

*meet our **new** brand*

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This year, the Board of Directors and management of AdvantageBC are proud to introduce our new emblem and brand: AdvantageBC International Business Centre - Vancouver. The new brand aims to increase recognition in the domestic and international business community and to heighten awareness of the tax competitiveness of major business centres such as Vancouver.

In 2004, with the addition of film distribution to the list of qualifying activities, the *International Business Activity Act* (IBAA) was expanded to reach into new areas. The later addition of life sciences and clean energy patent technology, followed by the announced expansion to include digital media, carbon credit trading and certification and clean technology prompted the need for a new brand to suitably reflect the expanded scope of the Society.

The two-tier branding reflects the provincial span of the Society in promoting the provincial tax credit incentive while capitalizing on the global brand equity carried by Vancouver and Canada. The new brand purposefully moves from that of an International Financial Centre to that of a broader International Business Centre.

The new emblem is accompanied by a mantra that reflects the vision of AdvantageBC in promoting the province as a “Gateway for Global Business”. The emblem invokes Canada and the role played by AdvantageBC as an organization promoting global business in BC. The blue-and-red global icon represents the stage AdvantageBC plays on.

The use of a red, stylized maple leaf is designed to invoke forward motion, growth and expansion of influence. Seen together, these elements serve as the story-telling platform for AdvantageBC as it promotes the advantages of doing business in British Columbia.

As part of the rebranding exercise, we reviewed and revised our mission and our value statements.

Our mission statement

To help generate new levels of global business in British Columbia by promoting the many advantages the province offers through competitive tax rates, business climate, work force, modern infrastructure and geography.

Our value statement

British Columbia is a gateway for global business.



Twenty-five years ago, in 1986, the International Financial Centre Vancouver was founded as a Society in British Columbia. Since its formation, the Society has seen many changes in the environment in which it operates, and the past few years are no exception. We are seeing fundamental changes in British Columbia's economy, many of which have impacted the Society. The Provincial government's shift in focus from promoting a resource-based economy to a knowledge and service based economy, for example, has resulted in the addition of new activities being included in the International Business Activity (IBA) program. Our strategic plan acknowledges the potential contribution of these new areas as well as the importance of continuing to encourage growth in British Columbia's financial sector, which is essential to a vibrant business community. We continue to work with the Province to keep the *International Business Activity Act* (IBAA) relevant by encouraging the addition of new qualifying businesses that contribute to a vital and growing business community.

As our President reports, 2011 saw Vancouver gain further traction as a competitive location to do business. Vancouver's rise to #17 in 2011 as a Global Financial Centre Index from #33 in 2008 (published by Z/Yen Group of London) is not surprising to those of us who live and work here, but it demonstrates a change in perception about how Vancouver is seen internationally and is owed, at least in part, to the marketing efforts of the Society. This is also evidenced in our growing member base. Guided by a strategy developed with the assistance of the Board of Directors and other stakeholders, the Society has been successful in attracting new members; we are pleased to report that at the end of 2011, the number of members reached 120, a record level for the Society.

The Board of Directors is pleased with the adoption of a new brand for the Society. The decision to rebrand was part of the strategic plan to expand the Society's reach into the new business areas announced by the Province that are or are expected to be part of our program: film distribution, life science and clean energy patents, and at a later date, digital media and clean technology. We will use the new



brand, AdvantageBC International Business Centre • Vancouver to increase awareness of the competitive advantages Vancouver and British Columbia enjoy as a location for investment and doing business.

We will continue to offer members networking and educational opportunities. 2012 will see AdvantageBC continue to host events of interest, such as the annual Golf Tournament, a holiday reception, a seminar on member compliance with the legislation and its provisions as well as the opportunity to attend lunch events where topics are of interest to our members. In January, we were pleased to sponsor a Vancouver Board of Trade panel discussion on the opportunities and challenges offered by Vancouver and British Columbia as a location for doing

business. Our events are always well attended, and we thank our members for their continuing participation and support. We especially invite our new members to join us at our upcoming events.

