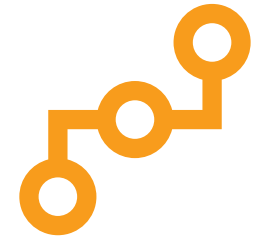


SEMICONDUCTORS



The semiconductor subsector in Kanata North is comparatively small and almost entirely foreign-owned.

Some of the firms are sales shops for larger foreign firms. There is no fabrication facility in Kanata North and any actual fabrication is outsourced to other centres, usually in the Far East. However, there is a substantial amount of design work undertaken in Kanata North and this subsector is often the client of several other subsectors.

Areas of specialization in this subsector include:

- Communications ICs
- Power management
- Programmable ICs
- IC design
- Analog solutions
- Fabless IC production
- Gallium nitride ICs
- High bandwidth optical ICs
- Custom logic
- Wireless solutions ICs
- Security solutions ICs
- Processing ICs

PRODUCTIVITY

The estimated productivity by sales-per-employee is \$465,000. Based on the research, the total revenues to the sector are \$229 million with 493 workers.

EMPLOYMENT

Wages and salaries are about 50% of revenues, with professionals at 80% of this and technical at 20%.

LOCAL/REGIONAL SPENDING

Estimated at 20%, EBITDA is quite low. General and administrative is at 10%. The balance, after labour costs, is 20% and represents input purchases, most of which are offshore.

493
NUMBER OF WORKERS

\$229m
REVENUES

\$465k
**PRODUCTIVITY BASED
ON SALES-PER-EMPLOYEE**

35%
EXPORT RATIO

