

# Welcome to Greater Montréal's World-Leading Video Game Hub



# The world's best economic promotion agency at your service





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# Top reasons to develop video games in Greater Montréal



## A leading edge ecosystem

- **200 studios**
- **A complete ecosystem with key players** in tool development and service providers (e.g. audio services, quality assurance, publishing, localization, etc.)
- **Ubisoft, EA, WB Games, Eidos, Epic Games, Gameloft, Take-Two and many more** chose Montréal to develop globally successful games



## A very creative & specialized workforce

- **15,000 video game workers**
- **17,000 university students enrolled in IT related programs** and more than **2,300 in arts related programs**
- **3,500 college students** enrolled in technical programs related to **video game**



## Competitive costs & tailor-made incentives

- **28% cost advantage** compared to the average of the 20 largest metropolitan areas in Canada and the U.S. for video game development
- **Advantageous salaries for companies**
- **Up to 37.5% tax credit** of eligible expenses and salaries



## A great quality of life

- **Best city in Canada and 6th in the world** (TimeOut, 2019)
- **Most affordable major city** in Canada and the U.S. (UBS, 2018)
- **Best Student City** in the Americas (QS, 2019)

# 01

## A World-Leading Video Game Hub



# Among the top five largest video game development hubs in the world



200

studios

15 000

workers

A complete ecosystem with key players in tool development and service providers (e.g. audio services, quality assurance, publishing, localization, etc.)

Ubisoft, EA, WB Games, Eidos, Epic Games, Gameloft, Take-Two and many more chose Montréal to develop globally successful games:

- Assassin's Creed Origins (from Ubisoft)
- Batman Origins (from Warner Bros Games)
- Deus Ex and Rise of the Tomb Raider (from Eidos)

Winner of the Gaming and Visual Effects Specialism Award from the *Financial Times' fDi Strategy Awards 2019*



# A collaborative video game ecosystem



With its 245 member studios, La Guilde du jeu vidéo du Québec's mission is to promote the Québec video game industry. It is the largest association of its kind in the world



Private initiatives such as GamePlay Space founded by Jason Della Rocca contribute to the dynamism of Montréal's video game ecosystem



Initiative committed to helping more women make and change games. It offers monthly workshops, mentoring program and game jams



Initiative of the Québec government to support the growth and training of cutting-edge expertise and to create better synergy between the various players



# Birth and growth of the video game industry in Montréal

Over the past 25 years, Greater Montréal became Canada's most important video game hub and the 5<sup>th</sup> in the world

## Three waves of development

### 1 – Birth of the industry

- Before Ubisoft and Autodesk became influential players in Montréal's industry, locally owned **Behaviour Interactive** (BHVR) and **Kaydara** anchored the local development scene
- Thanks to the implementation of the **Multimedia Titles tax credit**, in 1997, **Ubisoft** committed to Montréal and took the industry to the next level
- As a result, **Ubisoft**, along with **EA**, **Eidos**, **Gameloft** and **WB Games** grew large studios in Montréal



### 2 – Emergence of Montréal content

- The wave of handheld games created a paradigm shift in the development scene
- Thanks to cheaper tools, a mature talent base and the opportunity to self-publish, along with the demand for smaller and more addictive games, the stage was set for the emergence of a local, independent development scene
- Studios such as **Outerminds**, **Riposte Games**, **Compulsion Games**, **Red Barrels**, **Panache Digital Games** are at the vanguard of this trend



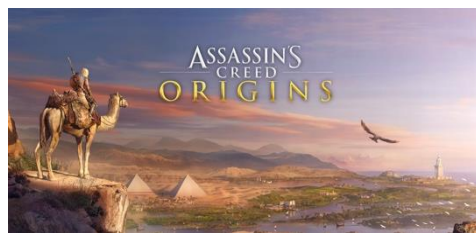
### 3 – The future of the industry

- Montréal has emerged as a global leader in **new video game niches**, such as **VR/AR** and **gamification in fields such as health care and education**
- Montréal is also making a name for itself as a world **AI and deep learning** hub, which will revolutionize the video game development