The Board of Directors of the Society plays an active role in managing the affairs of AdvantageBC. This year, we have formalized some of our policies and procedures. We formed a Governance Committee with the objective of redrafting the Society's By-Laws and dealing with other governance matters. Our Audit Committee reviews the financial procedures and statements of the Society and liaises with our external auditors.

On behalf of the Board of Directors, I would like to thank you, the members of the Society, for the support you have shown and continue to show for the Society. As Chair, I thank the Society's Board of Directors for their assistance, support, and guidance throughout 2011. As always, I am grateful to both directors and the members of the Society for their continuing support and encouragement, and finally, I extend thanks to the staff at AdvantageBC for their hard work and contribution to our overall success.

-Ron Bozzer, Chair

In the fall of 2010, our Board of Directors and other interested parties helped us shape a Strategic Plan for 2011. The plan included a number of new initiatives including: adding business development resources, rebranding the organization and broadening our Board Governance. The first initiative was accomplished with the addition of Jimmy Mitchell as Vice President, Business Development in March 2011. Jimmy brings working experience with the Federal government in China and Chinese language skills.

The decision to rebrand stemmed from the expansion of the legislation to include non-financial business sectors as qualifying activities: film distribution and patent technology as well as the announced addition of digital media and clean technology. Our new brand, AdvantageBC International Business Centre • Vancouver is designed to invoke the advantages of doing business in British Columbia and thus serve as a platform for the Society's growth and development over the next decade. While we wait for formal approval from the province to change the name, we intend to use AdvantageBC International Business Centre • Vancouver for our external communications.

The success of AdvantageBC rests on our members, and we believe it is important not only to support existing members, but also to bring in new members. I am pleased to announce that in 2011, we gained nine new Core members and six new Associate members. Membership in the Society is poised to grow even further once enabling legislation to expand the International Business Activity (IBA) program is enacted. In addition, we expect the added business development resources of Jimmy Mitchell to grow membership in the Society.

Throughout the year, AdvantageBC provides opportunities for members to network. We hosted lunches, a golf tournament, a seminar for members on program compliance and a holiday reception. More recently, in conjunction with the Vancouver Board of Trade, the Society sponsored a panel discussion on the competitive advantages of doing business in British Columbia. The people who live and work in British Columbia are our strongest advocates, and the post-HST era seemed like the right time to build a case for doing business in British Columbia and frame a message that the business community could take to the rest of the world: British Columbia has low taxes, outstanding talent and a positive business climate. Evidence exists that our message is being



heard as Vancouver rose to #17 from #33 in the March 2008 Global Financial Centres Index (GFCI). Vancouver is now considered a significant player in the Wealth Management/Private Banking business, ranking in the top ten cities worldwide. Now that the global community is noticing Vancouver even more, the tax incentive provided by the program will be even more effective in attracting new international business and creating jobs.

For British Columbia to remain a competitive location for international business, however, we need the support of the province. The 2010 expansion of the IBA program to include digital media, clean technology and carbon credit trading, followed by the 2011 expansion to include Schedule III banks was a welcome announcement, and we expect to see legislation to carry through on these

commitments.

As part of our Strategic Plan objectives, the Society has been working to build stronger partnerships with external organizations. In addition, we are broadening our reach to become a one-stop shopping location for international organizations interested in locating to British Columbia, providing potential members information on office premises, employees, resources, housing, schools, and other settlement information.

I am pleased to report that the financial situation of the Society remains sound, and the Society's reserves are sufficient to deal with the financial risks and contingencies we may face. This is partly due to changes that were made to policies around the timing of collection of participation assessment fees. Not only have our revenues been stabilized, but these policy changes have made the system more equitable for our members.

The year brought other changes to our Society as we moved from Park Place to Bentall 3. We welcome Tammi Begon who replaced Robyn Alcock as our Administrative Assistant.

