



STATE OF SAAS 2018

A LOOK AT INVESTMENT IN CANADIAN SAAS



Canada's public cloud software market will grow six times faster than on-premise deployments, reaching CA\$4.1 billion by 2019.



FROM A TECHCRUNCH.COM ARTICLE, WHICH CITED IDC RESEARCH FINDINGS DONE IN PARTNERSHIP WITH SALESFORCE VENTURES

<https://techcrunch.com/2018/05/06/in-canadas-cloud-services-market-venture-investment-opportunities-abound/>

WHO IS ACTIVELY INVESTING IN CANADIAN SAAS?

FUNDING ACROSS CANADA

(Disclosed deals via CVCA and Crunchbase)





VOICE OF
THE NORTH

WHERE INVESTMENT
IS HAPPENING IN CANADA*



*Disclosed deals via CVCA and Crunchbase



WHO IS ACTIVELY INVESTING IN CANADIAN SAAS?

A TOTAL OF 174 INVESTORS FROM CANADA AND THE US

CANADIAN VC DEAL TOTALS

8VC
Accomplice, LLC
Afore Capital
Aitken Investment Management
Aleph
Ameren Accelerator
Andreessen Horowitz
Ange Québec Capital
Aqua Spark
ARC Angel Fund
Artiman Ventures
Atlantic Canada Opportunities Agency (ACOA)
Atomic
Atrium Ventures
BDC Capital Inc.
MacKinnon, Bennett & Company Inc. (MKB)
Blackhorn Ventures
Bluesky Equity Ltd.
BMO Capital Partners
Boost VC
Brick & Mortar Ventures
Brightspark Ventures
BuildGroup Management, LLC
CAA Ventures
Caisse de dépôt et placement du Québec (CDPQ)
Calian
Candou Ventures
Capital Angel Network
Capital Régional et Coopératif Desjardins (CRCQ)

Celtic House Venture Partners
CIBC Innovation Banking
Comerica Inc.
Conconi Growth Partners
Craft Ventures
Creative Ventures
Cycle Capital Management/Ecofuel
Digital Currency Group
Dragoneer Investment Group
Elephant Partners
Elsewhere Partners
Epic Capital Management Inc.
Espresso Capital
Evolution Equity Partners
Extreme Venture Partners (EVP)
Ferst Capital Partners Inc.
ff Asset Management LLC
FJ Labs
Flying Fish Partners
FMR LLC (Fidelity)
Fondaction CSN
Fonds de solidarité FTQ
ForgePoint Capital
Foundry Group
Freycinet Investments Ltd.
Frontier Capital
Fundfire
General Atlantic
Generation Capital Ltd

Georgian Partners Inc.
Globalive Capital
Golden Venture Partners
Good News Ventures
Gradient Ventures
Greylock Partners
Growth and Transition Capital
HarbourVest Partners, LLC
Hedgewood Inc.
Hello Ventures
Hex Capital
Huff Capital
Innovacorp
iNovia Capital Inc.
Insight Venture Partners
Intact Financial Corporation
Intel Capital
Investissement Québec
Iris Capital
Island Capital Partners
J. M. Wood Investments Ltd.
J.P. Morgan Partners
Jackson Investment Group
Killick Capital Inc.
Kleiner Perkins Caufield & Byers (KPCB)
Lake Bridge
LeadersFund
Lightspeed Venture Partners
Luge Capital

Lysander Properties Inc.
M12
M Ventures
MaRS IAF
Math Venture Partners
McRock Capital Corporation
Menlo Ventures
Mistral Venture Partners Inc.
Munich Re / HSB Ventures
Napier Park Financial Partners
National Bank of Canada
National Research Council
New Avenue Capital Inc.
New Brunswick Innovation Foundation (NBIF)
New Enterprise Associates (NEA)
Next Big Ventures
NorthSpring Capital Partners Inc.
Obvious Ventures
OMERS Ventures Management Inc.
OpenView Partners
OpenText Enterprise Apps Fund
Pallasite Ventures Fund IV, LLC
Panache Ventures
Pelorus Venture Capital Ltd.
Peterson Partners
Phoenix Contact Innovation Ventures
Plaza Ventures
Portag3 Ventures
Power Financial Corporation

