

ACCESS WEST

WESTERN ECONOMIC DIVERSIFICATION CANADA

October - December 2003

Opportunity Doesn't Always Knock – Entrepreneurs *Build* the Door to Opportunity!

Did you know that a newspaper fired Walt Disney for his lack of ideas, or that he went bankrupt several times before he built Disneyland?

Like Disney, through perseverance, careful business planning, market research and trial and error, small businesses have made their mark, especially in Western Canada.

A March 2003 BMO Financial Group report, entitled *In Search of Canada's Small Business Hotbeds*, reinforced the importance of small business to the Canadian economy and its impact in the West.

Calgary, Edmonton, Vancouver, Victoria and Saskatoon topped the list for the greatest number of small businesses (30 to 38) per 1,000 population. Equally impressive, seven of the top 10 centres with a population of at least 10,000 were also located in the West – Grande Prairie, Fort St. John, Swift Current, Lloydminster, Terrace, Williams Lake and Grand Centre. These communities boasted between 41 and 48 small enterprises per 1,000 population.

Dominant industries in any market can be a major factor influencing per capita rankings. The report noted that Alberta's dominant industry, for example, is oil and gas. Subsequently, small knowledge-based, professional, scientific and technical industries supporting this sector are disproportionately high. It also noted that 98.9 per cent of all Canadian agriculture, forestry, fishing and hunting enterprises with a payroll, are small businesses – industries all prominent in the West.

Small business hotbeds are evident across the country, but it's obvious that western Canadians are contributing to the economic success and competitiveness of the West, and quality of life in their communities.

Small Business Week is being celebrated across Canada, October 19-25th. Western Economic Diversification Canada, and its partners in the Western Canada Business Service Network, salute the entrepreneurial spirit of small business entrepreneurs who have had vision, persevered and succeeded in today's competitive marketplace. ♦



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A MESSAGE FROM *The Honourable Stephen Owen*



*Stephen Owen
Secretary of State
(Western Economic
Diversification)*

Small business *is* the economic engine of Western Canada. A 2001 study prepared by the Western Centre for Economic Research noted that the number of small businesses per capita is 40 per cent higher in the West than the rest of Canada. As the source of nearly 80 per cent of new jobs, entrepreneurship is a powerful force for prosperity.

To fuel this valuable source of economic growth, Western Economic Diversification Canada supports the willingness of entrepreneurs to take risks, devise new products and services, and create jobs and opportunities in

communities across the West.

Western Economic Diversification Canada's commitment to entrepreneurship is helping to make small business entrepreneurship an option for all western Canadians willing to make their dreams a reality. Our Western Canada Business Service Network partners ensure that entrepreneurs have direct access to products and services that help them to establish a business or make it grow.

Western Economic Diversification Canada and its network of over 100 partners recognize the western Canadian entrepreneurial spirit celebrated during Small Business Week. ♣

Flexibility the Key to Northern Community Futures Services

Community Futures Development Corporations (CFDCs) take a grassroots approach to delivering programs and services that help build strong and vibrant communities through economic development and diversification. They tackle broader issues that integrate social and economic needs.

As the rural landscape changes with the disappearance of grain elevators and the jobs they provided, CFDCs are busy helping communities adjust all across the prairies. On the West Coast, changes to the fisheries and how communities struggle to survive has been a challenge.

For Community Futures offices serving northern regions, basic services we take for granted are often a luxury for residents — health care, transportation, running water and sewer services, banking, shopping.

These stories will provide just a taste of the issues faced by four northern Community Futures offices in the West.

Identifying job skill requirements in northern Alberta

Mackenzie Economic Development Corporation (MEDC) serves 25,000 people in a vast 87,000 square kilometer region in northwestern Alberta.

A stumbling block for the region is its remoteness, perceived or real. Businesses often discount opportunities because of this perception. In spite of this, unlike other rural areas of Canada, the region is experiencing exciting growth. MEDC General Manager Mike Osborn says that regardless of its diverse population and wide distances between communities, the industry sectors are “cranking” – oil and gas, forestry, tourism, retail, health and wellness.



“MEDC is assisting with an **Employer’s Need Assessment** survey to identify the jobs available and

the training required to fill the positions,” indicated Osborn. “We also identified that many of our residents required pre-upgrade or pre-trade training. We are exploring opportunities with local educational institutions to provide programs that offer the basics required prior to entering an upgrade program or trade apprenticeship.”