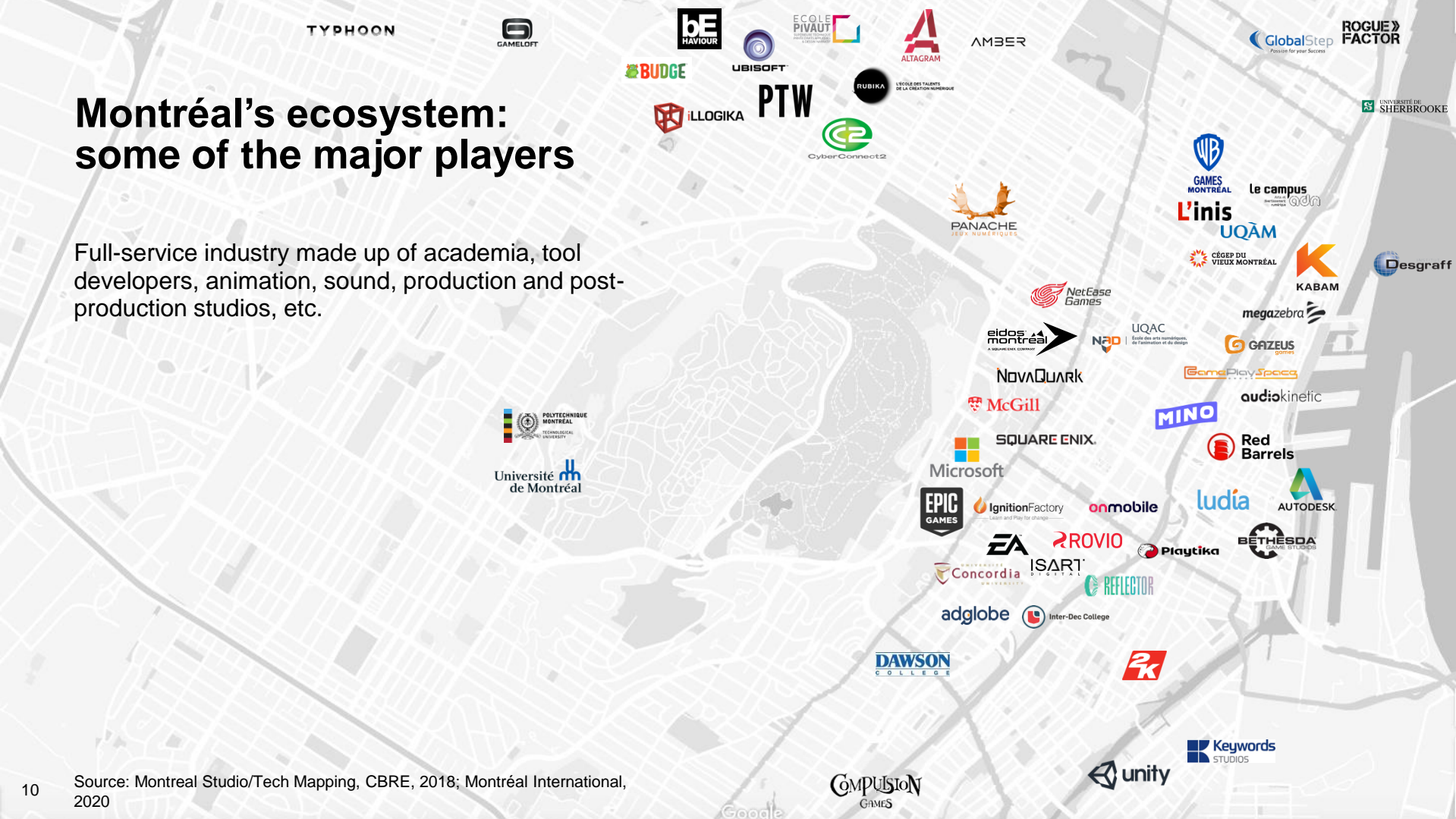


# Many major successes developed in Greater Montréal



# Montréal's ecosystem: some of the major players

Full-service industry made up of academia, tool developers, animation, sound, production and post-production studios, etc.



