

# VALUE-ADDED RESELLERS (VARs)



As this subsector's name, Value-Added Re-Sellers (VARs) and Parts Suppliers, implies, this sector is predominately characterized by inputs from outside Canada which are then re-sold, often in an upgraded format, to local, Canadian, or global markets.

The firms are mostly Canadian and tend to be small. The sector itself in Kanata North is a small one – second smallest after Cleantech by revenues, and the smallest by employment.

## Areas of specialization in this subsector include:

- IP video supplier
- Industrial electronics
- Electrical supplier
- Semiconductors
- Calibration products
- Power interconnects
- Electronic components
- Parts suppliers

## PRODUCTIVITY

The estimated productivity by sales-per-employee is \$337,000. Based on the research, the total revenues to the sector are \$29.7 million with 88 workers.

## EMPLOYMENT

Wages and salaries are about 25% of revenues, with professionals at 30%, technical 10% and the balance categorized as “other”.

## LOCAL/REGIONAL SPENDING

Estimated at 10%, EBITDA is quite low but reflects trading margins without much depreciation and amortization as the stock is not normally in inventory for long and the subsector is not highly capital-intensive. General and administrative is at 10%. The balance of revenues is input purchases.

# 88

**NUMBER OF WORKERS**

# \$29.7m

**REVENUES**

# \$337k

**PRODUCTIVITY BASED  
ON SALES-PER-EMPLOYEE**

# 70%

**EXPORT RATIO**

