

A Road Map

to Tourism Financing

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Guide for Small and Medium-sized Businesses

CANADIAN
TOURISM
COMMISSION



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CANADIENNE
DU TOURISME

A Road Map

to Tourism Financing



Second Edition

(Includes Detailed Program Listing)



A Road Map to Tourism Financing:

Guide for Small and Medium-sized Businesses
(Second Edition)

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Ce document est aussi disponible sous le titre:

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Financing a Small Business - Working With Your Bank, and *Getting Started in Small Business*, both published by the Canadian Bankers Association.

Sources of Capital, Small Business Problem Solver/3, published by the Bank of Montreal.

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A Road Map

t o T o u r i s m F i n a n c i n g

Letter from the Vice-President of Industry Competitiveness Canadian Tourism Commission (CTC)

Access to financing is a key element for tourism development. Canada needs new facilities to welcome the growing number of visitors and meet their needs. It must also expand its range of tourism products by creating new products or improving and upgrading those already in existence. High-quality products and services are required to satisfy this new tourism clientele, which is more highly educated and interested in cultural and educational experiences.

In March 1998, the CTC published the first version of *A Road Map to Tourism Financing - Guide for Small and Medium-sized Businesses*. It was a pilot project and one of a series of initiatives undertaken by the Industry and Product Development Committee to help address the financing problems experienced by small and medium-sized tourism operators. As the response to the first edition has been very positive, we are pleased to provide you with an updated 1999 version of this user-friendly guide. It includes information on types and sources of financing, how to prepare a business plan, how to approach lenders, and a detailed list of federal, provincial and private sector financing programs and services available to the tourism industry.

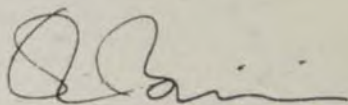
This initiative would not have been possible without the collaboration of all the sponsors listed, i.e., provincial, territorial, municipal and federal governments, chartered banks and private sector organizations. I would like to thank them for their time and effort in helping us update this guide as well as for their comments on the 1998 version.

I would also like to personally thank all our partners, who supported and believed in this project by investing their time and money, namely, Atlantic Canada Opportunities Agency, Business Development Bank of Canada, Canada Economic Development for Quebec Regions, Industry, Trade and Tourism (Manitoba), Tourism British Columbia, Tourism Nova Scotia and Western Economic Diversification Canada.

This guide was produced in-house thanks to the dedicated effort of the Industry Issues team, especially David Harary, Mylène Deneault and France Gauvin.

The guide is also available on our website: www.canadatourism.com

Sincerely,



Francine C. Boivin

A Road Map

t o T o u r i s m F i n a n c i n g

TABLE OF CONTENTS

Partners Section

Part I Preparing to Seek Financing 1

Introduction 2

Financing in the Tourism Industry 2

Purpose of this Guide 3

How to Use this Guide. 3

Where and How to Seek Financing..... 4

Some Starting Tips. 4

Personal Financing. 5

Other Private Sources 5

The Banks 6

Term Lenders 7

Leasing 7

Suppliers. 7

Venture Capital 8

Angels. 9

Governments 9

Franchising. 9

Credit Unions. 10

Business Partnering in the Tourism Industry 10

Types of Financing 11

Debt Financing 11

Term Loan 11

Credit Cards..... 12

Operating Loan / Line of Credit 12

Capital Lease / Operating Lease	13
Quasi-Equity	13
Equity Financing	13
Venture Capital / Seed Capital	14
Other Types of Financing in Brief	14
The Business Plan	15
What Can Planning Do for You?	15
What is A Business Plan?	15
Preparing Your Business Plan	17
What Your Business Plan Should Contain	18
Your Marketing Proposal	19
Your Financing Proposal	20
Be Environmentally Friendly	22
Presenting Your Loan Request	22
Conclusion	23
Additional Sources of Information	24
(I) Contacts	24
(II) Other Publications or Materials	28
Part II Existing Sources of Financial Assistance	29
How to Use the Program Chart and List of Programs ..	31
Financing and Financing-related Program Chart	32
Detailed List of Programs	44

Partners

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Through the Business Start Program, the Rural Entrepreneur Assistance Program, The Development Fund, and the Manitoba Tourism Development Program, tourism operators can access consulting services, product development, marketing and human resource development assistance, as well as funding alternatives.

For more information about growing tourism in Manitoba, contact:

Travel Manitoba
Tourism Policy and Development Branch
7th Floor, 155 Carlton Street
Winnipeg, MB R3C 3H8
Phone: 204-945-2433
Fax: 204-945-2302
Website: www.gov.mb.ca/itt/itourhow.html



A C O



The Atlantic Canada Opportunities Agency is the lead federal government agency responsible for regional economic development in Atlantic Canada. Its principal focus is job creation, which it accomplishes by helping to create small and medium-sized businesses, assisting in the expansion of others and supporting strategically promising sectors where sustained employment growth appears likely. Part of ACOA's role includes advocating on behalf of Atlantic Canada's interests in the development of national policy, initiating and encouraging alliances among public and private-sector stakeholders, and through research and policy development. ACOA's strategic priorities include: cultivating a climate of entrepreneurship; developing market and trade opportunities; promoting tourism and innovation; and encouraging human resource development and best management practices.

One of ACOA's programs, the Business Development Program (BDP) is designed to help you set up, expand or modernize your business. Focusing on small and medium-sized enterprises, the program offers access to capital in the form of interest-free, unsecured, repayable contributions.