# Successful tech, services and game developers to create great games

## Technologies



The Montréal office is at the core of Unity's animation systems and emerging AI technology



Game development teams and Unreal Engine tech team for industrial applications



Software services for the architecture, engineering, construction, manufacturing, media, and entertainment industries



Cross-platform audio middleware solutions for the interactive media and gaming industries

## Services



Post production services like localization, quality assurance and live operations for games



Specialized in audio and motion capture services



Quality assurance, localization, live operations support, data analytics, test automation and consulting services



Customer experience, quality assurance, localization, engineering and audio production services

## Developers



The world's biggest game development studio with a rich portfolio of globally renowned brands



Two studios in Montréal: Eidos Montréal and Square Enix known for titles such as Lara Croft GO and Deus Ex GO



Creates and distributes cross-platform digital games with mass consumer appeal



Studio specializing in the production of 2D and 3D action/adventure games

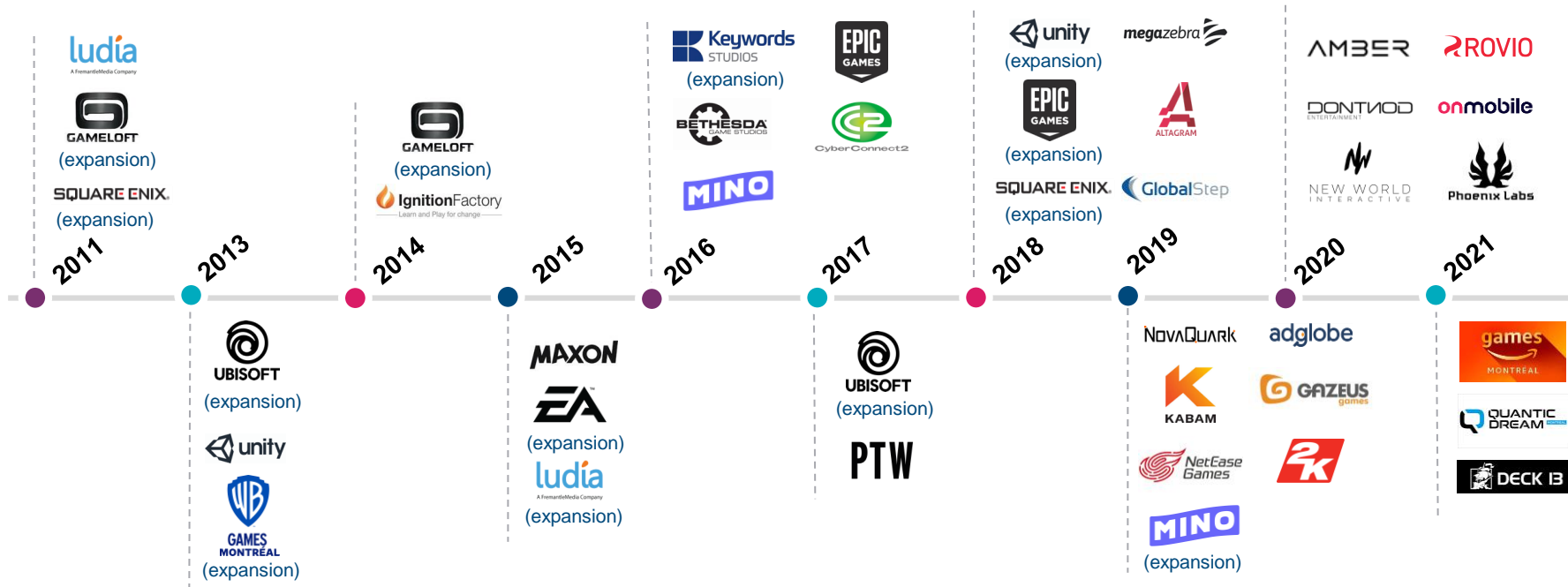


Developer known for Contrast and We Happy Few

... and more  
than 200 others! 11

# Major global players have recently chosen Montréal

Montréal's video game industry has experienced phenomenal growth in recent years, through the expansion and setting up of international subsidiaries of companies from around the world



