GOING GLOBAL: CANADIAN DIGITAL FIRMS

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Introduction

Main Question
• Are Canadian digital firms going global? How?

Main Findings
• Followership model and Mergers & Acquisitions
• Mostly SMEs and many outside big urban centres

Policy Implications
• Currently no government monitoring or support for these activities
Canadian Global Digital Firms

3 Markets
113 firms

4 Markets
53 firms

5 Markets
7 firms
Followership model

- Pattern of groups of companies following each other, especially in the ICT sector

- **Mitel and Opentext**
  - Australia, Austria, Brazil, Denmark, Dubai, Finland, France, Germany, Hong Kong, India, Italy, Mexico, Netherlands, New Zealand, Poland, Portugal, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, UK, USA

- **Guidance Software follows**
  - On September 2017 the company was acquired by OpenText

- No pattern in advanced manufacturing or energy
Reasons to follow

Shared talent:
- Executives moving from one company to another and sharing intelligence and connections

Supply chain:
- Client-driven: One supplier bringing two companies
- Supplier-driven: Client-dependent services with high (cultural) barriers (local suppliers)
- Opportunity-driven: Companies collaborated in a project successfully and identify similar opportunities

Government support:
- Government officials building knowledge on breaking barriers and then supporting export-ready companies in similar fields
Mergers and Acquisitions Case: Constellation Software