

Attention Business, Technology and Economics Editors and Reporters

**Canada's Top 100 Corporate R&D Spenders List 2007**  
**R&D Spending in Québec-based Companies Down -6.3%**

Toronto - October 22, 2007 – Thirty-two Québec-based companies made *Canada's Top 100 Corporate R&D Spenders List 2007* released today by Research Infosource Inc. Together these companies accounted for \$3.9 billion in research and development (R&D) spending in Fiscal 2006, a drop of -6.3% from \$4.1 billion in Fiscal 2005. In total, Canada's top corporate R&D companies invested \$11.4 billion in R&D activities in Fiscal 2006, a decline of -3.8% over Fiscal 2005. This spending drop comes after a two-year upturn in R&D spending – Fiscal 2005 (4.9%) and Fiscal 2004 (3.0%).

In Fiscal 2006, Québec-based companies accounted for 9 of the 24 firms that qualified for Research Infosource's \$100 Million Club (companies that spend \$100 million or more on R&D in Fiscal 2006): **BCE Inc.** in 2nd place overall on *Canada's Top 100 Corporate R&D Spenders List 2007* spent \$1.4 billion, a drop of -13.0%; **Pratt & Whitney Canada Corp.** in 4th place, invested \$481 million, increasing their spending by 1.9%; **Alcan Inc.** was in 7th place, with \$249.5 million, decreasing R&D spending by -9.3% over Fiscal 2005. **Bombardier Inc.** in 9th position invested \$196.2 million, decreasing their R&D spending by -7.5% over Fiscal 2005; **Ericsson Canada Inc.** in 14th spot, lost 4 spots from last year, posting R&D expenditures of \$152 million with a large decline in spending of -24.4%; **Abitibi-Consolidated Inc.** new to the Top 100 List and \$100 Million Club ranked in #15 with \$150 million in R&D spending; **Pfizer Canada Inc.** fell 4 spots from #13 last year, with \$131.8 million in spending, dropping by -26.3%, **Tembec Inc.** returned to the Club this year in 20th position, up from 26th last year with \$118.9 million posting a large increase of 25.9% over Fiscal 2005, and **Merck Frosst Canada Ltd.** in 21st place, down from #18 reported \$114.1 million in spending, declining by -2.5% over Fiscal 2005.

"The R&D investment scene in Quebec is not encouraging. The province was once a leader but now seems to be lagging behind", said Ron Freedman, CEO of Research Infosource.

Three Québec firms increased R&D spending in Fiscal 2006 by more than 45%: MEGA Brands Inc. (149.2%), Cascades Inc. (71.5%) and Theratechnologies Inc. (47.1%).

By industry sector, the Communications/telecommunications equipment sector accounted for 26% of total R&D spending in Fiscal 2006, followed by Pharmaceutical/biotechnology sector (17%), Telecommunications services (14%), Aerospace (8%), Energy/oil and gas (8%), Software and computer services (6%), Automotive (6%), Computer equipment (4%), Mining and metals (4%), Forest and paper products (3%) and Electronic parts and components (3%).

Regionally, British Columbia's 12 top 100 companies accounted for \$646.5 million in R&D spending or 6% of the total in Fiscal 2006. This represents a decrease of -2.8%. In the Prairies, 15 Alberta companies spent \$718.4 million for 6% of the total. Alberta was the only province reporting positive spending growth, with a huge increase of 19.3%. Manitoba's single entry on the list spent \$35.7 million in R&D, and declined by -19.5% over last year. The 39 companies headquartered in Ontario accounted for just over half (53%) of all R&D spending with \$6.1 billion in Fiscal 2006, falling by -4.3%. Quebec's 32 companies spent \$3.9 billion in Fiscal 2006, down -6.3% over 2005 and accounting for 34% of total R&D expenditures.

The complete *Canada's Top 100 Corporate R&D Spenders List 2007* is available on the Research Infosource website, **[www.researchinfosource.com](http://www.researchinfosource.com)**. An in-depth *Canada's Top Corporate R&D Spenders Report 2007*, based on over 650 companies, is slated for publication later this year. Research Infosource Inc., a division of The Impact Group, is Canada's source of R&D intelligence. Drawing from an extensive database, Research Infosource Inc. publishes *Canada's Top 100 Corporate R&D Spenders List*, *Canada's Top 50 Research Universities List*, and specialized reports.

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