# A powerhouse IT industry

- **179,000+ IT workers** and **7,000 companies** in Greater Montréal
- **Lowest operating costs in North America** for software development
- **Broadly diversified industries related to video game:**



## #1

Largest VFX and animation hub in Canada and a VFX world leader



## Top 3

Best places to invest in AI in North America



## Top 5

Highest concentrations of tech jobs among Canadian and U.S. metropolitan areas

And at the leading edge of mobile technologies, VR/AR, data analytics and FinTech

## Sample of major companies located in Greater Montréal

# In 2020, Montréal welcomed three international events focused on video game



## January 2020

Event where studios have the chance to show off their work-in-progress games to the Montréal development community



## September 2020

Montréal's edition of the world's largest digital festival



## Fall 2020

**MEGA + MIGS** is a B2B2C event that brings together over 3,000 developers, publishers and other major players in the video game industry



# 02

## A Deep and Growing Pool of Highly Qualified Talent



# Montréal, where creativity and technical expertise meet

## Greater Montréal's video game industry counts close to 15,000 workers

That number is increasing fast thanks to the large number of graduates the region's colleges and universities provide every year, combining expertise in the digital arts and tech

## Also, Montréal's Mile End neighborhood is known for hosting the greatest concentration of artists in Canada and is a major culture and arts hub in North America

Mile End is also home to a growing number of video game studios and visual effects firms, including Ubisoft, Framestore, Behavior, Gameloft and Atelier Animation





# There are close to 15,000 workers with video game skills in Montréal

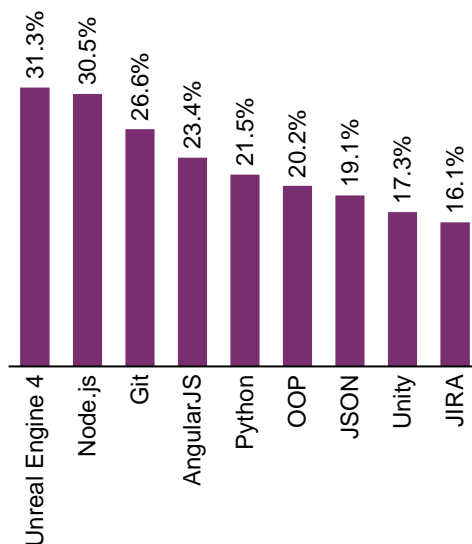
Sample of the 54 key skills taken into account to define video game workers\*



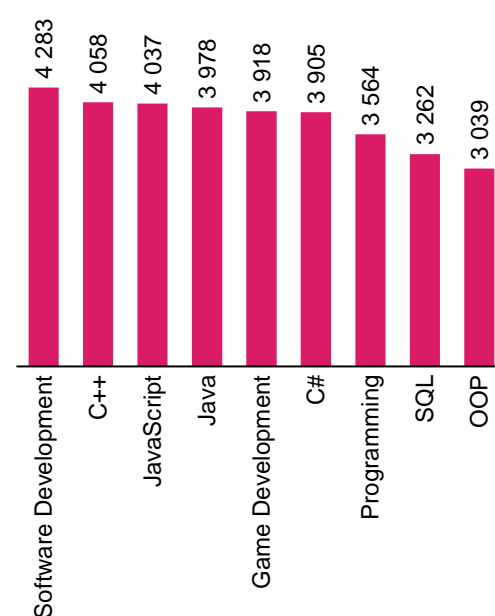
Number of LinkedIn profiles\*\* in Montréal with the identified skills:

**14,915**

Fastest-growing skills among video game workers over the past 12 months



Number of video game workers who have the skills below



\*Key skills identified using LinkedIn's Talent Insights tool are not cumulative or exclusive.  
 \*\*Excluding profiles for the following titles: "founder", "co-founder", "CEO" and "president".  
 Source: LinkedIn, Talent Insights, February 5, 2020.