The program is designed to help you achieve the following activities:

- Business start-up, expansion or modernization
- Developing business ideas, innovation, research and development
- Public tender bid preparation activities
- Training, productivity and quality improvements
- Trade development and marketing
- Consultant advice

A

ACOA New Brunswick
 570 Queen St., 3rd floor
 P.O. Box 578
 Fredericton, NB E3B 5A6
 Toll Free: 1-800-561-4030
 Telephone: (506) 452-3184
 Fax: (506) 452-3285

ACOA Newfoundland
 P.O. Box 1060, Station "C"
 11th Floor,
 10 Barter's Hill
 St. John's, Newfoundland
 A1C 5M5
 Toll Free: 1-800-668-1010
 Telephone: (709) 772-2751
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ACOA Nova Scotia
 1801 Hollis St., Suite 600
 P.O. Box 2284, Station 'M'
 Halifax, NS B3J 3C8
 Toll Free: 1-800-565-1228
 Telephone: (902) 426-6743
 Fax: (902) 426-2054

ACOA Prince Edward Island
 3rd Floor, 100 Sydney St.,
 P.O. Box 40
 Charlottetown, PE C1A 7K2
 Toll free: 1-800-871-2596
 Telephone: (902) 566-7492
 Fax: (902) 566-7098

Enterprise Cape Breton Corporation
 4th floor, Commerce Tower
 15 Dorchester St., P.O. Box 1750
 Sydney, NS B1P 6T7
 Toll Free: 1-800-705-3926
 Telephone: (902) 564-3600
 Fax: (902) 564-3825

Call or write the ACOA office nearest you to obtain further information on the Business Development Program. You can also obtain business development information from a Canada Business Service Centre, a Business Development Centre, or your local industrial or economic development commission.



Economic Development and Tourism

Nova Scotia Economic Development and Tourism has published eleven tourism development manuals to assist Nova Scotians interested in the establishment of tourism businesses and services in the province. Each manual provides information and advice on a variety of topics which are important in understanding the requirements of success, in assessing opportunities, in planning and development and in starting operations. The purpose of these manuals are to provide entrepreneurs and existing businesses with some of the information necessary in establishing (including financing), improving and operating the following businesses and services:

- Accommodations
- Campgrounds
- Restaurants
- Local Sightseeing Tour Operator
- Receptive Tour Operator
- Visitor Information Centre
- Community Tourism Planning (New in May 99)
- Adventure Tourism Businesses (New in May 99)
- Marketing for Individual Businesses (New in May 99)
- Retail Operations (New in May 99)
- Attraction Development (New in May 99)

N o v a S c o t i a

Guides to starting and operating tourism-related businesses in Nova Scotia are available at a cost of \$25 each (taxes included). To order, please send your name, full address and a cheque or money order payable to the Minister of Finance to:

Nova Scotia Economic Development and Tourism
Tourism Nova Scotia
P.O. Box 519
Halifax, Nova Scotia
B3J 2R7

For information regarding these publications, please contact Tourism Nova Scotia:

Toll Free
(in Nova Scotia): 1-800-313-4447
Halifax area: (902) 424-3908
E-mail: econ.dross@gov.ns.ca
Website: www.gov.ns.ca/ecor/tns/devguide

B r i t i s h C o l u m b i a

Industry Development

Tourism British Columbia is pleased to announce a new department opening April 1999: *Industry Development*. Addressing the information needs of our current and potential industry partners, in British Columbia, the Industry Development office will provide them with timely facts, pertinent materials, general assistance and relevant training programs they may require to help them make the most of current business practices, as well as to evaluate the feasibility of new projects. This initially includes providing these partners with key visitor data, plus in-depth contact lists directing them to the people, programs and regulations relevant to their needs.

Industry Development will work as a liaison between our industry partners and Tourism British Columbia, working directly with communities, regions and sectors to ensure the retrieval and delivery of up-to-date information, identifying program opportunities as well as offering training through workshops and presentations.

Tourism British Columbia is an industry led British Columbia Crown Corporation. The Industry Development department will be located in Vancouver under the umbrella of the Business Development Division.



For more information on the services provided by Industry Development, please contact Mr. Craig Strickland, Manager, Industry Development, Tourism British Columbia at (604) 660-3763 or cstrickl@tourism.bc.ca

Economic Development Canada



In this era of market globalization,

The Canada Economic Development for Quebec Regions (CED) agency can assist small and medium-sized businesses in the tourism sector under the Market Development and Exports component of its IDEA-SME program.

The priorities

- Export markets
- Marketing of tourism products
- Access to government contracts

Target organizations

Small and medium-sized enterprises (SMEs) as well as SME support organizations, associations and groups.

Eligible activities include:

- consultant studies for preparing a marketing strategy and the costs of implementing the strategy;
- support activities for new exporters;
- activities that complement existing foreign market development programs;
- preparing, organizing and holding activities to boost product marketing;
- activities to develop the know-how and marketing capabilities of SMEs through networking, management assistance and the creation of alliances.

Financial assistance

- Maximum: 50 percent of eligible costs
- Assistance to commercial enterprises is repayable;
- Assistance to a non-profit organization for non-commercial activities is not repayable

For additional information:

CANADA ECONOMIC DEVELOPMENT

Telephone: (514) 496-4636
1-800-322-4636

Fax: (514) 496-4010

Internet address: <http://www.dec-ced.gc.ca/>

Check page 25 for a complete list of our business offices.



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CANADIAN TOURISM

C O M M I S S I O N

The CTC is a unique public/private sector partnership that provides an innovative approach to tourism: one that is industry led and market driven. The Commission recognizes that the greatest source of tourism knowledge and expertise rests with the tourism industry itself. Therefore, the CTC designs, delivers and funds marketing, research and industry and product development initiatives in partnership with provincial and regional tourism associations, government agencies, hoteliers, tour operators, airlines and attractions managers. Interested parties are invited to contact the Commission with ideas and proposals. It should be noted, however, that the CTC does not provide grants or subsidies, finance programs involving tourism facilities or real property, nor does it act as a lobby group on behalf of the industry.

How to Partner

The CTC's committees prepare plans (usually 3 years are covered, some are longer) which contain marketing activities and projects that the CTC believes will be partnered by the industry's members. Through its web site, meetings, and mail out of the plans, the CTC solicits the industry's interest in the opportunities. Normally the offer is presented in the summer of the following year, e.g., opportunities to buy into the winter 1999 and spring summer program for 2000 were presented in summer 1998. Most of the CTC's funds are committed in this manner. Those wishing to partner and present their own proposals should do so bearing in mind this timing. Unsolicited proposals should be addressed to the committee chairs at the CTC office in Ottawa.

