



**narwhal  
project**

| 2025

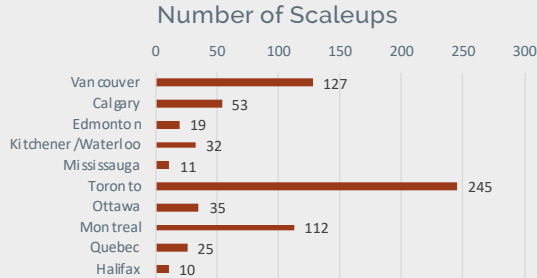
# Scaleup City Rankings

#narwhallist



# Scaleup City Rankings- 2025

Toronto still leads all other cities in Canada in terms of the number of scaling companies. For the sake of this analysis, we have defined a scaleup as any company in the technology sector that has raised more than \$10 million of capital. Vancouver and Montreal are in second and third place, respectively. What is interesting though is that several smaller cities like Edmonton, Quebec City and Mississauga are beginning to grow their own crop of scaling companies.



# Key Findings

While the number of scaleups continues to grow, of particular concern is that the average Scaleup Ranking of Canadian firms has dropped from 48.6% to 45.5%. Toronto and Vancouver lead many categories and are about average in terms of NA scaleup rankings.

- While Montreal has a large and stable base of employment in scaleups, it has slipped in the last year in terms of how its companies compare broadly to other ones in North America, outscoring only 46%.
- Halifax and Edmonton have excellent, growing bases of scaleups, but at 36% and 37%, their startups have a long way to go to get to North American Scaleup Rank averages.
- Calgary has had a drop in scaleup rankings from 48% to 40% over the last two years and this should be of some concern to the city.
- Ottawa has proven why it calls itself "Bootstrap City" as their average capital per company of \$64 million is well below that of other major established cities. This may not be a good thing though as their average Scaleup Rank has dropped 17% to under 40%.
- Mississauga has few scaleups but on average, they are of above average performance.
- As for Kitchener-Waterloo, there should be some cause for concern. Just two years ago, they led Canada in Scaleup Rank and now they are close to last. Their rate of creation of scaleups lags all other cities and are the only city with declining employment in scaleups, all this despite good capital levels.
- The most impressive performance has been turned in by Quebec City which had the highest Scaleup Rank, the second highest growth in the number of scaleups and the third highest employment growth.

# Analysis

Finding reasons for the performance numbers of different cities is difficult without further detailed research but as a way of looking at how some cities are doing better while others are doing worse, we can focus on Quebec City and Kitchener/Waterloo.

KW has changed substantially over the last several years.

- Its community focus which provided a welcoming and supportive environment for startups experienced substantial changes as it turned to become more national and capital oriented.
- Their focus turned away from startups and towards scaleups and this and the declining community focus probably resulted in them having the lowest rate of scaleup creation.
- While organizations like Communitech turned to prioritize programs on intellectual property, they focused less on sales development and exporting. The result of this was probably a factor in the employment decline experienced by over 59% of their scaleups and their drop from first to almost last in Scaleup Rank.

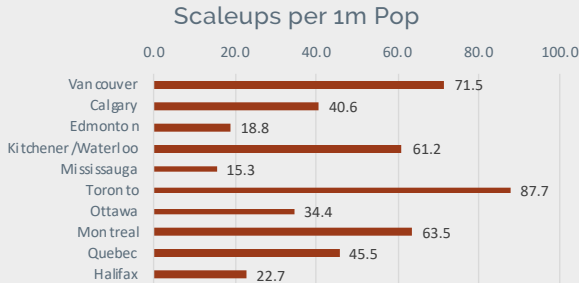
Meanwhile, Quebec City's performance has blossomed. This may be due to a different gov't program focus.

- Quebec Tech focusses on both startups and scaleups and its purpose is to increase exports and generate global markets.
- Le Camp, a local tech accelerator, is equally focused on startups and scaleups.