# Many specialized programs in video game development

Graduate, undergraduate programs and postgraduate (BA to Master)



Career/technical programs (DEP)



Professional training (AEC)



# A rich pool of technical college students with specific expertise in video game

Technical college programs related to video game	Students enrolled 2018-2019	Collegial graduates 2017
Game Design and Animation 2D/3D	1,008	403
Visual Arts	1,145	278
Graphic Arts	1,219	259
<b>Total</b>	<b>3,372</b>	<b>940</b>

Greater Montréal boasts close to 3,500 college students enrolled in technical programs related to video game, animation and visual effects

The depth of Montréal's talent pool has allowed the region to remain at the avant-garde in the gaming industry, such as virtual and augmented reality

# A rich pool of university students that combines creativity and technical knowledge

University programs related to arts	Students enrolled in 2018-2019	University graduates in 2018
Graphic Arts	710	118
Fine Arts	923	157
Plastic Arts	566	150
Arts (pluridisciplinary)	135	46
<b>Total</b>	<b>2,334</b>	<b>471</b>
University programs related to IT	Students enrolled in 2018-2019	University graduates in 2018
Computer Sciences	9,381	1,719
Electric and Electronic Engineering	3,374	759
Computer Engineering and Computer Science	2,193	460
Mathematics	1,427	286
Applied Mathematics	132	31
Probabilities and Statistics	195	42
<b>Total</b>	<b>16,703</b>	<b>3,297</b>

Greater Montréal is home to **11 university institutions**, including some of the most prestigious in the world, such as:



Yearly, these universities enroll close to **17,000 university students enrolled in IT related programs** and more than **2,300 in Arts related programs**. A large contingent of new university graduates in arts and IT joins the video game workforce every year.

# Multiple international mobility programs to attract the best international talents

Immigration programs	1 - Obtain a LMIA* and CAQ**		2 – Work permit application	
		Processing time***		Processing time***
<b>Intra-company transfer</b>	These procedures are not applicable in this case	.	Have worked at least one year for the company before the transfer, be an executive or have specialized and proprietary knowledge	0 to 2 weeks****
<b>CUSMA</b>	These procedures are not applicable in this case	.	Belong to one of the 60 professions recognized under CUSMA	0 to 2 weeks****
<b>International Experience Canada</b>	These procedures are not applicable in this case	.	Be 18 to 35 years old (may vary according to the country of citizenship) and coming from one of the 35 countries and territories having signed an agreement with Canada. 3 categories according to country agreements: Working Holiday, Young Professionals and International Co-op Internship	Up to 8 weeks
<b>Global Talent Stream</b>	Exemption from the obligation to make efforts to hire and recruit locally. 12 professions are on the list of professions eligible for this program	Approx. 2 weeks	Submit the application to the visa office outside Canada or to Canada customs if the applicant is exempt from the entry visa requirements	0 to 2 weeks
<b>Québec Simplified Process</b>	Process offered exclusively to businesses in Quebec. Exemption from the requirement to demonstrate that efforts to hire locally were unsuccessful. More than 200 professions are on the list of professions eligible for simplified processing	Approx. 12 weeks	Submit the application to the visa office outside Canada or to Canada customs if the applicant is exempt from the entry visa requirements	Canadian Visa Office (BVC) timelines
<b>Regular process</b>	Demonstrate that reasonable efforts have been made to hire locally	Approx. 15 weeks	Submit the application to the visa office outside Canada or to Canada customs if the applicant is exempt from the entry visa requirements	Canadian Visa Office (BVC) timelines

\*LMIA: Labour Market Impact Assessment

\*\*CAQ: Québec Acceptance Certificate

\*\*\*Pre-COVID-19 deadlines. During the pandemic, with some exceptions, work permit applications must be submitted online to the visa office abroad and it is impossible to assess processing times

\*\*\*\*Priority processing within 14 days (in 80% of cases) only for a qualified position at level 0 or A according to the National Occupational Classification

“Over 20 years, Ubisoft has created more than 3,600 jobs, invested more than \$3.5 billion and developed some of the greatest brands in the industry here in Québec. Today, videogames are the most dynamic segment of the entertainment industry, and are at the heart of technological revolution. As a result, we have a unique opportunity to build tomorrow’s Québec, together.”