Product Clubs

The CTC Product Club program, an integral part of the Industry Competitiveness Directorate-Product Development, provides partnership funding for tourism consortia to develop a wider diversity of market-ready tourism products. Product Clubs aim to build business networks, increase business opportunities and encourage cooperative ventures/partnerships and the development of packages.

Contracts are awarded, for a maximum of three years for any Club, to develop new products, conduct research, identify products and markets with higher potential, explore successful initiatives in other jurisdictions, develop a product development and marketing strategy, conduct seminars, develop newsletters, attract more partners and build sustainable administrative structure.

To date there are 18 Product Clubs representing 85 coordinating partners and 2,800 businesses are partnering through the Product Club program. Since 1996, four calls for proposals have been made under the program. CTC funding for Product Clubs is \$1,000,000 for 1999/00.

CTC

For further information on
CTC committees, programs
and partnership
opportunities:

Visit our website:

www.canadatourism.com

or Contact us:

Canadian Tourism Commission
235 Queen Street, 8th Floor West,
Ottawa, Ontario, K1A 0H6
Tel.: (613) 946-1000

The upside to running your own business is doing it all your own way.



The downside is having to do it all yourself.

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A Road Map

to Tourism Financing



PART 1

Preparing to Seek Financing

A Road Map

to Tourism Financing

Introduction

Tourism is the world's largest and fastest growing industry. In Canada, tourism is a leading job creator and growth sector of economic activity, with direct tourism employment reaching 503,200 person-years in 1997, and pumping a record \$44 billion into Canada's economy. According to the CTC, the 1998 preliminary estimates for total tourism spending in Canada could reach \$46.9 billion, up 6.7% from 1997. Tourism is now the twelfth largest generator of economic activity in Canada's business sector, with a GDP (\$17.8 billion) exceeding that of such important industries as food manufacturing, clothing, machinery, and agriculture. Moreover, it generates more employment than finance and real estate, construction and communication.



Thousands of tourism-related businesses in Canada make tourism a vital industry. These businesses range in size from very small micro enterprises to very large corporations, and include accommodation, transportation, travel services, food and beverage, recreation and entertainment businesses. While the financing needs of these companies vary according to their size and type of activity, this guide is mainly intended for all types of small and medium-sized enterprises (SMEs) within

the tourism sector. For the purposes of this guide, an SME is considered to be a business with fewer than 100 employees and a borrowing capacity of less than \$1 million.

Financing in the Tourism Industry

The financing needs of tourism SMEs vary from a substantial amount of money to finance a new property or to renovate or expand a facility like a hotel or a museum, to relatively small amounts of operating capital to help them with marketing efforts, such as producing a brochure. Tourism operators are generally aware that in order to stay competitive, their product must be maintained and enhanced continuously. In order to do this, operators need financing.

Surveys have shown the difficulties which SMEs of all industries face in obtaining financing. Studies commissioned by the Canadian Tourism Commission (CTC) further revealed that tourism SMEs felt that their difficulties in obtaining suitable financing were even greater than those of other SMEs. According to these studies, finding suitable financing was a real problem for small and medium-sized tourism operators throughout the country. Operators expressed that they often had as much or more difficulty obtaining smaller amounts of financing for operating costs or marketing efforts as they did for obtaining larger amounts for renovations or expansion.

As a tourism operator, your real challenge is to convince a prospective financial provider that your individual business has good prospects for success and that the investment would represent a sound business decision on the provider's part.

Examples of Tourism Businesses

Transportation	<ul style="list-style-type: none">• Passenger air and rail transport• Interurban bus transport• Vehicle rentals• Other passenger transportation, e.g. boat rentals, cruises
Accommodation	<ul style="list-style-type: none">• Hotels, motels and other guest houses• Tourist cabins, camping grounds, and trailer parks• Outfitters
Food and Beverage Services	<ul style="list-style-type: none">• Restaurants• Caterers
Recreation and Entertainment	<ul style="list-style-type: none">• Skiing operations, theatre, race tracks, casinos, festivals, museums, theme parks
Travel Services	<ul style="list-style-type: none">• Wholesale and retail travel agency services• Tour companies• Convention centres

Purpose of this Guide

If you are reading this guide, you have probably already thought about or tried to obtain financing. The CTC-commissioned studies made a number of recommendations aimed at improving the financing situation for tourism SMEs, some of which are currently being implemented by the CTC, including the need for these businesses to have more and improved information about sources of financing and the financing process. Therefore, in view of the difficulty and sense of frustration which many small and medium-sized tourism operators experience in obtaining financing, this reference guide provides:

- information on where and how to seek financing, including suggestions on some creative strategies
- information on the types of financing available and the characteristics of each
- guidance on how to prepare informed and convincing business plans in order to improve financing success
- a list of existing sources of financing and financing-related business services
- sources and contacts for additional information

How to Use this Guide

The guide is divided into two parts. Part I contains information on where and how to seek financing and on the types of financing available. You may use this to familiarize yourself with terms often used by professional financial providers, as well as to help you select the types and sources of financing which may be appropriate for you. It also provides an overview, including guidelines and suggestions, of the basic elements of a business plan. If you have not already prepared a business plan, you may want to refer to this section first. If you have, you may use this section to see if your plan can be improved or fine tuned to maximize its impact when requesting financing. The next section briefly covers the actual request for financing. Please note that Part I is not intended as a comprehensive treatment of financing subject matter, nor of how to prepare a business plan, but rather as a good starting point. Part I closes with a list of sources of additional information.

Part II consists of a detailed, though non-exhaustive, list of existing financing and financing-related business programs of national, regional and provincial application. It also includes information on how to use this list, a handy chart to help you determine which programs best apply to your particular business needs, contact and other basic information.

