



## Market Insight Report Reprint

# Second in size to Toronto, Montreal's leased datacenter market is cheaper, greener and faster-growing

June 1 2021

by **Jonathan Schroth**

451 Research has released a new Technology & Business Insight report that examines the overall size, scope and growth of the leased datacenter market in the Montreal region. This report represents our latest in-depth look at the area.

451 Research

---

**S&P Global**

Market Intelligence

This report, licensed to Vertiv, developed and as provided by S&P Global Market Intelligence (S&P), was published as part of S&P's syndicated market insight subscription service. It shall be owned in its entirety by S&P. This report is solely intended for use by the recipient and may not be reproduced or re-posted, in whole or in part, by the recipient without express permission from S&P.

## Introduction

451 Research has released a new Technology & Business Insight (TBI) report that examines the overall size, scope and growth of the leased datacenter market in the Montreal region. This report represents our latest in-depth look at the area. Additionally, it provides an overview of the competitive dynamics in the Montreal market, a 451 Research Market Map of the competitors in the area, examines the market share of the dominant providers, discusses supply-demand and utilization trends, and details planned leased datacenter builds.

### THE 451 TAKE

Although it is second to Toronto in both space and power, Montreal takes the top spot for leased datacenter market growth in Canada. The market has seen an influx of investment in recent years as providers sought to construct large-scale facilities geared toward hyperscalers, given the Montreal region's access to relatively cheap land and rock-bottom, 'green' hydroelectricity. While some use cases – such as asynchronous and synchronous data replication – may encounter difficulties with the area's somewhat less robust connectivity infrastructure compared with Toronto, most other intended applications are able to serve a wide Canadian audience from these cheaper, greener pastures.

While the market has been a primary magnet in the country for large-scale operators, it will not be the only locale catering to this demand – some will need to be located closer to larger centers of population such as Toronto, despite increased difficulty acquiring suitable real estate and nearly double the cost of power. Regardless, Montreal will continue to play an important role in the broader Canadian leased datacenter landscape, especially as connectivity infrastructure between itself and the rest of the country continues to be upgraded and expanded.

---

## Context

This TBI long-format report provides current supply-demand and utilization trends in the Montreal area, as well as market-specific analysis. It also highlights prominent leased datacenter providers in the region and offers a market outlook for each. Our intended audience includes:

- Datacenter providers assessing market share, market positions and expansion opportunities.
- Datacenter providers and telcos in other regions considering expanding to, or in, Montreal.
- Hosting and cloud suppliers considering datacenter leasing decisions and expanding to, or in, Montreal.
- Financial professionals considering investments in datacenter properties and companies.
- Real estate and planning professionals interested in a Montreal datacenter market analysis and provider-by-provider analysis of the leased datacenter space.

This report is 451 Research's latest in-depth look at the leased datacenter market in the Montreal region. In our 2021 report, we take a look at the landscape as well as provide a new 451 Research Market Map of the competitors in the area. In this report, leased datacenters are considered multi-customer colocation and wholesale facilities. Single-user enterprise datacenters and single-tenant datacenters are specifically excluded from this analysis, with a few exceptions where knowledge of the datacenter placements adds color to the overall market.

Some of the report's key findings:

- Montreal is the second-largest leased datacenter market in Canada, serving as an attractive alternative to Toronto for workloads that are less latency-sensitive, given the dramatically cheaper – and greener – power options available.
- The city also holds the second-place slot in terms of connectivity (by carrier density) – market leader Cologix, which operates the city's main carrier hotel in addition to several other facilities in Québec, has worked to offer a broader selection of connectivity-oriented facilities located downtown.
- One of Canada's (and particularly, Montreal's) greatest offerings to the global stage of datacenter operations is cheap, plentiful and ecologically sustainable electricity. The Province of Québec, and its well-known power monopoly Hydro-Québec, is perhaps the jewel in the country's electricity crown, generating the most electricity of all of the provinces and supplying approximately 95% hydroelectrically generated power (with another 4% coming from wind).
- The cities of Toronto and Montreal form the main focal points of the Canadian colocation industry, as the top two GDP-generating cities in the country and as the top connectivity centers. The combination of GDP growth, large populations and good connectivity has made them attractive to large tech giants and hyperscalers, which has driven demand for wholesale options in both cities, but particularly in Montreal.
- Elsewhere in the country, Vancouver, the number three city in terms of GDP, would seem a logical next location for hyperscale builds. It has been difficult to build large-scale facilities there, but we are starting to see both demand from cloud and IT service providers as well as operators managing to build some new supply there.

451 Research would like to thank all of the datacenter providers that contributed information for this report and supported our research in the Montreal area. Please contact your 451 Research account manager for more information about this new 31-page report.

## CONTACTS

### **The Americas**

+1 877 863 1306

[market.intelligence@spglobal.com](mailto:market.intelligence@spglobal.com)

### **Europe, Middle East & Africa**

+44 20 7176 1234

[market.intelligence@spglobal.com](mailto:market.intelligence@spglobal.com)

### **Asia-Pacific**

+852 2533 3565

[market.intelligence@spglobal.com](mailto:market.intelligence@spglobal.com)

[www.spglobal.com/marketintelligence](http://www.spglobal.com/marketintelligence)

Copyright © 2021 by S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved.

These materials have been prepared solely for information purposes based upon information generally available to the public and from sources believed to be reliable. No content (including index data, ratings, credit-related analyses and data, research, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P Global Market Intelligence or its affiliates (collectively, S&P Global). The Content shall not be used for any unlawful or unauthorized purposes. S&P Global and any third-party providers, (collectively S&P Global Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Global Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON "AS IS" BASIS. S&P GLOBAL PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Global Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

S&P Global Market Intelligence's opinions, quotes and credit-related and other analyses are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P Global Market Intelligence may provide index data. Direct investment in an index is not possible. Exposure to an asset class represented by an index is available through investable instruments based on that index. S&P Global Market Intelligence assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P Global Market Intelligence does not endorse companies, technologies, products, services, or solutions.

S&P Global keeps certain activities of its divisions separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions of S&P Global may have information that is not available to other S&P Global divisions. S&P Global has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P Global may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P Global reserves the right to disseminate its opinions and analyses. S&P Global's public ratings and analyses are made available on its Web sites, [www.standardandpoors.com](http://www.standardandpoors.com) (free of charge) and [www.ratingsdirect.com](http://www.ratingsdirect.com) (subscription), and may be distributed through other means, including via S&P Global publications and third-party redistributors. Additional information about our ratings fees is available at [www.standardandpoors.com/usratingsfees](http://www.standardandpoors.com/usratingsfees).