– Yves Guillemot, Co-Founder and CEO, Ubisoft



“There are many very interesting aspects in Montreal: a multicultural aspect that is very very strong. Montreal is a city that is centered on art in various forms and there are also amazing universities. Finally, there is all this support for the creation of companies, especially in the technological field.”

- David Anfossi, Studio Head, EIDOS-Montréal



“Scaling up our Montréal facilities will give us a competitive edge in the fastest-growing segment of the gaming industry. Each year, we spend a significant share of our turnover on research and development and our Montréal team plays a key part in getting new projects off the ground.”

– Mario Poulin, General Manager, Gameloft Montréal and Toronto



“Amber has been rapidly growing with an international team across Europe and North America, and we wanted to continue this global expansion with a multi-disciplinary game development studio in Canada. Montréal is the perfect place for this, as it’s one of the most cosmopolitan cities in North America, with a rich mixture of cultures from all over the world.”

- Mihai Pohontu, CEO, Amber



“Montréal’s rich vein of creative talent will be a valuable asset as we continue building our development and publishing teams. The highly skilled and experienced team at our new Montréal studio shares our commitment to creating best-in-class online games, and brings with them a wealth of knowledge and passion for building deep, community-focused multiplayer experiences.”

– Christoph Hartmann, VP, Amazon Games



“We also intend to draw on the new talent pool offered by Montréal to quickly extend our team of game designers to also include software developers, artists and business intelligence experts.”

- Mark Gazecki, MegaZebra’s Co-Founder



# 03

## Attractive Operating Costs and Incentives



# Operating a business costs less in Greater Montréal than in any other major metropolitan area in Canada and the U.S.

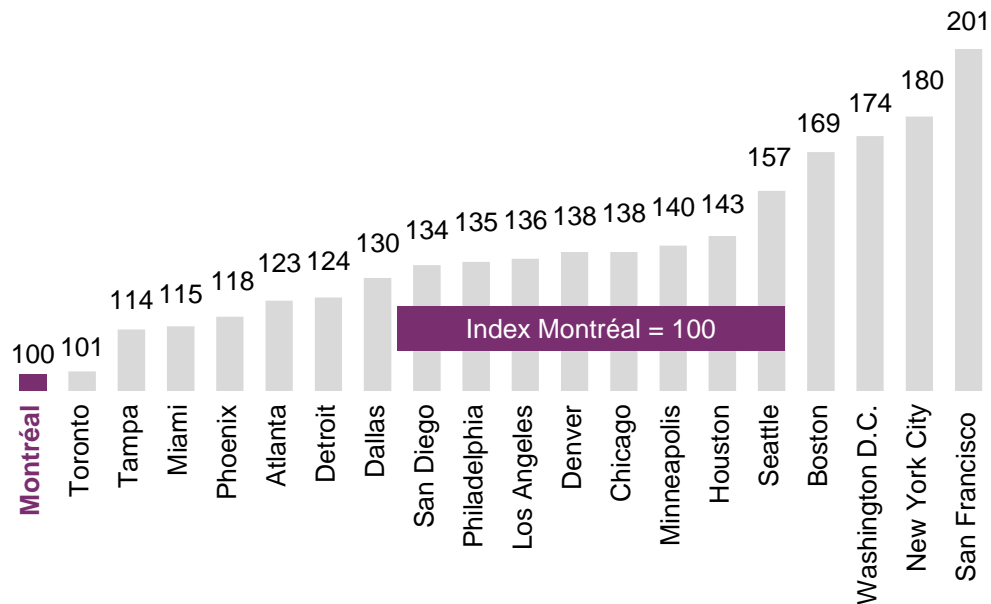


**28% cost advantage**

compared to the average 20 largest metropolitan areas in Canada and the U.S.

