ESCWA – Expert Group meeting
Promoting Collaboration and Bridging Gaps
1-2 November, 2016
Private sector
Driving innovation in the Arab region

By Frederick F. Wardini
VP Coaching and Mentoring
Objectif

• Canadian General Overview
• Innovation – Global Trend
• LCTH – Mechanism to advance innovation
Canadian Facts

Tech Sector General Overview
Canada Facts

- #15 ranked GII
- #1 producer of Video Games in the world per capita
- High focus on Virtual Reality development
- #1 Smart City in 2016
- Hub concentration for Artificial Intelligence
- Capital of Data Center Cloud & Big Data
- Top IT Companies
- Bilingual Tech Concentration
- Natural Extension to Silicon Valley
The State of Canada’s Tech Sector - 2016

Source: Brookfield Institute July 2016
TECH Sector GDP – Industry Group

Source: Brookfield Institute July 2016
TECH SECTOR - Employment

864,000 tech sector employees across Canada

Tech Sector as a Proportion of Provincial Employment

5.6% of Canada's total employment is in the tech sector

Source: Brookfield Institute July 2016
TECH SECTOR – Private firms

71,000 tech sector firms across Canada

Source: Brookfield Institute July 2016
R&D - Largest private investor

Business Enterprise Research & Development

$9.1b

Source: Brookfield Institute July 2016
## TECH SECTOR - Professionals

### Tech Professionals

<table>
<thead>
<tr>
<th>People with university degrees</th>
<th>Tech sector: 50.7%</th>
<th>Canada’s workforce: 28.8%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average annual wage</td>
<td>$66,950</td>
<td>$47,970</td>
</tr>
<tr>
<td>People 25-54 years of age</td>
<td>79.7%</td>
<td>68.1%</td>
</tr>
</tbody>
</table>

**Source:** Brookfield Institute July 2016

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Innovation – Global trend

New economy reshaped
Innovation – Where are we at?

We are at the stage:

- CLOUD COMPUTING
- BIG DATA
- SOCIAL MEDIA
- MOBILITY
- GAMIFICATION
- IOT
- AI

- New business models
- New cost structures
- New offerings
### The Stage is set

**Meet the GAFA**

<table>
<thead>
<tr>
<th>Worldwide</th>
<th>Google</th>
<th>Apple</th>
<th>Facebook</th>
<th>Amazon</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>90%</strong> Share of search</td>
<td><strong>$538B</strong></td>
<td><strong>$578B</strong></td>
<td><strong>$351B</strong></td>
<td><strong>$354B</strong></td>
</tr>
<tr>
<td><strong>45%</strong> Share of smartphone web traffic</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>75%</strong> Share of social media</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>63%</strong> Share of public cloud revenues</td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

**Market Cap (as of Aug 2016)**

Total: **$1.8T**

<table>
<thead>
<tr>
<th>And by 2020?</th>
<th>Google is the digital information infrastructure</th>
<th>Apple is the devices and Operating System provider</th>
<th>Facebook is the digital telco infrastructure</th>
<th>Amazon is the physical and digital delivery infrastructure</th>
</tr>
</thead>
</table>