A Road Map

t o T o u r i s m F i n a n c i n g

Where and How to Seek Financing

Some Starting Tips

In this section, it is important to put yourself in the position of those who have money to lend or invest. Consider the following:

- Start with the people you are already dealing with. The ones who know you and your business are best able to assess the risk. Almost all people deal with a bank. You should start with your banker. He or she has a wide range of services and help available.
- Most sources of money are wary of putting money into a firm until they are certain that it will be repaid or, if equity, that it will grow in value and that you will use the money properly.
- In almost every company, there are a few dollars, sometimes a bundle, which can be scraped together with better management. These are the cheapest. Make sure you have looked thoroughly inside your own company before you approach outside sources. You may be able to do with less capital without compromising overall service levels.
- Money seeks rewards in relation to the risk involved. If you have assets to pledge, you can probably borrow money; but the lender expects you to be fully committed financially.
- If you have no assets against which you can borrow money, the funds supplier's only security is you and your willingness and ability to run the company at a profit. That means an equity investment.
- Small amounts of equity (less than \$100,000) frequently are more difficult to raise than large ones.

- Start early. It could take from several weeks to six months to define your real needs and arrange a loan, a grant from a government agency, or equity funds from a (new) shareholder. Funds suppliers will investigate you thoroughly before they make a commitment. The best way to foresee your needs is through preparation of a "Cash Flow Forecast." (See the Business Plan Section.)

Current Sources of SME Financing (per cent)

Source of financing	1998
Retained earnings.....	51
Banks or other lending institutions.....	50
Supplier credit	48
Personal savings	45
Personal lines of credit.....	37
Personal credit cards.....	36
Leasing	28
Personal loans.....	25
Business credit cards.....	22
Government lending agencies/grants.....	13
Loans from employees, friends and relatives.....	13
Non-related private loans.....	5
Public equity.....	2
Venture capital	2

Note: Firms often use more than one source of financing. Therefore, figures above total more than 100 per cent.

Source: Thompson Lightstone & Company Limited,
Small and Medium-sized Businesses in Canada, 1998.

Personal Financing

Personal Savings

Lenders regard this as particularly important. The amount of money you are willing to invest in your business symbolizes your business commitment - the greater the dollar investment, the greater your commitment.

Personal Loans/ Personal Lines of Credit

These can be useful for borrowing small amounts, either to hold in reserve, or for special circumstances. Most banks will extend a personal loan or line of credit to their customers as long as they can offer some collateral or prove that they can repay the loan. It is not necessary to submit a business plan in order to obtain a personal loan or line of credit. For example, a home improvement loan may be particularly suited to the type of upgrading that may be required to set up a bed and breakfast.

Ask your accountant about documenting a personal loan as a business loan for tax purposes.

Credit Card

A credit card can be another quick source of funds, but the interest rate has traditionally been higher than other sources of funds. However, various low fee/low interest cards specifically designed for businesses have been introduced in the recent past. It is a good idea to shop around.

If you use a card with high interest rates, do not use it for large sums of money, but keep it in mind as a quick source of back-up cash in an emergency. It should be paid off first.

Other Private Sources

Other Individuals

- Friends, business or personal
- Relatives, including a spouse
- Wealthy individuals

Individuals are rarely silent. They usually have limited resources, but can offer management or policy assistance, contacts, or help with special assignments, especially if retired.

- Individuals usually want equity, i.e., the right to participate in the future. Do not give it away! It's best in the hands of those who have paid for it and can work with you to build the future.
- Individual investors involve a highly personal relationship, similar to marriage. Do not enter lightly.
- Always have a shareholder agreement (in writing) with backers, with a "buy-sell" clause. If it is a syndicate, deal with only one spokesperson.
- Beyond friends and business contacts, individuals are sometimes hard to find. One can try clubs, such as Rotary, Boards of Trade, and so on. Sometimes a lawyer, accountant, or banker can make the introduction.
- Set up routine methods of reporting.

Ownership Partners

Partners can be an important ingredient to survival, if you enter the relationship wisely.

- Don't get a mirror image of yourself: supplement areas of weakness with strength and complementary experience.
- Have a written partnership agreement, including a formula for dissolving or buying each other out.

A Road Map

t o T o u r i s m F i n a n c i n g

Employees

They may have a little capital, but every dollar invested is a highly committed dollar.

- Consider senior employees, with proven service and loyalty.
- They must pay for their shares, though you may give them extended terms and/or a favourable price.
- Always have a written buy-back provision.
- Unless part of an eventual plan to sell control to employees, it is desirable to keep employees' percentage below the 10% to 20% mark.

The Banks

The Canadian chartered banks offer Canadian businesses a wide array of products and services to meet their financing needs, from everyday banking and cash management services to a wide variety of financing and investment options. Term loans and mortgages are just as actively pursued as are operating loans. (Please note that many trust companies offer similar services for small and medium-sized businesses).

Banks Look For

- Availability of facts and figures: statements, records, projections. How do you run the company? Do you know what's going on?
- Stability of your company and commitment of the owners. They will look at your past and present performance, the future potential, the amount you have invested, the amount you have left (equity and retained earnings).

- Ability to service the debt, i.e., to pay the interest and retire the loan on time.

- Security: usually involves pledging of accounts receivable, inventory, and personal guarantee of principal. Term loans often require fixed or other tangible assets as security.

Hints on Dealing with Banks

- Be open. Always tell your banker in advance if there is bad news coming. Be the first to tell them. Their confidence will be stronger if they hear it from you first.

- Prepare a Cash Flow forecast and go over it with your banker. Bring him or her up to date each month, even when you are not borrowing.

- Invite your banker to your premises now and then, to get to know your operation.

- To establish a credit record, borrow from your bank early in your business cycle.

- Work your loan down. If need be, let it go up again. Do not leave it sitting.

- Use your banker as a source of other help. Bankers are well aware of economic conditions in their areas and potential in other areas, through their divisional offices. They can introduce you to potential customers and suppliers and help you with credit checks.

- Discuss any future financing needs with your banker. He or she may well be able to help you.

Term Lenders

There are many types of financial institutions that specialize in term lending.