The cost advantage is even greater when factoring in **Québec's video game tax credit**

**Total operating costs Index for a Video Game Design Centre**  
20 largest metropolitan areas in Canada and the U.S., 2021





# Advantageous salaries for employers

Even before factoring in the video game tax credit (up to 37.5%), salaries in Montréal are more competitive compared to Toronto and Vancouver

Median annual salaries\* (US\$) for 5 typical profession  
Five major North American cities, 2020

	Montréal	Montréal with tax credit (37.5%**)	Toronto	Vancouver	Austin	San Francisco
<b>Video Game Programmer</b>	\$60,870	\$38,044	\$64,753	\$63,381	\$89,955	\$107,674
<b>Programmer Analyst</b>	\$63,608	\$39,755	\$67,368	\$66,116	\$97,064	\$115,537
<b>3D Animator</b>	\$55,831	\$34,894	\$59,439	\$58,289	\$76,419	\$96,802
<b>Database Architect</b>	\$66,223	\$41,389	\$70,049	\$68,722	\$98,457	\$117,078
<b>Project Manager Systems</b>	\$83,990	\$53,494	\$89,089	\$86,087	\$129,225	\$156,037

\* Salaries based on 5 years of experience.

\*\* If your title is available in French, you can save up to 37.5% on eligible salaries and expenses.

Currency exchange based on the monthly average of June 2020: US\$1.00 = CA\$1.3550.

Source: Economic Research Institute Inc., July 2020.

# Video game tax credit: one of the most advantageous in the world

- The tax credit could cover **up to 37.5%** of your qualifying labour expenditures, if the multimedia title is available in French. If it is not available in French, the tax credit rate is **up to 30%**.
- **Eligible labour expenditures** include\*:
  - **Salaries and wages** paid to eligible employees (including bonus)
  - **The portion of amounts paid to a subcontractor** not dealing at arm's length with the multimedia producer for the execution of eligible production work by employees of the subcontractor in an establishment in Québec
  - **50% of amounts paid to a subcontractor** dealing at arm's length with the Multimedia producer for the execution of eligible production work in Québec



# Tax credit: Case Study 1

Studio fully operational for the whole year with **15 employees**; Two games in production; No R&D activities

## Payroll and tax credit

Positions	Average salary
Technical Director (1)	\$100,000
Programmer (3)	\$80,000
Junior Programmer (2)	\$50,000
Technical Artist (2)	\$35,000
Art Director (1)	\$50,000
3D Artist (2)	\$50,000
2D/3D Artist (2)	\$45,000
Creative Director (1)	\$100,000
Studio Manager (1)	\$130,000
Total: 15 employees	\$980,000
<b>Total salaries + bonus @ 10%</b>	<b>\$1,078,000</b>
<b>Multimedia Tax Credit @ 30%</b>	<b>(\$323,400)</b>
<b>Multimedia Tax Credit @ 37.5%</b>	<b>(\$404,250)</b>

You can save up to **\$404,250** for a total expenditures of **\$1,567,500**

## Total expenditures and tax credit

Total expenditures	Year 1
Salaries + 10% bonus + 20% benefits*	\$1,274,000
OpEx (rent, social, and admin)	\$230,720
Initial CapEx	\$50,000
Training 1% of salaries	\$10,780
One off (expensed current year)	\$2,000
Total before tax credit	\$1,567,500
<b>Total after tax credit @ 30%</b>	<b>\$1,244,100</b>
<b>Total after tax credit @ 37.5%</b>	<b>\$1,163,250</b>

\*Include mandatory benefits - 12-14% as well as other benefits usually provided by the employer in the video game industry. These benefits are not included in the total salaries admissible to the Multimedia Titles tax credit.