This work will help to achieve long-term economic growth, enhance the quality of life and retain young

people in local communities. ♣

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SUSTAINABLE COMMUNITIES

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Tourism strategy an opportunity for northern Manitoba

Canada's oldest CFDC is located in Lynn Lake, Manitoba. Brad Stoneman has managed the **Northwest Manitoba Community Futures Development Corporation** since it opened in 1986.



"In the Northwest, social development goes hand-in-hand with economic development. We have a great loan program for entrepreneurs, but first we address the basics," noted Stoneman. "Life skills, basic literacy, upgrading and skills training are where we start."

Traditional cultural pursuits, beliefs and

practices have eroded in this heavily Aboriginal-populated region. In addition, there is a staggering 90-95 per cent

unemployment rate and no major employer or primary industry. Despite these bleak realities, the region remains a vast, pristine wilderness.

One of the projects undertaken by the CFDC is a collaboration with stakeholders to formalize the **Northwest Manitoba Regional Tourism Strategy** that may provide the best opportunities for investment, job creation and prosperity for the region according to Stoneman.

Some of the priorities of the strategy include the provision of basic services like running water, sewer and accessibility to communities. "We have one community that has only one phone — it's a pay phone. And, there is also only one hospital serving the region." ❁

Fledgling Saskatchewan forestry contractors find support

Key stakeholders from northern Saskatchewan's forestry sector believe that in order to ensure the sustainability of small contractor operations, the contractor's technical and management skills need to be enhanced.

Beaver River CFDC, in northwest Saskatchewan, saw an opportunity to address this gap and played a key role in a **Forestry Incubator** pilot project. The

incubator is not a typical business incubator — it has no walls. Contracted mentors work with clients at their bush operations and in their communities.

"The goal of a Forestry Incubator," commented Patty Conkin, general manager of Beaver River CFDC, "is to generate a core of knowledgeable and experienced northern forestry contractors who will improve the viability and sustainability of the forestry sector."

SUSTAINABLE COMMUNITIES

Opening new markets to northern B.C. gift producers

With a region the size of England, Scotland, Wales and Ireland combined, the **CFDC of Peace Liard** is located in northeastern B.C., with offices in Fort St. John and Dawson Creek.

The manufacture of giftware products presented significant opportunities for employment and economic diversification in the region. Limited product lines, management and marketing skills, weak financial situations and the inability to find appropriate markets were just a few obstacles faced by area entrepreneurs.

The CFDC of Peace Liard and its partners helped provide a solution – the **Northern Exposure Gift**

Company. The marketing company helps producers by evaluating a product's design, workmanship, originality, packaging, price and marketability. They also test market the products in retail outlets in the region; products are also available online at www.northernexposure.ca.

“The Northern Exposure Gift Company is a logical step for producers to ensure they are given the best possible opportunity to succeed,” said Northern Exposure manager Terri Hanen. “We fill a crucial gap. We offer retailers a single supply source and are able to better represent the small producers. And, producers benefit from a continuous source of income when we purchase their quality products directly.” ♣



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In its operation, the Forestry Incubator will promote the transfer of knowledge, practical skills and problem-solving abilities to the developing forestry sector entrepreneurial community.

Beaver River CFDC has applied for additional funding to expand and build on the lessons learned in the pilot project. ♣



The Grapple Skidder is one piece of equipment used by Robert Bouvier's Mechanical Harvesting Line.

The Economic Transformation of Western Canada

by Jason Brisbois

Chief Economist, WD Headquarters, Edmonton

An important role of Western Economic Diversification Canada (WD) is creating a better understanding of the western Canadian economy and the factors that influence its economic growth and development. This leads to more insightful policy development by government, and more informed planning and decision-making on the part of western businesses.

In May, the **Public Policy Forum** brought together more than 170 influential Canadians in Calgary to discuss the economic transformation that is taking place in Western Canada and its implications for the country. WD was one of 18 government and private sector organizations sponsoring the event.

Ralph Goodale, Minister of Public Works and Government Services; David Kilgour, Secretary of State (Latin America and Africa); Alberta Premier Ralph Klein; and B.C. Premier Gordon Campbell attended, along with the four western provincial cabinet secretaries, federal and provincial deputy

ministers, private sector executives, industry interest groups, academics and Aboriginal leaders.

Conference presentations suggested that the medium-term economic outlook for western Canadians poses some serious challenges. According to a recent Conference Board of Canada study, although the oil and gas sector is performing very well, others such as agriculture, forestry and mining are experiencing significant problems. U.S. protectionism, farm subsidies, declining commodity prices, drought, unresolved native land claims and emerging labour shortages were some of the challenges discussed.