- Insurance companies, trust companies, mortgage companies and banks lend on land and building mortgages: usually longer-term (15 years or more); up to 75% of recent valuation.
- Commercial term lenders: these include banks, acceptance companies, finance companies, the "near banks" or Schedule 2 banks (foreign-owned banks) and a small group of specialist companies. They lend on commercial assets including land, buildings, and equipment. Terms are often 10 years or longer. Amortizations are up to 25 years with floating interest rates; up to 75% of recent valuations of land and buildings, 50% or more of equipment.

Leasing

As a means of financing to acquire equipment or other assets, sources of leasing include banks and similar financial institutions, equipment suppliers and private leasing companies. Please see the "Types of Financing" section for an explanation of capital and operating leases.

There are three basic types of leasing arrangements:

- **Direct.** The leasing company arranges the original transaction from the beginning: computers, cars, trucks, business equipment, etc.
- **Indirect.** A three-way transaction. The supplier obtains the customer's signature on the lease and hands it to the leasing company which bills the user.
- **Leveraged.** This is a partial equity investment situation on the part of the user, say 20% to 40%, with the remainder being financed through leasing.

Sometimes a way to free up capital for operating purposes is to sell real estate to a development company, and lease it back with a right to purchase at the end of five or 10 years.

Leasing costs can frequently be deducted as a business expense as opposed to depreciation if you own. Consult with your accountant.

Watch interest rates - find out the actual rate. There could be tax benefits that would reduce your cost significantly. See your accountant or tax adviser.

Suppliers

Suppliers are an often overlooked source of capital. We are referring here not to normal trade terms but to special terms that can often be negotiated with big suppliers, even by start-up customers. You may be able to develop a new market for a supplier's goods or services at a lesser cost than they could develop it themselves.

Some of the Possibilities to Consider

- Special terms during seasonal peaks and valleys: could be 120 days or longer, with or without an interest charge.
- Consignment deals, where you pay only for goods or services sold.
- Right to return unsold goods or services for full credit.
- A supplier who finances you is interested in your success and may lend technical, marketing, or other assistance.

A Road Map

t o T o u r i s m F i n a n c i n g

Some of the Drawbacks to Look Out For

- Over-dependence on one supplier.
- Less room to negotiate on price/discounts.
- If the supplier is too generous, beware. He or she may not be around later to support you with service.

Venture Capital

Venture Capital is equity and loan capital which is provided for a new and/or existing business by persons other than the proprietor(s).

Venture capital firms will invest directly in your company if they feel that your business will be profitable and grow substantially. Almost all deals are equity or some form of subordinated debt with conversion or option rights. (This means that in terms of security, their loans rank behind all other secured creditors but ahead of other shareholder loans.)

- Venture capital companies expect high returns and usually want substantial minority ownership positions - 20% to 40%, or even control in start-ups.
- They expect management shareholders to be fully committed financially.
- A venture capital company expects an efficient, balanced management team.
- Growth prospects of your company must be good — it comes down to a decision of whether they prefer to own 70% of a big company in five years, or 100% of a small one.

- Venture capital companies frequently can help in:

- planning and policy
- finance and control
- arranging mergers and acquisitions
- arranging "going public"

- They probably will require:

- a seat on the board
- regular board meetings
- monthly statements
- insurance on the owner
- involvement in the budgeting process
- a buy-sell agreement on your shares and their shares

- Most venture investments require further funds. Make sure the venture capital company has a good reputation and is well financed.

Sources

In addition to venture capital programs listed in Part II of this guide, you should obtain the Canadian Venture Capital Association's (CVCA) Annual Statistical Review and Directory, available free of charge, which includes a listing of all full members of the CVCA, contact information, information on the dollar size of investments, sectors of investments and types of investments. This information is also available on the CVCA website. (Tel. (416) 487-0519; fax (416) 487-5899; website: www.cvca.ca)

Angels

Angels are another source of financing similar to venture capital, but they are more informal investors. For example, they may be retired, experienced, small business operators who have some extra capital to invest in other promising small businesses. They may want to play a role in the management or operation of the business they invest in.

Because these investors are often flexible and have knowledge of the business sector they choose to invest in, they can be a valuable resource for starting, operating or expanding your business. However, they are often hard to find. Your own professional advisors, such as lawyers, accountants, and bankers, may be able to direct you to these informal investors.

Governments

Federal and provincial and territorial governments have loans, guarantees, non-repayable contributions or other types of assistance programs for such things as creating jobs, increasing capacity and training new skills. Part II of this guide provides you with a list of several programs.

Also, please see the "Additional Sources of Information" section of this guide for further details and contact information for selected federal regional agencies, provincial tourism offices and Canada Business Service Centres, all of which may be able to provide you with further information or assistance.

When Dealing with Governments

- You may need to show that you can't get the funds elsewhere.
- Try to tailor your needs to the program.
- Ask for help from the program officers.
- Talk to the right person.

Franchising

Look at franchising in two ways:

- *As a franchisee.* To start a new business or move into an established one; you pay a fee, but reduce your risks.
- *As a franchisor.* To promote and build an existing business in new areas, partly on other people's money (their fees).

If You Buy a Franchise/ License

- Make sure the front-end fee gives you something tangible: a name, a system, a product, access to suppliers, a guarantee on a lease, training, and so forth.
- Check with other franchisees in the same group.
- Read the fine print on the contract - have your lawyer go over it.
- It's best for you when the franchisor makes money on royalties from your sales, rather than on your fee, that is, they don't do well until you do.
- Check the reputation and track record of the franchise.
- Check the markets you will be allocated and ensure that continuing research and product help, training, etc. are available.
- Make sure the franchise can't be taken from you arbitrarily.

If You License or Franchise Your Product/ Service

- Make sure you can get it back if franchisees don't perform - specify minimum targets.
- Make sure they pay enough to make them "committed."
- Consider demanding minimum royalties/fees.

There are booklets available from the federal government, Better Business Bureau, Canadian Franchisors Association

A Road Map

to Tourism Financing

(please see the "Additional Sources of Information" section for contact information), and watch the Business Opportunity columns in the national and local papers.

