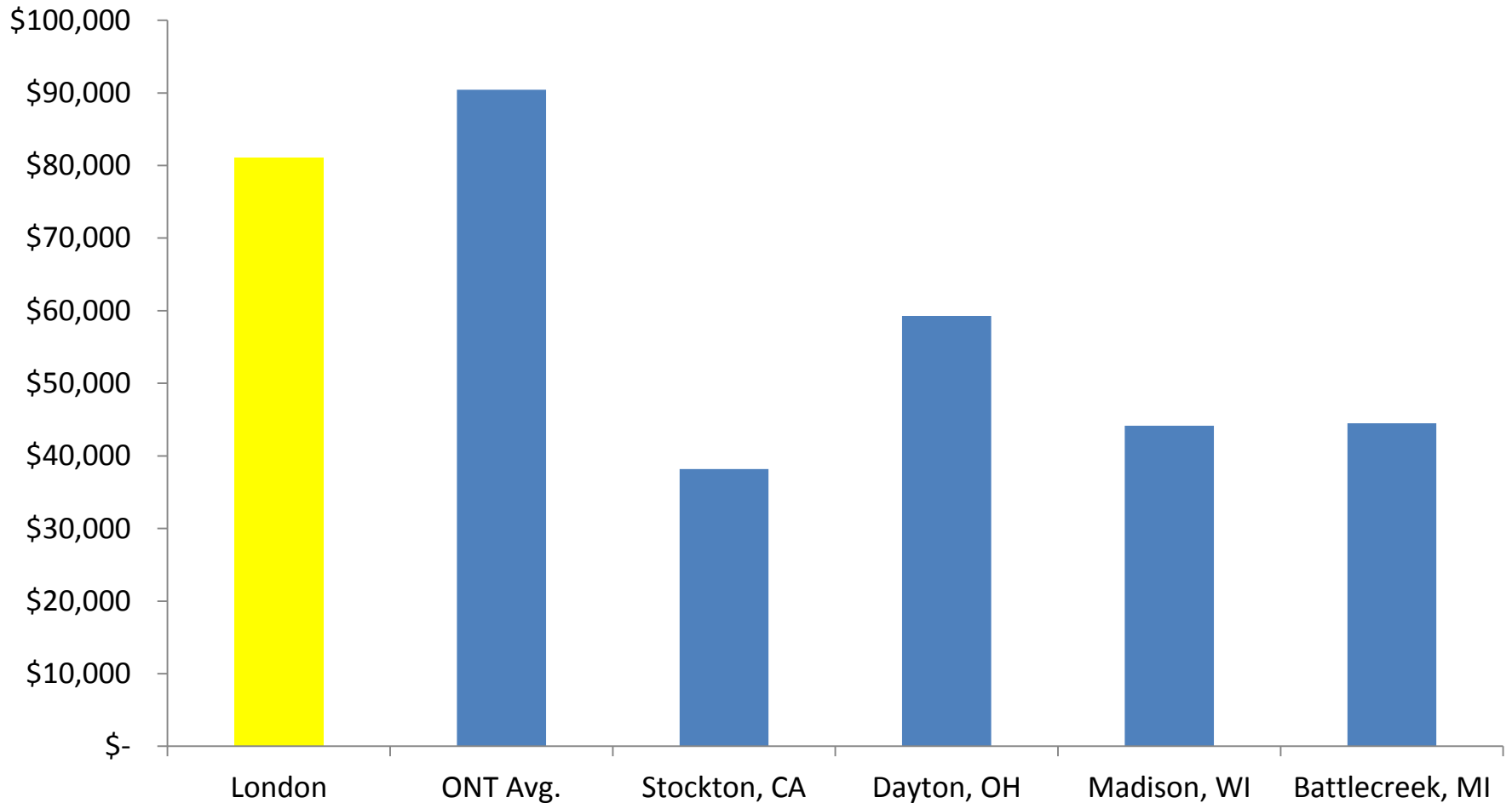


## Industrial Water Costs



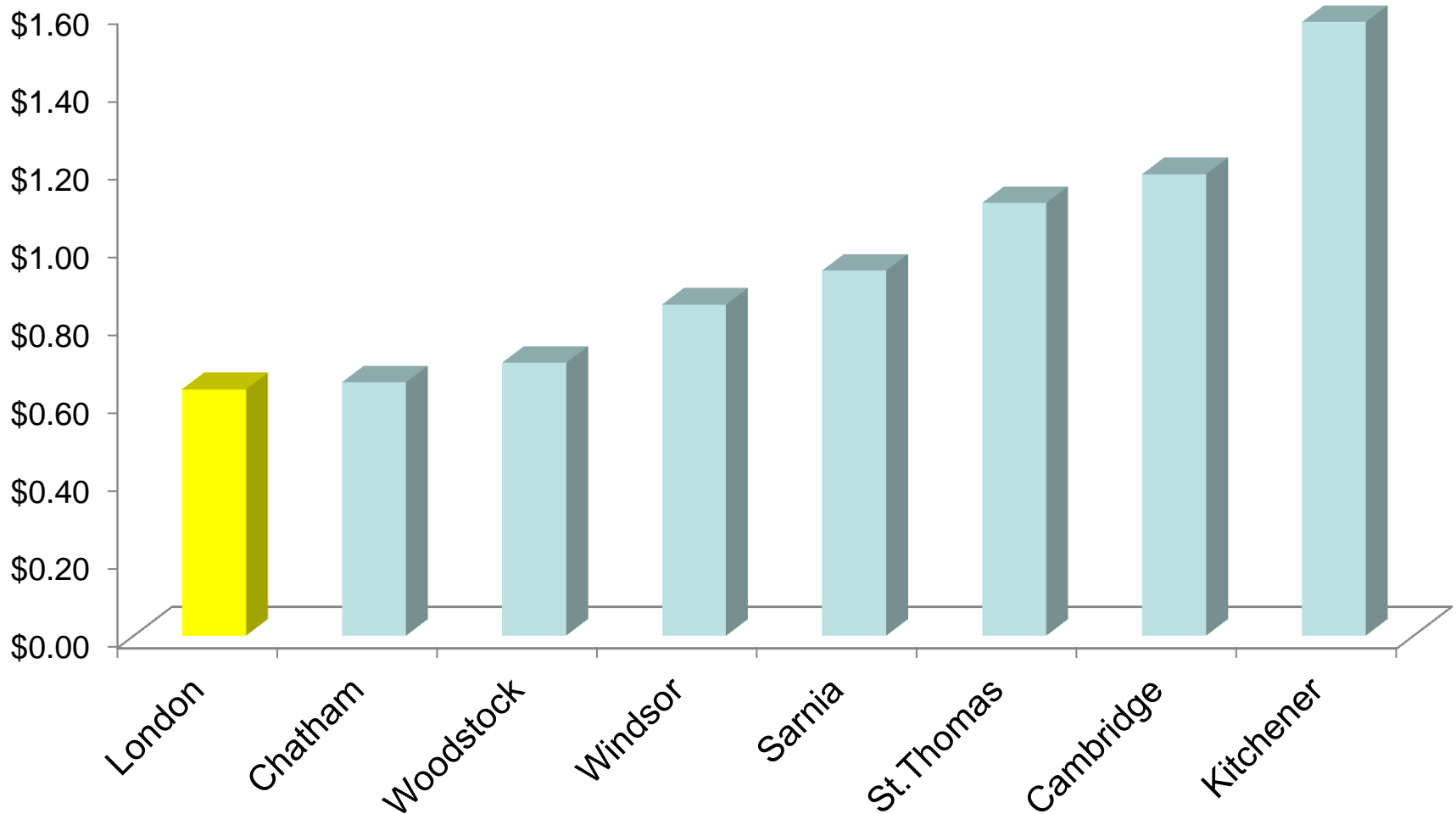


## ONT v/s US Water costs (100,000 cu.m consumption)



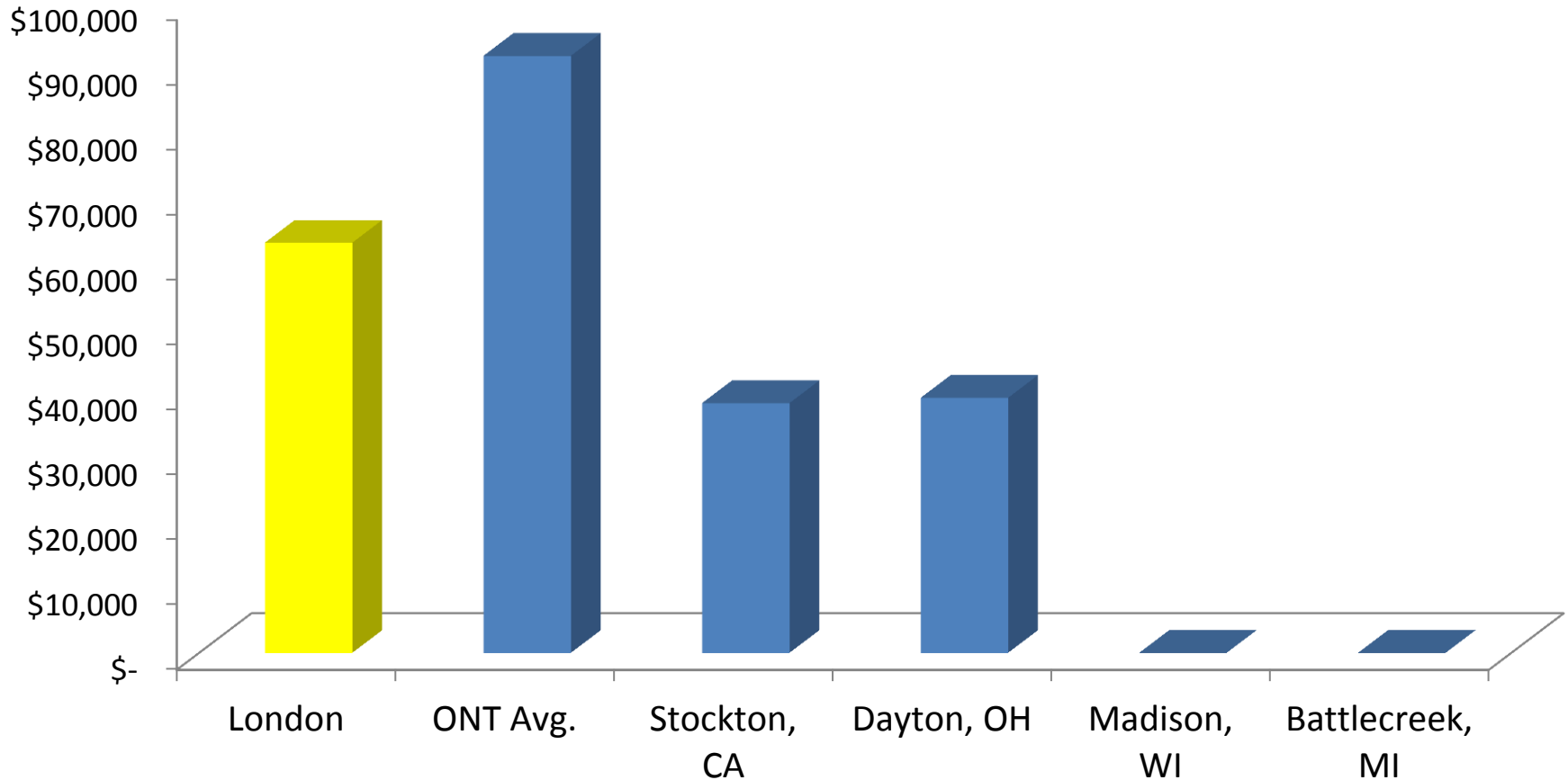


## Sewer Rates (per cu.m)



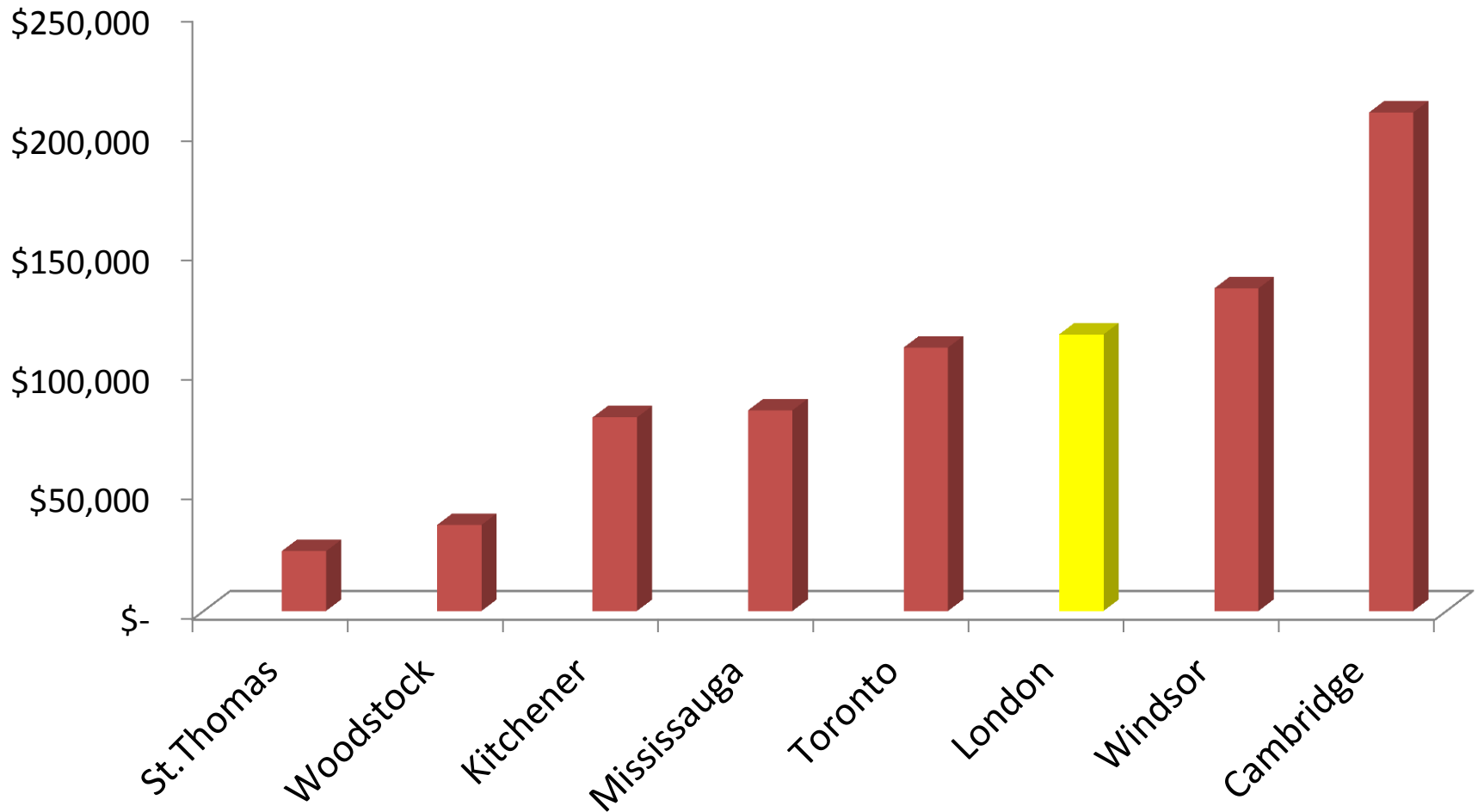