Jim Frank, vice president and chief economist of the Conference Board of Canada, noted that over the past 20 years the western Canadian economy has performed very close to its potential. The past strong performance makes it more difficult to create a sense of urgency about the challenges facing future economic prosperity in the region.

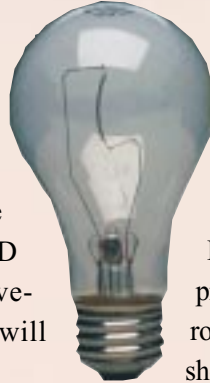
Canada West Foundation President Roger Gibbins observed that in order to address the challenges facing Western Canada, greater reciprocity between the West and the central government is required. Dr. Gibbins challenged conference attendees “to recognize regional realities and aspirations and to build a positive vision of the West that is based on the challenges of the 21st Century, not on the grievances of the 20th Century.”

A report that outlines details from the conference is available on the Public Policy Forum Web site at: www.ppforum.com. ♦

Are You Feeling Inventive?

If you have a great idea, but don't know if it's good enough to turn into a commercially-viable product, then Western Economic Diversification Canada (WD) has an easy online tool just for you!

Visit the **Inventors Guide** on WD's Web site – www.wd.gc.ca/tools/inventors/. WD developed the reference tool to help creative-minded entrepreneurs determine if their idea will make it in the marketplace.



It can be used to develop a business plan and undertake market research. You can learn how to protect your idea and obtain a patent in Canada. Even help direct you to lenders and financing. The Guide is full of tips, leads, information and links to useful resources.

Remember, there are many factors involved to bring a product to market. This guide is just one step on the road to the successful launch of a product. Inventors should be sure to seek advice of an expert. 🍁

New Online Tool Helps Build Sustainable SMEs

by Anastasia Lim

Policy and Planning Officer, WD Headquarters, Edmonton

In the April 2003 issue of *Access West*, the “Sustainable Development for Small Business” article alluded to upcoming initiatives in an area of growing concern – sustainable development. The Western Canada Business Service Network partners, with support from Western Economic Diversification Canada (WD), worked collaboratively to create a stronger product in this area for small and medium-sized enterprises.

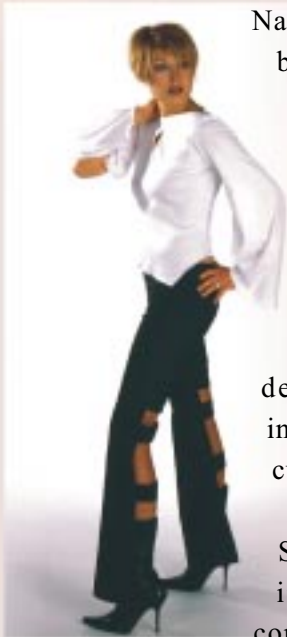
WD and its network partners are proud to launch the new **Sustainable Business On-line Resources** tool at: www.communityfutures.ca/provincial/SustainableBusiness/.

The Web site offers information, tools, resources and case studies to assist with the implementation of sustainable development practices in your day-to-day operations that will make your business better. Sustainable development means adopting strategies and activities that meet your business and stakeholder needs today, while protecting, sustaining and enhancing the human and natural resources that will be needed in the future. 🍁



Local Fashion Turns Heads on International Stage

by Cameron Zimmer



Naming her clothing manufacturing business after the Japanese word for warrior was Danika Wright's warning to the fashion world that she was about to spin a different kind of women's streetwear.

"I wasn't liking what I was seeing on the streets," said the Regina designer in a CBC television interview. "I wanted something more cutting edge."

Since kicking off **Senshi Gear Inc.** in November 2001, Wright has confidently stepped onto the world stage. A feature in Flare Magazine and a spot in Calgary's high-fashion gala, *Artrageous*, have established her as a trendsetter in daring streetwear.

Her "future forward" designs and their overnight success were developed during years of studying fashion at LaSalle College in Montreal and fashion marketing at Ryerson University in Toronto. Today,



The Apparel and Textile Association of Saskatchewan training centre in Regina provides Senshi with the computer-aided drafting technology needed for design, and essential cutting and sewing services.

the bold, urbane appeal of the Senshi clothing line is selling out in Canada's major cities, including Saskatoon and Regina.

To breed this national success so far from the Toronto and Montreal fashion hubs seems extraordinary. But as Wright continues to capitalize on local connections, it's clear that her accomplishments have more to do with strategy than coincidence.

"When it comes to fashion, there are very few businesses here, but there is lower overhead and it's a lot easier to network," says Wright.