Governments can set the tone for growth and if they focus on product development and IP protection, we won't see the stronger growth that can result from focussing on export driven marketing and sales.

# Scaleup Numbers

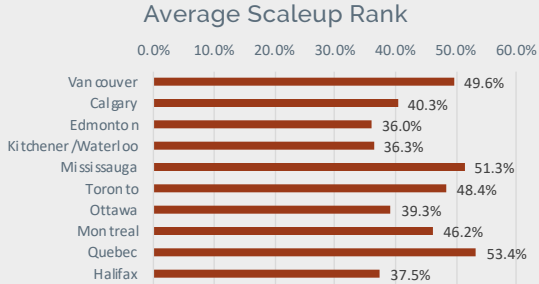
While Toronto, Vancouver and Montreal also lead the other cities in terms of scaleups per 1 million population, Quebec City should be singled out for coming in fifth place, substantially due to being in second place in terms of annual scaleup growth at 21%. In a surprise development, Edmonton has had the most scaleup growth with a compound annual average of 31%. Also surprising is that the lowest growth rate in scaleups among Canadian cities is Kitchener Waterloo which had only an increase of 5% in scaleups annually over the last two years.



Number of Scaleups				
	2023	2024	2025	Growth %
Vancouver	100	113	127	13%
Calgary	46	44	53	7%
Edmonton	11	13	19	31%
KW	29	31	32	5%
Mississauga		10	11	5%
Toronto	220	224	245	6%
Ottawa	25	32	35	18%
Montreal	92	94	112	10%
Quebec	17	15	25	21%
Halifax	7	10	10	20%

# Scaleup Ranking

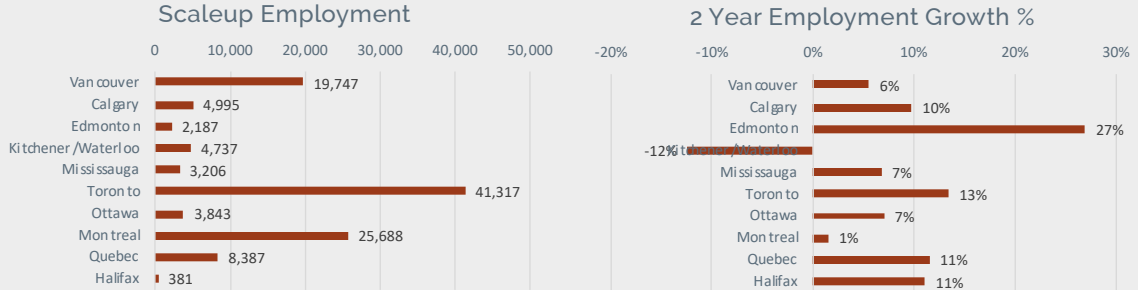
More important than the number of scaleups is how they are doing. For each scaling technology company in Canada, we have computed a Scaleup Rank which compares each one to over 17,000 North American scaling companies. Using these rankings, we can see where the fastest scaling companies are being created. For the first time, Quebec City takes the lead as their scaleups outperform over 53% of NA scaleups. Halifax should be commended for their 18% growth in Scaleup Rank. Of particular concern here is Kitchener/Waterloo whose scaleups dropped 19% in ranking to second to last place.



Average Scaleup Rank			
	2024	2025	Growth %
Vancouver	48.1%	49.6%	3%
Calgary	48.1%	40.3%	-16%
Edmonton	43.4%	36.0%	-17%
KW	46.1%	36.3%	-21%
Mississauga	54.7%	51.3%	-6%
Toronto	51.5%	48.4%	-6%
Ottawa	47.4%	39.3%	-17%
Montreal	50.9%	46.2%	-9%
Quebec	47.3%	53.4%	13%
Halifax	38.4%	37.5%	-2%