Source: Fabernovel, Yahoo Finance, MEVP Research
Reshaping the industry

<table>
<thead>
<tr>
<th>Category</th>
<th>Companies/Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>TELECOM &amp; IT</td>
<td>Google, Apple, Facebook, Amazon, AWS, Azure, Salesforce, Microsoft, IBM, SAP</td>
</tr>
<tr>
<td>HEALTH / WELLNESS</td>
<td>Calico, HealthKit, Amazon Fresh, Amazon Pharmacy, Amazon Medicine, Amazon Care</td>
</tr>
<tr>
<td>RETAIL</td>
<td>Google Shopping express, Apple Pay, Amazon Pay, Amazon Fulfillment, Amazon Prime</td>
</tr>
<tr>
<td>ENERGY</td>
<td>Nest, Solar Power, internet.org, Amazon Fulfillment, Amazon Cloud Drive</td>
</tr>
<tr>
<td>MEDIA</td>
<td>Google Play, Apple Music, Oculus, Twitch, Amazon Music, Netflix, Hulu</td>
</tr>
<tr>
<td>FINANCIALS</td>
<td>Google Wallet, Apple Pay, Amazon Payments, Amazon Cloud Player, Amazon Cloud</td>
</tr>
<tr>
<td>MOBILITY</td>
<td>Driverless car, Apple CarPlay, Uber, Messenger, Amazon Cloud Player</td>
</tr>
</tbody>
</table>

Source: Fabernovel, Yahoo Finance, MEVP Research

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Create connected silos

<table>
<thead>
<tr>
<th>Search</th>
<th>Hardware</th>
<th>Social</th>
<th>Retail</th>
<th>ISP</th>
<th>FinTech</th>
<th>Virtual Reality</th>
<th>Video</th>
</tr>
</thead>
<tbody>
<tr>
<td>Google</td>
<td>Macintosh</td>
<td>facebook</td>
<td>Amazon</td>
<td>Google Fiber</td>
<td>Apple Pay</td>
<td>Oculus</td>
<td>Amazon Instant Video</td>
</tr>
</tbody>
</table>

End Goal:
- Own the customer’s data
- Own the ecosystem
- Own the customer’s time
- Predict what the customer wants

Source: Fabernovel, Yahoo Finance, MEVP Research
New vs. Old economy

<table>
<thead>
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<th>Source: Fabernovel, Yahoo Finance, MEVP Research</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year founded</strong></td>
</tr>
<tr>
<td><strong>Number of rooms</strong></td>
</tr>
<tr>
<td><strong>Room openings per year</strong></td>
</tr>
<tr>
<td><strong>Cost per room opening</strong></td>
</tr>
<tr>
<td><strong>Average room rate</strong></td>
</tr>
</tbody>
</table>

- Pool ownership of rooms / immediate access
- Crowdsource rooms; users contribute their assets
- Leverage idle capacity
- More cost-friendly alternatives to users
- Slow process of building hotels
- CapEx heavy supply building
- High hospitality standards
- Luxury brand demands higher price point
Millennials are leading the adoption of disruptors

Global Millennials Trends

Digital Natives
- Highly Social and Connected
- Rely on the Internet and Mobiles

Post Recession Realities
- High Unemployment
- Higher Debt

Different Priorities
- Rent / Share Housing
- Postponing Marriage and Children
- No Need for a Car
- Continuous, Evolving Education

Source: Fabernovel, Yahoo Finance, MEVP Research
Mechanism to advance innovation

Lebanese Canadian TECH HUB
Mission and Vision

Mission
Provide a digital innovation ecosystem to promote business opportunities and entrepreneurship

Vision
Acting as a bridge between North America from Montreal, and MENA from Beirut, by sharing resources, ideas and innovations
Becoming a reference for Governments, Enterprise and Talent to foster synergies through the Lebanese Diaspora
Association......Organisation
Canada and Lebanon

Canada

• Montreal is home base to one of the largest and well integrated Lebanese diaspora
• Multicultural environment
• 300k Lebanese Canadian
• 350 CxO Lebanese origines
• Gap for IT skilled ressources

Lebanon

• Proven capacity to innovate
• Quality professional work meets North American standards
• 75k Lebanese Canadian Graduates
• New Government vision Circular 331
LCTH - Mechanism for Sustainable Development

• Validation
• Knowledge Transfer
• Commercialization

• Go-to-Market Strategy
• Marketing and Sales
• Fundraising
Validating Ideas
Coaching
Funding
HELP Exiting - IPO
Risk Mitigation
LCTH - Our Value proposition
LCTH - Where we offer it?

Montreal  Beirut
Thank You