The **Women Entrepreneurs of Saskatchewan Inc. (W.E.)** contributed to Wright's quick rise to recognition with a \$20,000 loan. The **Canadian Youth Business Foundation (CYBF)** also provided a \$15,000 loan for Senshi's start-up costs, as well as advice and support through a mentorship program.

"They helped me a lot when I had questions, and I have a mentor," says Wright of CYBF. "I do their whole program."

Both W.E. and the CYBF are non-profit organizations supported by Western Economic Diversification Canada that offer lending and advising services to Saskatchewan entrepreneurs. ♦

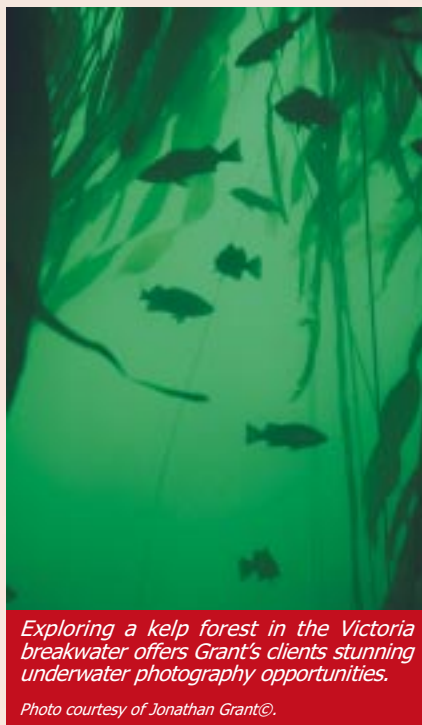
Exploring the Pristine Waters off Vancouver Island Spells Success for Young Entrepreneur

In 1998, Jonathan Grant happened upon a diving shop while traveling in central Africa. Although an unlikely place to start a diving career, he commented, “As soon as I put my head underwater, I knew this is where I belonged.”

Today, 23-year-old Grant is the owner of **Rockfish Divers**, a multilingual scuba diving and underwater video/photography school in Brentwood Bay, located on Vancouver Island, B.C.

Since opening in March 2003, Grant has been busy, and being close to some of the world’s best dive sites has definitely helped. Offering service in English, French and Spanish, he not only teaches diving and underwater video and photography, but also offers a boat charter service to experienced divers. And, he also works with the academic and scientific marine community on projects such as video mapping the ocean floor and filming underwater documentaries.

Despite his quick business success, getting his feet wet as an entrepreneur took time. A certified diving instructor at age 18, Grant said it was really hard to get the business off the shore and into the water. “I was so young and the banks weren’t interested in financing my business.”



Exploring a kelp forest in the Victoria breakwater offers Grant's clients stunning underwater photography opportunities.

Photo courtesy of Jonathan Grant©.

As a budding Francophone entrepreneur, Grant visited the **Société de développement économique de la Colombie-Britannique (SDECB)**. “Vincent Portal and a team at SDECB helped me build my business plan until it was very strong,” said Grant. “Their help proved to be what I needed to get a loan.”

“Expertise in his environment, an ambitious mind, energy – Jonathan had all the ingredients to be successful,” said Portal, an economic development officer for SDECB. “With a solid business plan, together we visited VanCity Savings Credit Union and he was able to secure a

line of credit. This allowed him to leverage a loan from the Business Development Bank of Canada and buy his boat.”

Business is growing rapidly for Rockfish Divers. Grant said he is working on hiring his first employees to help keep up. His future plans include teaching scuba diving to high school students, with emphasis on the French immersion schools, and doing more film work.

To learn more about Rockfish Divers, call (250) 884-9681 or visit: www.rockfishdivers.com. ♦

Creative, Tenacious — “Parts” of a True Entrepreneur

by Lee Gregg

“He displays a true entrepreneurial spirit by pursuing opportunities, taking initiative and never losing sight of his goals.” This resounding endorsement from Jenny Petersen, business analyst with the **Winnipeg River Brokenhead Community Futures Development Corporation (CFDC)**, is for the creative and tenacious entrepreneur Dennis Swampy.

A stroke in 1996 and triple-bypass surgery a year later didn’t slow down this motivated individual. Unable to continue working as a bush cutter, Swampy scouted around for business ideas until he identified a niche market. In November 2002, with the support of family and friends, he opened an automotive parts store, **The Parts Place**, in Sagkeeng First Nation Reserve, Manitoba.

The CFDC provided Swampy with extensive business training and assistance to develop a business plan. After successfully completing the Self Employment Assistance Program, he was eligible to receive financial assistance through the **Entrepreneurs with Disabilities Program** that recognizes the special needs of persons with a disability.