Credit Unions

Credit Unions and Caisses Populaires can also be a source of funds for small businesses. They are governed by provincial legislation and usually have a central provincial member organization. They may offer some or all of the following: mortgages on land and buildings, term loans, working capital and revolving lines of credit.

Business Partnering in the Tourism Industry

Tourism businesses today are faced with ever increasing competition, changing consumer demands, challenges in accessing capital, escalating business costs and a growing need to go after new, global markets.

"Partnerships" or "strategic alliances" between businesses are an effective way to deal with these issues. Businesses that learn how to build and develop partnerships across the industry as well as with other public and private sectors, will have a significant "leg up" in years ahead. Please see the following chart for some areas where partnering can be applied to tourism.

Some Areas Where Partnering Can Be Applied To Tourism

Information Gathering/Research	Gathering information on competitors Customer research Trend forecasting Benchmarking/industry evaluation Strategic planning Product research Feasibility studies
Product Development	New product development Product/service improvements Facility development Product packaging Product quality standards
Marketing	Data base development Promotions Consumer lead tracking/referrals Advertising Trade show participation Trade missions Familiarization tours Retail/point of purchase tie-ins Public relations activities Sales calls Publications Direct marketing
Human Resources	Recruitment Apprenticeship Skills development Training
Operations	Accounting Materials purchasing Insurance Contracting of services Staff sharing
Financing	Shared lines of credit Securing public support Securing private financing Joint investment
Technology	Technology development Technology diffusion
Advocacy	Taxation Regulations Government programs Government policies

In its consultations with people in the industry, the CTC is consistently asked about partnerships and consortia - the industry wants to know more about how to develop and benefit from this type of business arrangement. Partnering can provide you with new financing alternatives.

- You might participate with other partners in joint programs to improve cash flows. For example, advance sales of packages or coupons can generate cash flows for all partners before the operating season begins.

- You might approach other businesses in the area to jointly finance a venture which could benefit everyone. For example, if there is a demand for improved conference facilities in the region, a group of local tourism operators could partner with a variety of local recreational groups to develop a multi-use arena facility.

For more details on partnering in the tourism industry, please refer to the *Developing Business Opportunities Through Partnering* publication listed in the "Additional Sources of Information" section of this guide.

TYPES OF FINANCING

You can finance your tourism business through debt (borrowed money) and equity (invested) money. The type of financing you seek depends upon how much you need, how you plan to use it, how long you need it and how you'll pay it back. In most cases, a combination of debt and equity is the most effective way to go. Debt financing and equity financing come in several forms and are used for a variety of purposes. Quasi-equity financing combines some of the features from debt financing and equity financing.

Debt Financing

Debt financing is money you borrow to run your business. You must repay borrowed money in full, usually in installments, with interest. A lender incurs risk and charges a corresponding rate of interest based on that risk. The lender usually assesses a variety of factors such as the strength of your business plan, management capabilities, financing, and your past personal credit history, to evaluate your company's chances of success. Types of debt financing include term loans, credit cards, operating loans or lines of credit, leasing, and repayable contributions.

Term Loan

A term loan is a secured commercial loan made to businesses for a specific period (normally three to ten years). It is repaid with interest, usually with regular periodical payments.

Term loans usually are granted for the purchase of longer-term fixed assets (land, buildings and equipment etc.). Other purposes may include working capital, business expansion investments and company acquisitions.

TERM LOAN	
ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">- Fixed interest rate for the full term. The interest rate risk is removed and the borrower's interest cost is pre-determined, thus simplifying the budget process.- Flexible term and amortization gives the borrower the ability to structure a financing suitable to its specific circumstances.- Loan cannot be recalled by the lender unless default has occurred.	<ul style="list-style-type: none">- Loan amount is limited to a percentage of the asset being financed. The exact amount will depend on the individual transaction.- Term loans usually have prepayment restrictions and if allowed at all, will attract an interest penalty. Lender may require security from the borrower which is in addition to security on the asset(s) being financed.- Typically term loans command a one-time processing fee of approximately 1% of the value of the loan.

A Road Map

to Tourism Financing

The repayment term of an individual loan will vary depending on the useful life of the asset being financed and the lending policy of the financial institution (e.g. 3 years for a computer, 10 years for machinery, etc.).

The interest rate on a term loan will be higher than the rate on an operating loan to reflect the risk associated with the longer term.

Credit Cards

This is a form of financing which gives a self-managed small business access to a line of credit up to a prescribed limit without restriction on the use of funds.

It is unsecured and is granted without the requirement for formal financial statements or business plans.

Credit Card lines of credit are extended based on the personal creditworthiness of the owner.

Operating Loan / Line of Credit

An operating loan is a loan made to businesses to supplement working capital.

Generally considered short-term loans, they are negotiated through a financial institution and established under a formalized line of credit which is subject to various terms and conditions.

Operating loans are usually payable on demand by the lender and the line of credit may be terminated at the option of either the lender or the borrower.

CREDIT CARDS

ADVANTAGES

- Provides access to cash via automated teller machine network.
- Flexible repayment options, i.e. monthly minimum or the entire balance.
- No transaction fees on purchases.
- Descriptive billing statements.

DISADVANTAGES

- Cost of borrowing may be higher than under a formalized operating line of credit.

OPERATING LOAN / LINE OF CREDIT

ADVANTAGES

- Provides a source of capital to finance daily operations of the company and to bridge unexpected cash flow interruptions and/or shortfalls.
- Gives a company the ability to take advantage of supplier discounts as available.
- Allows a company to minimize borrowings and maximize cash utilization since most lenders will automatically fluctuate operating loans daily. This results in reduced borrowing costs.
- The interest rate will change either up or down as the prime rate changes. This will advantage the borrower in an environment of lower interest rates.

DISADVANTAGES

- Cost of borrowing will increase if prime rate changes upward.
- Operating credit lines are generally subject to annual review and renewable by mutual agreement. The documentation however will provide that the lender can terminate the credit facility and demand payment of the loans at its option unless such termination can be triggered only by the incidence of specific events of default incorporated in the loan documentation.

