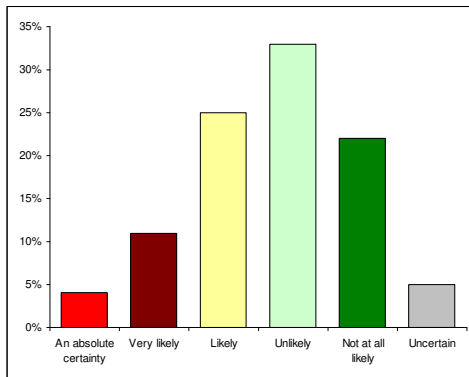


CATA Alliance Quick Poll

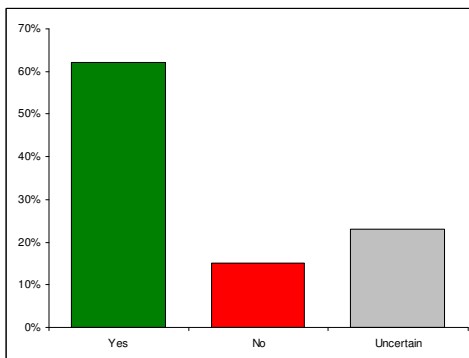
This poll was conducted to help better determine if and how the Canadian Scientific Research and Experimental Development (SR&ED) program could be leveraged to prevent Canadian R&D from being offshored in light of the challenges of a high Canadian dollar and challenging economic times.

This highly specialized poll asked that only those individuals responsible for both setting their company's product development strategy and managing their SR&ED application respond, and received a total of 55 expert responses.



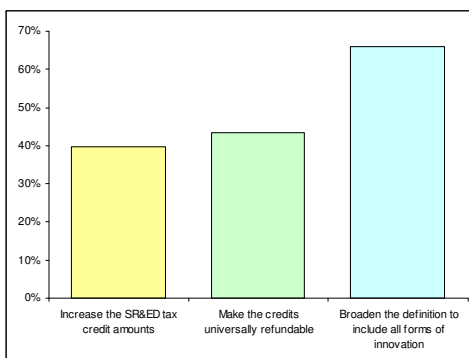
Q1 - If the Canadian Dollar remains at its current level, how likely is it that you will be forced to move your R&D Offshore?

A combined 40% of respondents indicated it was likely that they would have to move their R&D offshore if the Canadian Dollar remains at its current level.



Q2 - Would an increase in amounts and applicability of current SR&ED tax credits help your company effectively maintain your R&D in Canada?

A clear majority of respondents – 62% – believed that an increase in amounts and applicability of R&D tax credits would be an important factor in helping their company maintain their R&D within Canada.



Q3 - Which of the following needs to occur in order for your R&D to remain in Canada?

When asked what type of SR&ED tax reform is needed, 65% respondents indicated that broadening the definition to include all forms of innovation was critical, however, almost half of all respondents also indicated that an increase in the SR&ED tax credit amounts and making them universally refundable would also be of significant factors in helping them maintain their R&D in Canada (40% and 43% respectively).



These results demonstrate that Canada's perennial Innovation Gap will widen unless action is taken. The Innovation Gap has been a challenge to the growth of many Canadian communities across the country. CATA is calling for Members of Parliament to focus on developing a comprehensive package of framework policies to eliminate the Gap.

~ Russ Roberts, SR. VP, Tax and Finance

Contact Russ to learn more on CATA's advocacy position: sredcomment@cata.ca

Did You Know?

The CATA Quick Poll is an exciting new feature of the CATA Research division and can provide your organization with unique opportunities to obtain significant and exclusive brand exposure while promoting your company's executive thought leadership on today's critical business issues.

Contact CATA VP Research Kevin Wennekes to learn more and reserve your Poll release date now!

kwennekes@cata.ca

CATATV Broadcast with Russ Roberts

Russ and CATA CEO John Reid discuss the January SR&ED Update.

<http://www.cata.ca/catatv/SREDupdateJan2010.html>