Precursor Ventures
Procurify
Public Sector Pension Investment Board (PSP)
Purple Angel
Quinsam Capital Corporation
Radical Capital Ltd.
Radical Ventures
Radicale Growth
Real Ventures
Reciprocal Ventures
Relay Ventures
Renewal Partners
Rho Canada Ventures
Ripple Ventures
Rising Tide Management, Ltd.
Round 13 Capital Inc.
Ryerson Futures Inc. (RFI)
Sageview Capital LP
Salesforce Ventures
ScaleUp Ventures
Sierra Ventures
Silicon Valley Bank
Sinai Ventures
SK Ventures
Skycatcher, LLC
Space Angels
TandemLaunch Inc.
Technology Venture Corporation

Techstars Ventures
TELUS Ventures
Temasek Holdings (Private) Limited
The Social+Capital Partnership
Thiel Capital
Think +
Three Leaf Ventures
TIMIA Capital Corp
Two Small Fish Ventures
Union Square Ventures
Udata Partners
v1.vc
V3-Ventures S.E.C.
Vanbex Ventures
Vancouver Founder Fund
Vanedge Capital Partners Ltd
VendorBase
Version One Ventures
Vested Ventures LLC
Victory Square
Viewpoint Investment Partners Corp.
Wesley Clover
White Star Capital Inc.
Whitcap Venture Partners
Y Combinator
Yaletown Partners Inc
YesVC
YUL Ventures Management Inc.

CANADIAN VC DEAL TOTALS

POWERED BY L-SPARK

HOW IT ALL ADDS UP



\$1.62
BILLION

TOTAL
AMOUNT OF
INVESTMENT

78

**US INVESTORS
INVESTING IN
CANADIAN SAAS**



229

TOTAL
NUMBER OF
DEALS

\$10.3
MILLION

AVERAGE
DEAL SIZE

OTHER NOTABLE INVESTMENTS INTO CANADA HAVE COME FROM THE FOLLOWING COUNTRIES





VOICE OF
THE NORTH

INVESTMENT BY INDUSTRY



OTHER NOTABLE CATEGORIES 1N 2018

18

DEALS

CLOUD
COMPUTING

13

DEALS

MANUFACTURING
TECH

11

DEALS

HEALTH
TECH

18

DEALS

E-COMMERCE

HOW IT ALL ADDS UP

HOW IT ALL ADDS UP



The Canadian cloud economy contributes \$4.6 billion annually to Canadian GDP, and by 2018, this contribution will grow to become \$8.2 billion.



From a report done by ICTC

https://www.ictc-ctic.ca/wp-content/uploads/2013/11/ICTC_CanadasCloudImperative_EN.pdf

INDUSTRY HIGHLIGHTS

SAAS INDUSTRY HIGHLIGHTS





CANADIAN STARTUP NEWS & TECH INNOVATION

BY JESSICA GALANG / CANADIAN STARTUP NEWS / JUNE 12, 2018

= BREATHER RAISES \$60 MILLION IN EQUITY FINANCING =

Igloo raises \$60 million for big expansion

NEWS Jan 09, 2018 by Terry Pender Waterloo Region Record



Salesforce Ventures creates USD 100 million fund to invest in Canadian startups



CANADIAN STARTUP NEWS & TECH INNOVATION

BY JESSICA GALANG / CANADIAN STARTUP NEWS / MARCH 2, 2018

POINTCLICKCARE RAISES \$186 MILLION FROM DRAGONEER

UPCHAIN RAISES \$7.4 MILLION TO HELP COMPANIES MANAGE PRODUCT LIFECYCLES

Order-ahead app Ritual picks up \$70M to rethink the social office lunch break



Hootsuite nabs \$50M in growth capital for its social media management platform, passes 16M customers

Ingrid Lunden @ingridlunden / 8 months ago

Comment

Robo-advisor Wealthsimple will likely raise more funding and definitely wants to IPO, CEO says

- Wealthsimple CEO Michael Katchen says the firm will likely raise more money to fund growth plans, but is "not in a rush" to do so. Wealthsimple wants to eventually launch an IPO, but that this was still "years out" for the company.