Capital Lease / Operating Lease

A lease contract is an agreement under which the owner of the equipment (the "lessor") conveys to the user (the "lessee") the right to use the equipment in return for a number of specified payments over an agreed period of time.

A capital lease is usually used to finance equipment for the major part of its useful life, and there is a reasonable assurance that the lessee will obtain ownership of the equipment by the end of the lease term. A capital lease has similar characteristics to a term loan and a conditional sales contract.

An operating lease usually finances equipment for less than its useful life, and at the end of the lease term, the lessee can return the equipment to the lessor without further obligation.

Quasi-Equity

This is generally considered debt but having characteristics of equity capital, e.g. flexible repayment, expected higher rate of return and, for the most part, unsecured.

It usually refers to funds, other than paid-up capital and retained earnings, employed in a business and which will remain in a business as permanent capital.

Moneys granted to a company by the shareholders or some other party in the form of a loan might be classified as quasi-equity provided the repayment of such a loan is formally postponed to the benefit of other creditors. In some instances long-term debt may be considered quasi-equity especially where the repayment is spread over a long period of time.

Other examples of quasi-equity include 1) venture loans, 2) subordinated debt, and 3) mezzanine financing.

CAPITAL LEASE / OPERATING LEASE

ADVANTAGES

- Ability to maintain cash flow.
- Lower risk of obsolescence due to technological change.
- Lower stringent financial requirement at bankruptcy.
- Potentially more favorable tax implications.

DISADVANTAGES

- Higher interest cost.
- Difficulty of making property improvements.

QUASI-EQUITY

ADVANTAGES.

- Raising capital in the form of quasi-equity affords the owners of a company the opportunity to finance growth, investments, etc. without having to dilute their individual share position in the company.

DISADVANTAGES

- Debt financing vs. equity financing invariably involves giving security on company assets to lenders thereby potentially providing outside parties some say in the affairs of the business. Debt financing also means a company has undertaken debt commitments which must be met regularly from cash flow.

Equity Financing

Equity is the difference between the assets and liabilities of a company, often referred to as net worth. The equity of a company is the property of the owners or shareholders, also referred to as equity holders.

Equity financing is accumulated from savings and outside investors. Outside investors typically receive a portion of your company equity (ownership) in return for their investment. Types of equity financing include personal savings, which we discussed previously, venture capital or seed capital, retained earnings, and going public.

A Road Map

to Tourism Financing

Venture Capital / Seed Capital

Venture Capital is a term meaning equity and loan capital provided for a new and/or existing business undertaken by persons other than the proprietors.

It may consist of capital to provide funds for start-up situations and for existing high-risk small businesses suffering from capital deficiencies and a lack of collateral but having high profit potential as energizing growth companies, especially in the various fields of high technology. Venture Capital is provided by private investors, Merchant Banks and specialized venture capital institutions.

Seed Capital represents capital to provide funds for start-up situations.

VENTURE CAPITAL / SEED CAPITAL

ADVANTAGES

- Venture Capitalists are usually last resort providers of Capital without whom it would often not be possible to finance new technology or other new ideas out of the development stage.
- Rewards when realized can be substantial, especially in start-up situations.
- Venture Capitalists may participate on a board of Directors, therefore providing additional resources.

DISADVANTAGES

- Fraught with high risk for private sector investors.
- Potentially give up a percent of the company's stock to the venture capitalist.
- Expectation of a very high return on investment, typically 25% - 50% annually.
- Venture Capitalists may participate on a board of Directors, thus removing autonomy.

Other Types of Financing in Brief

Loan Guarantees

An agreement between an organization (usually a government body) and a lending institution in relation to a loan provided by the lending institution to a business, whereby the organization guarantees to pay the lending institution a high percentage or all of the amount of the loan in the event that the business defaults in its repayment of the loan to the lending institution.

Contributions (Repayable or Non-Repayable)

Repayable contributions are amounts provided by a lender to a business, which the business must pay back. They differ from term loans in that there may be no interest or only low interest charged, and the time period provided for repayment may be much more flexible.

Non-repayable contributions (sometimes referred to as grants) are amounts provided to a business which are not required to be repaid.

Retained Earnings

As your business begins to generate a profit, you can use the money to pay for its continued growth. Most growing businesses combine their retained earnings with other forms of equity and debt financing as they expand.

Working Capital Financing

Loans (see operating loans above) or other forms of financing are used to increase a company's working capital. Working capital reflects the liquidity of a company and its ability to meet its short term obligations. Working capital is determined by subtracting total current liabilities from total current assets.

Current assets are cash and other company assets that can be readily turned into cash within one year.

Current liabilities are the liabilities of a company due and payable within one year.

For a company to remain solvent, it must be able to meet its current liabilities and thus have an adequate amount of working capital.

The amount of working capital considered adequate may vary from one company to another depending on the type of business, composition of current assets, inventory turnover rate and credit terms.

Sufficient working capital may allow a company to expand its volume of business and take advantage of financial opportunities as they arise, while a lack of sufficient working capital and inability to liquidate current assets are frequent causes of business failure.

Going Public

This option is available primarily to fast-growth companies. This is when you offer and sell equity interests in the company (e.g., shares, warrants, options) through a stock exchange or broker network. Going public involves a rigorous process of regulatory compliance and promotion.

The Business Plan

What Can Planning Do for You?

Planning may be one of the most important activities to undertake before launching or expanding a business. It is something that should be done thoroughly at least once a year.

A business needs more than money and dreams to succeed. It needs careful planning and a committed follow-up. Business planning is the way to identify future pitfalls *before* they happen. With planning, you can make the right moves to avoid these pitfalls and overcome challenges. As well, you will be better prepared to take advantage of new opportunities as they come along. Business planning isn't something you do only to satisfy others when you're making funding requests or looking for advice and support. A good business plan is really something you do for yourself. It's a road map to success.

It summarizes, on paper, the past, current, and future activities of your business.

What is a Business Plan?