I thank the Board of Directors for their guidance and support throughout 2011. In particular, I acknowledge the members of the Executive Committee for their active involvement and advice that is so helpful to running this organization. I also thank the members of the Society for giving me the opportunity to serve as President of AdvantageBC, and I remain grateful for their trust and support. Last, but not least, I want to acknowledge the staff at AdvantageBC who have contributed to another successful year.

-Bruce Flexman, President

Vancouver Board of Trade Event



To launch our new brand, AdvantageBC sponsored an event held by the Vancouver Board of Trade: "Improving Our Competitive Position: Turning the Corner on HST". The discussion focused on British Columbia's business environment post-HST, and specifically addressed issues as to how the province's economic landscape will change post-HST.



The event, held on Tuesday, January 31st, was popular not only because of its timely subject matter, but also thanks

to an outstanding cast of speakers:

- Jeffrey Simpson, National Affairs Columnist, Globe and Mail
- Jock Finlayson, Executive Vice President Policy, BC Business Council
- Bruce Flexman, President, AdvantageBC International Business Centre • Vancouver
- Elio Luongo, Director, Board of Trade and Canadian Managing Partner-Tax, KPMG

Jeffrey Simpson, the Globe & Mail's National Affairs Columnist and winner of the prestigious Governor-General's Book Award, shared his thoughts on British Columbia's future within the context of the challenges facing Canada. He was followed by Jock Finlayson, a well-known economist, who shifted the focus of the discussion from a national to a provincial perspective and discussed his views on the changes British Columbia's business community can expect in a post-HST environment and how the province can recover lost ground and build on its strengths going forward.



Bruce Flexman, President of AdvantageBC, shared his insights into how the international business community sees British

Columbia. British Columbia has become one of the lowest tax environments for business, and international businesses are beginning to notice. Finally, Elio Luongo elicited commentary from the panelists and moderated a discussion on British Columbia's future as a favourable location for business.



Holiday Reception

AdvantageBC welcomed members and guests to a Holiday Reception at the Vancouver Club.



Hosted Events

AdvantageBC hosted a Chinese Delegation attending BioPartnering North America in February 2011.

Vancouver Rises As A Global Financial Centre

In the September 2011 survey of the *Global Financial Centres Index* (GFCI), Vancouver moved to #17 from 22. Ranked as an "Established Transnational", Vancouver is placed with centres that fall between 'local' and 'global' and the services offered are considered 'broad and deep'. Vancouver is now in the top ten as a centre for Wealth Management/Private Banking and was given a "Reputational Advantage" of 7, meaning that respondents' perceptions of a centre are more favourable than the quantitative measures alone would suggest.

IBA Program Seminar For Members



AdvantageBC again hosted a seminar for members on a variety of topics from basic legislative compliance to maximizing the IBA refund claim. The panel of experts featured Marco Cavasin, PricewaterhouseCoopers; Tony Martin, KPMG; Brian Emmott, Ernst and Young; and Chris Gimpel, Deloitte and Touche.



The Annual Golf Tournament



A great day of golf on the award-winning University Golf Club marked AdvantageBC's Annual Golf Tournament.

B. Flexman awards the first-place trophy to the winning team: R. Bozzer, D. Smith, S. Mackay, H. Luitingh (left to right)



Annual General Meeting



The Society's Annual General Meeting was held on March 30, 2011 at the Vancouver Club.