Wealthsimple currently has more than \$3 billion of assets under management and 100,000 clients under its belt.

Ryan Browne | @Ryan_Browne_

Published 10:10 AM ET Wed, 10 Oct 2018

TouchBistro Raises C\$72 million in Series D Financing Round Led by OMERS Ventures and JPMorgan Chase & Co.

Buyatab Named Growth Company of the Year at the 2018 Technology Impact Awards

In latest win over Amazon Web Services, Google inks cloud deal with Shopify

By Matty Nley / 6 months ago

INDUSTRY HIGHLIGHTS

SEED - SERIES C

SEED SERIES C

UNDER \$1
MILLIONTOTAL
\$14.2MNUMBER
OF DEALS = 43\$1 - \$10
MILLIONTOTAL
\$146.6MNUMBER
OF DEALS = 45\$10-\$50
MILLIONTOTAL
\$511MNUMBER
OF DEALS = 28

SEED SERIES C

INDUSTRY HIGHLIGHTS

50 MILLION+

\$50+

MILLION

TOTAL: **\$598.1M**

NUMBER OF DEALS: **9**

TOTAL

\$596.7M

NUMBER
OF DEALS = **7**

 breather

\$58.5M

IGLOO

\$60M

Wealthsimple

\$64.6M

 Hootsuite®

\$65.2M

 TouchBistro®

\$72.0M

RITUAL

\$90.4M

PointClickCare

\$186M

SAAS INDUSTRY HIGHLIGHTS

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INDUSTRY HIGHLIGHTS

PUBLIC CANADIAN SAAS COMPANIES

opentext™

DESCARTES™

 **tucows**

 **THE STARS
GROUP**

cloudera

 Sphere3D

 **REAL
MATTERS**

kinaxis®

 **shopify**


ONE TO WATCH IN

2019

 **lightspeed**

PARTICIPATING INVESTORS

Data Collective

 **realventures**

Microsoft
Ventures

 **NATIONAL
BANK**

 **intel
Capital**

 **NVIDIA.**

 **Fidelity
INVESTMENTS**

 **Hanwha**

POWERED BY L-SPARK

SAAS INDUSTRY HIGHLIGHTS

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THE COMMUNITY

COMMUNITY STATS FOR VOTN AND SAAS NORTH



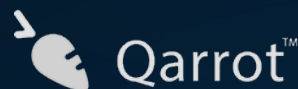
L-SPARK & VOICE OF THE NORTH

The **L-SPARK Accelerator** propels market-ready SaaS companies to build customer traction and revenue. The **BlackBerry/L-SPARK Accelerator** connects startups with an MNE, BlackBerry, with the purpose of developing products on the QNX platform.

Our collective goal is to scale Canada's Best in SaaS to 10x revenue growth.

L-SPARK is also deeply committed to stimulating innovation in the Canadian technology sector through corporate acceleration, thought leadership, via Voice of the North, and creating a strong SaaS startup community.





THE STATE OF SAAS FROM L-SPARK'S VIEW

47

COMPANIES
ACCELERATED
TO DATE

47%

OF COMPANIES
HAVE RAISED
FOLLOW-ON
FUNDING

\$30.1M

IN FUNDING HAS
BEEN RAISED BY
OUR PORTFOLIO
COMPANIES

REACHED
20,102,397
PEOPLE

GAINED
45,675,926
IMPRESSIONS

MEDIA COVERAGE:



Forbes



POWERED BY L-SPARK

TORONTO STAR

OTTAWA
BUSINESS
JOURNAL

betakit

Entrepreneur



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IN SAAS – [L-SPARK.COM](https://l-spark.com)