Working closely with Peterson, Swampy secured additional funding from the Indian and Northern Affairs Opportunities Fund and from Tembec Paper Group’s Sagkeeng Economic Development Fund.



“Dennis is enthusiastic and committed to the business venture,” says Jenny Petersen of her client, Dennis Swampy.

“Jenny is amazing,” said Swampy. “She was very helpful; very good to me. If it wasn’t for her, this business would never have been possible.”

Unable to find a suitable building, Swampy built from scratch, breaking new ground by securing a permit for his business as opposed to obtaining

a Band Council Resolution. Several community members from Sagkeeng were hired to construct the building and one part-time position has been created.

The Parts Place serves primarily First Nations communities along the eastern shore of Lake Winnipeg, providing new, used and rebuilt parts, small engine parts, automotive supplies and new and used tires. The business has signed supply contracts with two First Nations communities for parts and automotive supplies for their government and commercial vehicles.

By planning for success and working smart, Dennis Swampy is providing a service for his community and a new career for himself. For more information, call (204) 367-9740.

The Entrepreneurs with Disabilities Program is delivered by CFDCs across Western Canada. For more information or a listing of Community Futures offices, visit Western Economic Diversification Canada’s Web site at: www.wd.gc.ca. ♣

Time is Money in the Oilpatch

by Laura McNabb

American statesman Benjamin Franklin once observed that lost time is never found again. In the highly competitive petroleum sector, lost time can also mean lost revenue. **Hamdon Wellsite Solutions Ltd.** used Western Economic Diversification Canada's **First Jobs in Science and Technology Program** to increase production through its optimization services.

The company hired a Computer Systems Technology graduate, Nathan Nilson, through the First Jobs program to help develop the *Wellsite Wizard* software program. The benefits of the program to industry are numerous. It minimizes operating inefficiencies for oilfield companies, maximizes production time and, ultimately, increases profits.

Wellsite Wizard requires data from three sources — field measurements from the wellsite, well completion data from the oil company, and reservoir data from the Alberta Energy & Utilities Board (EUB). The program directly accesses the EUB database and eliminates considerable time and effort to collect information. With Wellsite Wizard, the company is confident of utilizing the most accurate and recent data in a timely fashion.

Company president Omar H. Hamdon has a vision for this software tool outside the Canadian energy sector. The optimization program is being translated into languages such as Russian, with a view for use in foreign markets within the next year.

"The software has improved our turnaround time significantly," said Hamdon. "Client assessments that used to take up to a day can now be completed within a

few hours. Western Economic Diversification Canada's First Jobs program has made a significant impact in terms of realizing our success."

Hamdon Wellsite Solutions Ltd. is a growing company. Since inception, they have gone from one to five full-time employees and four contract workers.

For more information about this growing Alberta company, call 1-888-448-3303 or visit their Web site at: www.hamdon.net.

The First Jobs program provides funding assistance to hire recent science and engineering graduates. As well as providing the businesses with valuable technological expertise, the program also offers young graduates opportunities in areas related to their field of training. This helps ensure that there are people with the skills and education necessary for Canada to compete in the new knowledge-based world economy. ♣



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The Pioneer Spirit that Built the West has Found a New Frontier – *Small Business Ownership*

A unique partnership of several integrated organizations — the **Western Canada Business Service Network** – has over 100 points of services across the West that help make small business ownership an option for western Canadians.

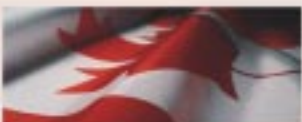
Western Economic Diversification Canada's network partners include: Canada Business Service Centres, including an Aboriginal Business Service Network; Community Futures Development Corporations (CFDCs); Francophone Economic Development Organizations; and offices of the Women's Enterprise Initiative. This powerful network works at the local level to ensure western Canadians have direct access to the products and services that support their economic success.

New and emerging entrepreneurs can access services and information required to start or grow a business. Services

range from marketing information and funding options, to business counselling and support.

In 2002, network partners responded to over 691,904 requests for information, provided more than 128,839 advisory services and trained 65,848 clients. Together, the Women's Enterprise Initiative offices and CFDCs provided loans to over 16,600 western entrepreneurs by the end of 2002. And, the \$429.5 million in loans these partners provided leveraged over \$575 million in funding from other sources.

If you're interested in learning more about the programs and services offered by this network of professionals, visit the WD Web site at www.wd.gc.ca and click on **Business Service Network**. ❁



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