R. Bozzer, Chair, opens the Annual General Meeting



Core Members

Alectos Therapeutics Inc.	Mondiale Asset Management Inc.
Angiotech Pharmaceuticals, Inc.	Nerd Corps International Distribution Inc.
Bank of China (Canada)	Northstar Trade Finance Inc.
Bank of Montreal	Oakridge Accounting Services Ltd.
Bank of Nova Scotia	Orbis Client Services (Canada) Limited
Canaccord Genuity Corp.	Pacific Network Services Ltd.
Canadian Imperial Bank of Commerce	PI Financial Corp.
Cay Solutions Limited	PI Financial (US) Corp.
Chexx (Americas) Inc.	Protiva Biotherapeutics Inc.
Chrysalix Energy	QLT Inc.
Citizens Bank of Canada	Raymond James Ltd.
Coast Capital Savings Credit Union	RBC Dominion Securities Inc.
Colliding Pictures Inc.	RBC Global Asset Management Inc.
Connor, Clark & Lunn Financial Group	Red Twister Productions Inc.
Counting House Services	Ritchie Bros. Financial Services Ltd.
Doomsday Productions Inc.	Royal Bank of Canada
Ecowaste Industries Ltd.	Salman Partners Inc.
Exchange Corporation Canada	Salman Partners (USA) Inc.
First Resolution Management Corporation	Scotia Capital
Genus Capital Management	Shoreline West Asset Management
Global Securities Corp.	Sunstone Advisors (U.S.) Inc.
Graymont Capital Inc.	Teck Resources Ltd.
Haywood Securities Inc.	Tolko Finance Ltd.
Haywood Securities (USA) Inc.	Toronto-Dominion Bank
HSBC Bank Canada	UBS Bank (Canada)
HSBC Capital (Canada) Inc.	Vancouver City Savings Credit Union
HSBC Global Asset Management (Canada) Ltd.	Vancouver Bullion & Currency Exchange
HSBC Investment Funds (Canada) Inc.	Water Street Releasing
International Tracing Search Inc.	Western Union Business Solutions ULC
JP Morgan Asset Management (Canada) Inc.	Western Union Business Solutions (Online) Ltd.
Kuehne & Nagel Services Ltd.	Western Union Business Solutions (Retail) Ltd.
Mackenzie Financial Corporation	West Fraser International Ltd.
Macquarie Capital Markets Canada Ltd.	Windsor Building Supplies Ltd.
Macquarie Metals & Energy Capital (Canada) Ltd.	Wolverton Securities Ltd.

Associate Members

Aon Insurance Managers (Vancouver)	ICICI Bank Canada
Asia Pacific Foundation of Canada	Integro Canada Limited
BC Film Commission	International Forest Products Limited
BC Innovation Council	Investment Industry Association of Canada
BC Investment Management Corporation	Jardine Lloyd Thompson Canada Inc.
Borden Ladner Gervais LLP	KPMG LLP
Boughton Law Corporation	Life Sciences BC
British Columbia Film + Media	Liquid Capital Pacific Corp.
Business Council of British Columbia	McCarthy Tétrault LLP
Canada China Business Council	Merck Frosst Canada Ltd.
Canada Pacific Russia Trade Centre	Mitsubishi Canada Ltd.
Canadian Captive Insurance Association	MMK Consulting Inc.
Canadian German Chamber of Industry & Commerce	MNP Corporate Finance
Canadian Manufacturers & Exporters	Newport Law Corp.
Central 1 Credit Union	Odlum Brown
Chamber of Shipping of BC	Pacific Corridor Enterprise Council
Clear View Systems Ltd.	Pacific Northwest Economic Region
Contessa Capital Ltd.	Pinnacle Canada Fund Administration Ltd.
Deloitte & Touche LLP	PricewaterhouseCoopers LLP
DigiBC	SmytheRatcliffe LLP
Economic Development Association of British Columbia	State Bank of India
Ernst & Young LLP	Thorsteinssons LLP, Tax Lawyers
Farris, Vaughn, Wills & Murphy LLP	Vanderluit & Associates, Inc.
Fasken Martineau DuMoulin LLP	Vancouver Board of Trade
Gowling Lafleur Henderson LLP	Vancouver Economic Commission
Grant Thornton LLP	Vancouver IFA Management Services Ltd.
Hungerford Tomyrn Lawrenson and Nichols	

Academic Members

University of British Columbia Sauder School of Business	Douglas College Commerce & Business Administration
Simon Fraser University Business Department	British Columbia Institute of Technology School of Business

Board Members

Steven Bow
Northstar Trade Finance, Inc.

Ron Bozzer
Hungerford Tomyr Lawrenson and Nichols

Richard Brownsey
British Columbia Film

Melanie Clarence
Contessa Capital Ltd.

