

# Shopify to take on Amazon for Vancouver's tech talent

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Shopify, whose Ottawa headquarters are seen here, is expanding into Vancouver, with the aim of hiring 1,000

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Shopify has in recent years positioned itself as the leading tool for digital merchants to stand out in a market that Amazon dominates. Now, nearly two years after Amazon unveiled plans to hire 3,000 people in the B.C. metropolis two hours north of its home in Seattle, Shopify said Tuesday it too would open an office just a few blocks away in the downtown core this year, hiring 1,000 people spread over four floors of the Bentall Centre office tower.

Shopify's expansion into Vancouver comes as global tech companies have descended upon the city for hiring sprees of their own, reshaping the city and its technology scene.

Even before Shopify's announcement, local tech leaders have said Amazon's most recent plan to occupy a whole downtown block and hire as many as 10,000 there would trigger a talent war, boost wages and drive immigration while also adding extra pressure to one of the country's hottest housing markets. And just this month, Mastercard Inc. said it would hire 270 employees for a research-and-development centre in Vancouver.

"We felt the time was right for us to start making more of an expansion toward the West Coast," said Lynsey Thornton, Shopify's vice-president of user experience, who was its first employee in the city and will lead the new office. It will host a variety of developers, engineers and product staff.

"I think we're seeing a natural buildup and attraction of Canadians who have either been living in the U.S., or who have wanted to work for Shopify for a long time, but haven't wanted to move out East," Ms. Thornton said in an interview. "Those are some of the [people] we really want to pick up."

Jill Tipping, chief executive officer of the BC Tech Association, called the Shopify announcement "fantastic."

The presence of a Canadian company that had successfully scaled up into a significant global brand, and the talent that comes with it, could inspire Vancouver companies to do the same, she said.

She acknowledged the Lower Mainland would feel pressure from so many new jobs –

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announced it would spend as much as half-a-billion dollars on a forthcoming Toronto office that would have thousands of employees and fly its neon-green shopping-bag logo atop a 38-storey tower.

The company launched in the mid-2000s by providing merchants with online stores, and has since expanded to a range of services for retailers, including shipping and cash advances. It now serves more than a million merchants worldwide, and in a growing number of languages as it expands to new markets.

It has also increased the size of customers it serves. The higher-end Shopify Plus platform helps such brands as PepsiCo Inc. and billionaire Kylie Jenner sell products directly to consumers. Some of its merchants, such as Toronto undergarment company Knix Wear, have grown alongside Shopify, starting with its basic service and graduating into bigger e-commerce success stories.

With a market capitalization of more than \$71-billion, Shopify is the most valued Canadian technology company since BlackBerry was at its peak about a dozen years ago and is increasingly being compared to Amazon. Amazon sells goods from various merchants on its website, while Shopify instead offers merchants a platform to sell directly to customers, but both companies compete to attract shoppers to make online purchases through their portals.

Shopify's most recent encroachment into Amazon's business came last year when CEO Tobi Lutke revealed that his company would spend upward of \$1-billion to launch a warehouse network in North America to store and speedily ship goods for its clients. A few months later, it announced it would spend US\$450-million on the Boston-area robotics company 6 River Systems – the largest acquisition in its history – to help automate order fulfillments in its warehouses. Amazon declined to comment Tuesday.

Shopify has largely built up its business in Canadian tech centres, starting in Ottawa, and extending to Montreal, Toronto and Waterloo, Ont., said Todd Coupland, a tech analyst with CIBC World Markets. "It just stands to reason as they continue to grow they'd look for expertise in other technology centres in Canada."

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has been trying to recover after emerging from creditor protection. “There’s a variety of expertise they should be able to draw from,” Mr. Coupland said.

The Vancouver hiring spree is a sign that Shopify is willing to battle Amazon on its home turf in Canada. “I think Tobi is staunchly supportive when it comes to Canadian tech,” said National Bank of Canada tech analyst Richard Tse. “Like many parts of Canada, Vancouver has created a strong technology ecosystem that’s supported by technically creative people – why wouldn’t you want access to that talent pool?”

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