# Employment

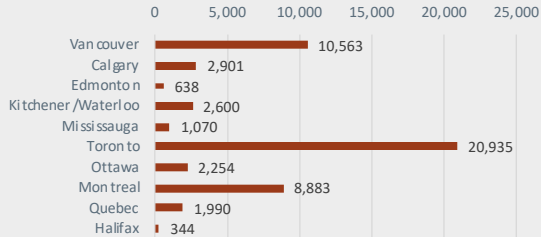
As expected, Toronto leads the rankings for total employment in scaleups but surprisingly, Montreal, with fewer scaleups is in second place. Montreal however is not experiencing the most employment growth and this accolade must go to Edmonton with a 2-year growth of 27%. Unfortunately, KW has lost 12% of its employment base in scaleups. There is probably no single factor that one can attribute to these macro changes but for KW, which used to lead Canada in many of these categories, there must be a lot of soul searching in an attempt to change the dynamic that exists there.



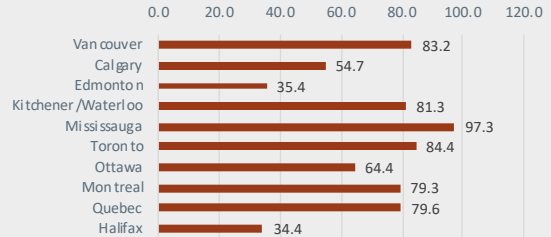
# Capital

For many cities, there isn't an appreciable difference in the amount of capital invested per scaleup. While Mississauga leads with \$97 million per scaleup, there are five cities that have about \$80 million for each. The results for Edmonton and Halifax are bound to be low as they have newer scaleups overall and so would not have reached the series B and beyond stages where larger investments occur. Quebec City is an anomaly though as it has had the most recent scaleup growth and yet they have excellent funding per scaleup. Ottawa as well, given its stable base of scaleups has a low average investment per scaleup and thus it is no wonder that they are claiming their title of "Bootstrap City."

### Total \$ Millions Invested



### Average \$ Millions per Scaleup



# Background and Methodology

The objective of the Narwhal List is to identify those Canadian companies experiencing success at scaling up. We have used publicly available data to assess firms' scaling ability so that any firm anywhere can be rated similarly. To accumulate the data used to prepare these lists, a search was performed on Crunchbase and LinkedIn. Companies had to be active and private in a technology business headquartered in Canada to be eligible. The investigation identified those 686 companies on Crunchbase with over \$10 million of capital.

- Employee growth has been measured by the increase in the number of employees over the last two years.
- The company's Financial Velocity equals the total cash raised divided by the years
- The company's size is measured by the number of employees.

Measurements for these three data points are then compared with the data from over 17,000 North American firms that are also scaling. For each data point, a percentile ranking is computed, the three rankings are averaged, and an overall scaleup ranking is determined.

This Scaleup ranking can be used in several ways:

- To determine a firm's competitiveness when it is seeking capital.
- To quickly assess firms in a portfolio
- To compare firms to each other.
- To also compare cities and funders



The Narwhal Project was established to create strategic and financial benchmarks for use by scaling companies. Our objective is to understand how companies can accelerate their growth and how companies and government can identify and adopt best practices in technology commercialization.

We use benchmarks to help companies figure out where they sit versus their competition and how to scale efficiently. We provide companies with the analytical tools to make strategic decisions that will fuel efficient growth. We help them figure out the best markets to serve, how to differentiate effectively, ensure product market fit, improve unit economics and raise capital.

## Charles Plant

Charles Plant is Co-CEO of ExactBlue Technologies, a nanotechnology company that has developed the world's fastest and most sensitive tests for the detection of microbial contamination in water. He is also the founder of the Narwhal Project.

Charles has been an officer or director in more than 20 emerging technology companies including Synamics a telecommunications software firm which he co-founded and was CEO of for 15 years. He has also worked in investment banking and venture capital. He has an MBA in marketing, is a CPA/CA and has a PhD in economics.

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