## Sewer Costs (on 100,000 cu.m)



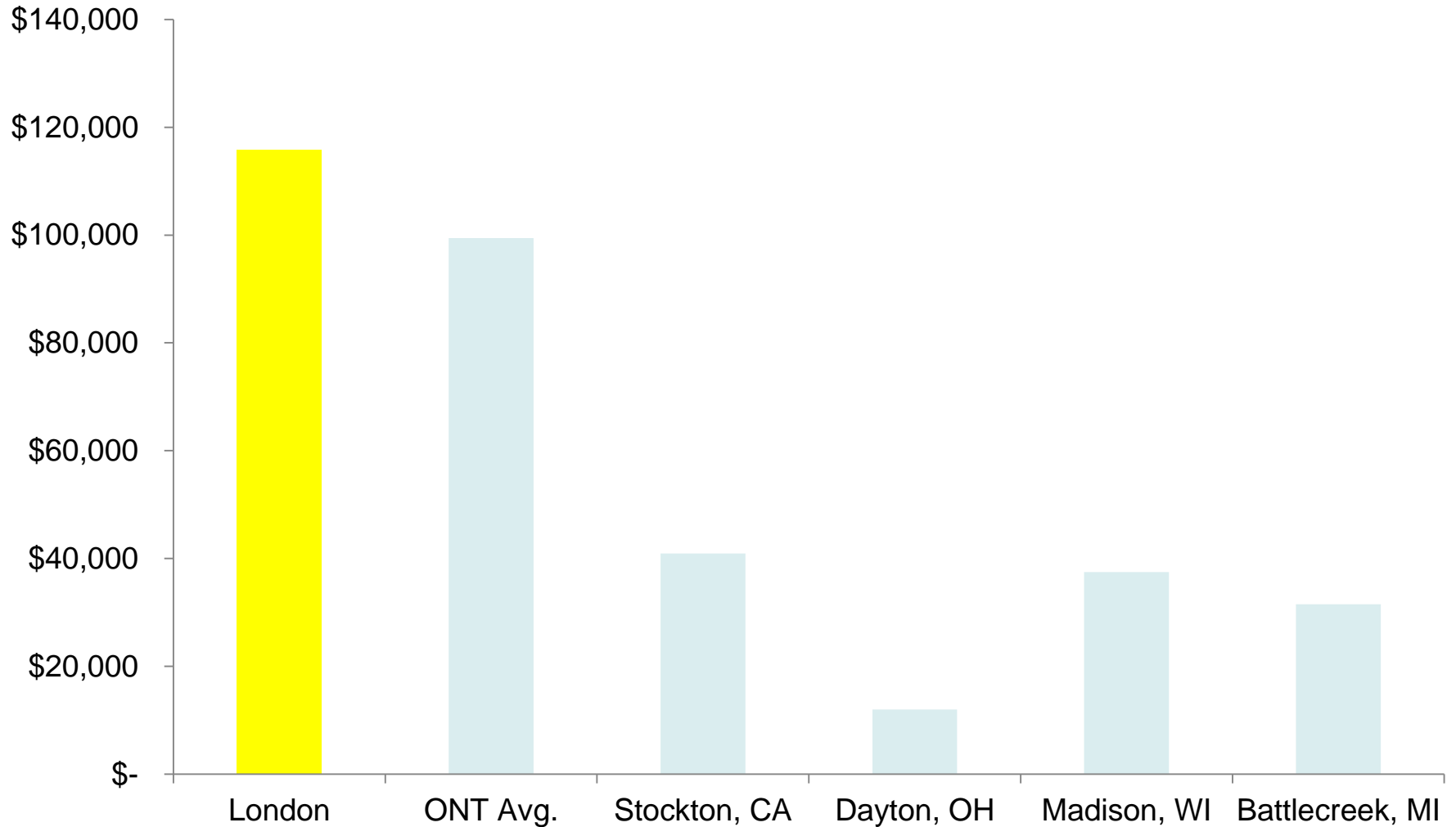


## Building Permit Fees





## ONT. v/s U.S Permit Fees

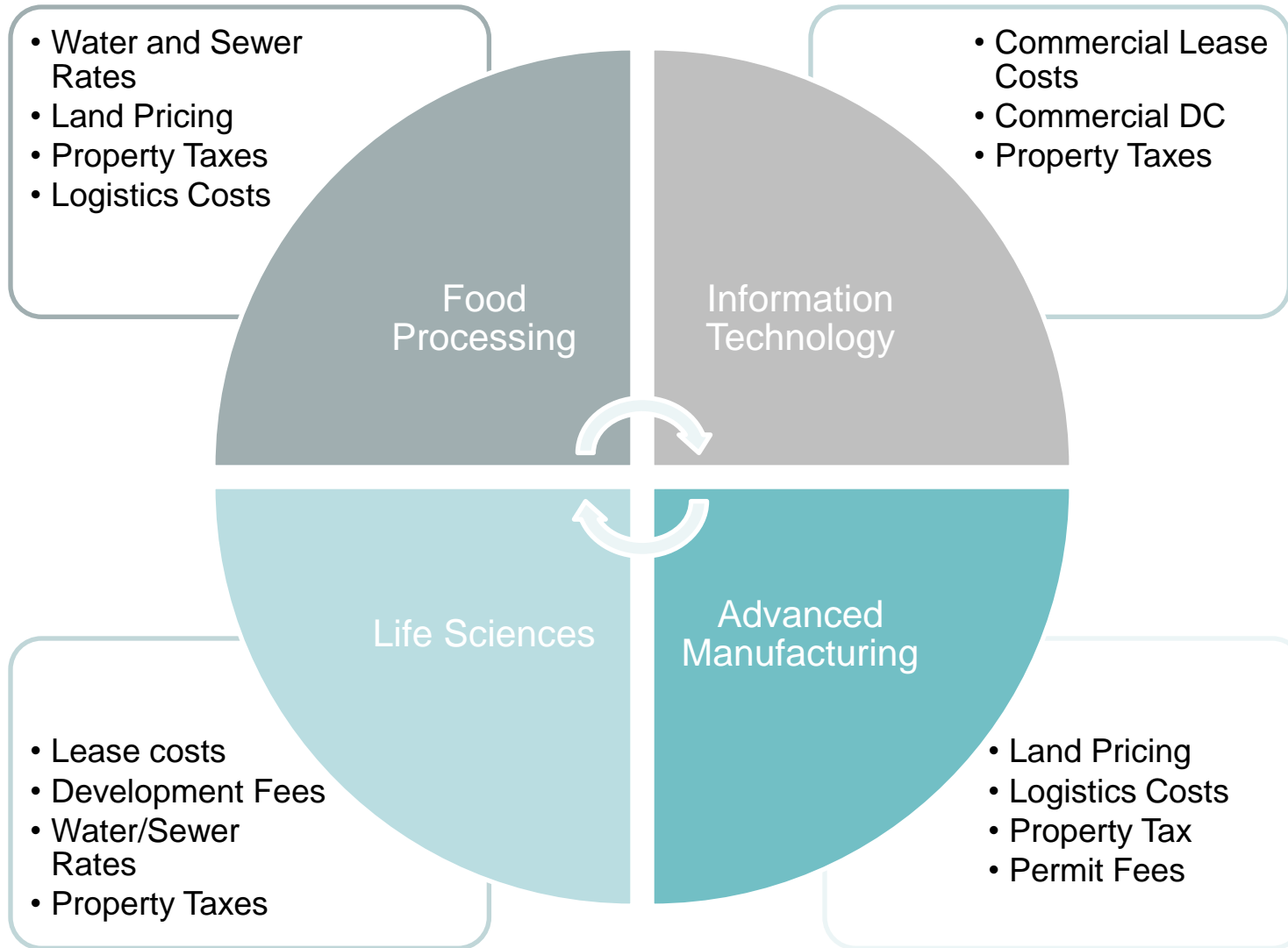




## *Recent examples*

- **ARVIN SANGO**
  - competed with Stratford, Ingersoll, Woodstock
  - location, land pricing, tax rates and development fees were key factors considered
- **Dr. OETKER**
  - competed with Waterloo region and GTA, Brantford
  - land pricing, water & sewer rates, permit fees, workforce, access to market were key factors
- **ORIGINAL CAKERIE**
  - competed with Waterloo region and Brantford
  - land availability, tax rates, water & sewer rates, development fees were key factors







## Site Selector Feedback

London's Score  
(out of 10)

### Location

- Proximity to U.S market 8
- Proximity to G.T.A market 5

### Workforce

- Low-skilled 9
- Sector specific skills (food processing, adv. mfg.) 7
- High-skilled (I.T, Life Sciences etc.) 5

R&D 8

Access to Post-Secondary Education 9

Serviced Industrial Lands 9

Commercial Space 7

Infrastructure 7

Arts and Culture 7

Quality of Life 9



# Summary

- In order to be attractive for new manufacturing investments, we must have a competitive cost structure
- We are well positioned re: U.S proximity, water/sewer rates, industrial DCs and land pricing
- We are uncompetitive re: GTA proximity, commercial DCs, industrial property tax and permit fees.
- Other factors are ranked average