# Tax credit: Case Study 2

Studio fully operational for the whole year with **125 employees**; games in production; No R&D activities

Positions	Avg salary	Positions	Avg salary
Technical Director (1)	\$145,000	Creative/design Director (2)	\$100,000
Producer (5)	\$80,000	Community Manager (10)	\$45,000
Mid Programmer (23)	\$100,000	Live Developer (5)	\$75,000
Junior Programmer (16)	\$50,000	Network Architect (3)	\$80,000
Technical Artist (13)	\$35,000	BI Analyst (4)	\$75,000
Art Director (4)	\$50,000	User Acquisition Manager (2)	\$75,000
2D/3D Artist (12)	\$50,000	Admin/HR/Finance (3)	\$40,000
2D/3D Junior Artist (21)	\$45,000	Studio Manager (1)	\$180,000
<b>TOTAL: 125 employees</b>			<b>\$7,510,000</b>

**You can save up to \$2,816,250 for a total expenditures of \$11,450,100**

Total expenditures	Year 1
Salaries + 10% bonus + 20% benefits	\$9,763,000
OpEx (rent, social, and admin)	\$1,100,000
Initial CapEx investment	\$500,000
Training 1% of salaries	\$75,100
One off (expensed current year)	\$12,000
<b>Total before tax credit</b>	<b>\$11,450,100</b>

<b>Multimedia Tax Credit @ 30%</b>	<b>(\$2,253,000)</b>
<b>Multimedia Tax Credit @ 37.5%</b>	<b>(\$2,816,250)</b>

<b>Total after tax credit @ 30%</b>	<b>\$9,197,100</b>
<b>Total after tax credit @ 37.5%</b>	<b>\$8,633,850</b>

\*Include mandatory benefits - 12-14% as well as other benefits usually provided by the employer in the video game industry. These benefits are not included in the total salaries admissible to the Multimedia Titles tax credit.

# Easy access to highly advantageous incentives

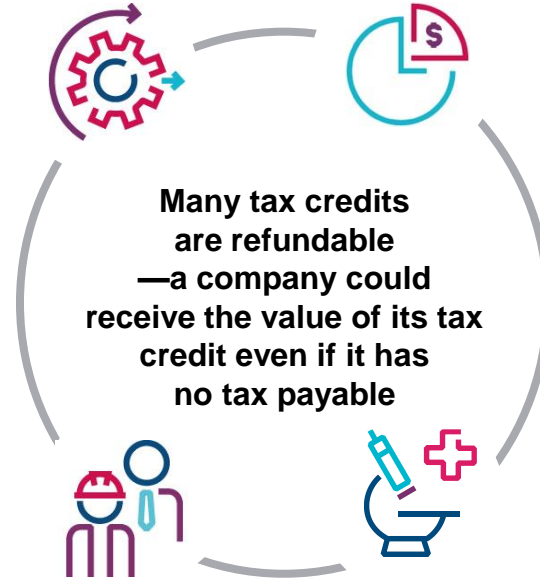
## Major projects and innovations

Grants, interest-free loans and other supports available, including competitive electricity rates of **CAc3.98/kWh** for large power\*

## Labour development

*Example of incentives:*

- **25% of costs** to implement training programs
- **50% of costs** to create an HR department



## Sector tax credits

*Equivalent to eligible salaries and expenses:*

- **Up to 43%** for film and video production
- **Up to 37.5%** for multimedia production
- **Up to 30%** for e-business development
- **24%** for international financial centres

## Research and development

- **Up to 30%** tax credit on R&D expenses
- **Tax holiday** for foreign researchers and experts

Note:

\* Rate LG: large power with minimum billing demand of 5,000 kW, transmission and distribution included, for 120-kV supply with 95% load factor, and including the Economic Development Rate reduction (if eligible).

# 04

## Montréal International's Personalized, Free and Confidential Services



# Montréal International, a single point of access to a series of personalized, free and confidential services



**Long-term  
strategic support**



**Economic data  
and communication  
services**



**Government  
relations facilitation**



**Incentive programs  
assistance**



**Foreign workers  
immigration  
assistance**



**International  
recruiting solutions**



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