Neal Clarence
Ernst & Young LLP

Cris Da Silva
Mitsubishi Canada Limited

Chris Duggan
Royal Bank of Canada

Bruce Flexman
AdvantageBC

Chris Gimpel
Deloitte & Touche LLP

David Hall
Director, Life Sciences BC

Colin Hulford
retired HSBC Bank (Canada)

Rodger Hutchinson
West Fraser International Ltd.

Tony Martin
KPMG LLP

James Maynard
Wavefront Wireless Innovation Society of B.C.

Anne Meyer
Raymond James Ltd.

Tracey Orr
TD Securities

Andrew Parkinson

Donald Rose
Shaw Sabey & Associates Ltd.

Ian Russell
Investment Industry Association of Canada

Bradley Sakich
PricewaterhouseCoopers LLP

John Wiebe
Globe Group

Flora Yip
Canaccord Genuity Corp.

Executive Committee

Ron Bozzer, *Chair*

Steve Bow

Chris Duggan

Bruce Flexman

Anne Meyer

Andrew Parkinson, *Vice Chair*

Governance Committee

Ron Bozzer

Chris Duggan

Bruce Flexman

Chris Gimpel

Andrew Parkinson

Audit Committee

Ron Bozzer

Steve Bow

Chris Duggan

Bruce Flexman

Anne Meyer, *Chair*

Andrew Parkinson

Contact Information

AdvantageBC
International Business Centre • Vancouver
Suite 3093, Three Bentall Centre
595 Burrard Street, P. O. Box 49067
Vancouver, BC V7X 1C4
T. 604.683.6626

www.advantagebc.ca

Bruce Flexman, *President*
bflexman@advantagebc.ca

Jimmy Mitchell, *Vice President, Business Development*
jmittell@advantagebc.ca

Alice Harder, *Director, Communications and Research*
aharder@advantagebc.ca

Tammi Begon, *Administrative Assistant*
tbegon@advantagebc.ca

About AdvantageBC

AdvantageBC International Business Centre • Vancouver (formerly the International Financial Centre British Columbia (IFC BC) is a non-profit society, established in 1986, with a mandate to help generate new levels of global business in British Columbia by promoting the many advantages the province offers through competitive tax rates, business climate, work force, modern infrastructure and geography. AdvantageBC encourages companies to take advantage of the favourable tax treatment available under the *International Business Activity Act* (IBAA), formerly the *International Financial Activity Act*.

The IBAA provides the legislative framework for the International Business Activity (IBA) program, which offers a registered corporation a full refund on provincial corporate taxes paid on the income of a qualifying international financial business (75% for patent activity).

Membership in AdvantageBC consists of Core, Associate, and Academic members. Core membership is a requirement for registration in the IBA Program. Associate members represent the infrastructure of the business community. Academic members are affiliated with universities and institutions of higher learning in British Columbia.

In addition to bringing new companies into the province, AdvantageBC serves its members through:

- Promoting the province by raising the profile of British Columbia as a location for investment.
- Disseminating information to members on changes to the legislation.
- Hosting meetings, seminars, and conferences to communicate relevant information and provide members with opportunities to network.
- Providing interested companies with information about the IBAA.
- Building links with higher-level educational institutions to communicate the competitive advantages of doing business in British Columbia.
- Advocating on behalf of members to address issues of interest regarding the IBA Program.
- Undertaking pertinent public policy initiatives and working with policy makers to strengthen the IBAA and its *Regulations*.

General Information

Auditors:
SmytheRatcliffe LLP, Chartered Accountants
700-355 Burrard Street, Vancouver, British Columbia

Annual General Meeting:
March 29, 2012
The Vancouver Club, 915 West Hastings, Vancouver, B.C.



AdvantageBC

International Business Centre · Vancouver
Suite 3093, Three Bentall Centre ~ 595 Burrard Street, Box 49067
Vancouver, British Columbia ~ V7X 1C4 ~ Canada