A business plan is the single most important document that you will produce in the lifetime of your company. It is the blueprint to your success. Although a business plan may seem tedious to complete, it is an important term of reference for you and your lender. Without a business plan, you will waste time, energy and money, often losing sight of your objective. You will find qualifying for a loan much easier if you approach your lender with a completed business plan.

Business plans outline overall strategies in words and numbers, mapping the route to your success. They are a step-by-step planning and tracking tool, listing goals, start-up or expansion decisions, financing, operating costs, contingency plans and long-term objectives. They take potential problems into consideration, preparing you for adverse conditions such as income shortfalls.

A Road Map

t o T o u r i s m F i n a n c i n g

In assessing loan applications, lenders look for well-thought-out business and financial planning. They need to see realistic cash flow projections, based on track records if possible, calculating amounts of debt a borrower can support. Outlining goal-oriented business strategies shows account managers that you are well organized and have thought about your company's future.



There is nothing mysterious about preparing a business plan. This working document can and should be produced with the assistance of outside advisers such as lawyers, accountants and respected business mentors. Remember, however, that it must be written by you.

Many small business operators expect their lenders to advise them on financial management, economic trends, taxation, etc. Lenders are not business consultants. Their job is to advise you on financing your business and other related issues. Don't rely on your lender to be an expert on your business, you need to be your own small business expert.

Your business plan should also clearly and concisely state your primary objective, reporting honest financial projections, not just numbers that will impress potential investors or lenders. Include cash flow forecasts, profit and loss statements (if you've


been in business for some time) and a statement of personal assets and liabilities.

The covering letter you attach to your business plan should summarize how much money you need to borrow, the type of financing you are seeking (e.g. term loan, operating loan, etc.), what the funds will be used for, repayment plans and sources of collateral.

Although a conclusion is optional, it reiterates your aims and objectives and the amount and type of your loan request, and gives a sense of finality to your business plan. One of the most important documents in your business plan will be a marketing proposal. Before contemplating business start-up or expansion, be certain there is need and demand for your product or service. A thorough market research study will dictate whether to start or expand a particular business. The other critical document in your business plan will be a realistic financing proposal. If both these documents are prepared properly, they'll emphasize to your lender that you have thought out your own business plan to the last detail.

Once you have completed your business plan stick to it, but be prepared to fine tune it or completely rewrite it as the needs of your customers and economic climates change. Pay close attention to these changes, never losing sight of your company's goals.





Preparing Your Business Plan

The information in this guide outlines the main components of a business plan, highlighting the most critical contents. It should be emphasized that it isn't intended to give a detailed account of how to write a business plan. If you are having difficulty in completing this document, there are many books and reference materials available to help you. A number of banks produce detailed business plan information kits that will assist you with your task.

A business plan consists of eleven basic elements: cover page, table of contents, executive summary, company summary, company management, marketing proposal, financing proposal, operational data, environmental statement, conclusion and appendices. See the following page.

Keep in mind that the executive summary is one of the most important parts of your business plan. Many business plans are submitted to financing professionals whom often do not have the time to read past the executive summary. Therefore, your executive summary should summarize the key points of your plan, and make the reader want to read the rest. Since the make-up of a business plan has already been outlined, we will next examine three key segments: the marketing proposal, the financing proposal and collateral.

A Road Map

to Tourism Financing

What Your Business Plan Should Contain

COVER PAGE

- Company name, address, telephone and fax numbers
- The company contact(s) and their titles

TABLE OF CONTENTS

- Note major headings in your business plan

EXECUTIVE SUMMARY

- 1-2 page summary of the most important points of your plan

COMPANY SUMMARY

- Complete a company history
- Clearly written as a 1-2 page synopsis
- Company aims and objectives
- Amount of financing required
- Future company plans

COMPANY MANAGEMENT

- Background, responsibilities and qualifications of key personnel

MARKETING PROPOSAL

- Details of product or service and respective costs
- Market research conducted
- Business prospecting ideas
- Promotions & public relations campaigns

FINANCING PROPOSAL

- Cash flow forecast
- Repayment proposal
- Collateral

OPERATIONAL DATA

- Name, address, telephone / fax number of lender account manager (include bank branch data), lawyer and accountant
- Shareholder listing
- Legal status of business (incorporation, sole proprietorship, etc.)

ENVIRONMENTAL STATEMENT

- Company green plan

CONCLUSION

- Restate your aims and objectives
- List loan amount, type and reasons for loan
- Explain why you are a prime candidate for a loan

APPENDICES

- Detailed management biographies
- Product literature
- Asset valuation
- Financial statements
- Detailed cash flow forecasts
- Major contracts
- Profit & loss statements

Your Marketing Proposal

This component of your business plan should detail your product or service, its cost, marketing and promotional strategies and client demographics.

Before completing this section, it is important to understand and evaluate the market for your tourism product or service. This is where market research enters the picture. The information you gather during your research will form a critical part of the marketing strategy and marketing proposal section of your business plan. Market research involves learning about and understanding your potential customers, the competition and the industry. This can help you target your business.

How can you learn about your market and potential customers? Talk to other entrepreneurs and even interview potential customers. Explore free sources of information, including:

- The Tourism Reference and Documentation Centre of the Canadian Tourism Commission
- Provincial/territorial government tourism departments
- Statistics Canada
- other federal government agencies (Please see the "Additional Sources of Information" section of this guide for contact information on the above sources)
- local board of trade or chamber of commerce
- tourism industry associations
- trade journals
- suppliers
- competitors

Your marketing proposal should answer the following questions:

- 1) What tourism product or service do you plan to sell? Why is it unique? What sets your product or service apart from the competition?
- 2) How much does your product or service cost? Does your price compare with the competition's? If it's higher, why is it more expensive? If it's lower, are you selling a quality product or service?
- 3) Which segment of the tourism market will you focus on? For example, will you target baby boomers interested in adventure or eco-tourism?
- 4) Is your target segment large enough to make your business worthwhile? Why do you think so?
- 5) Where and how will you market your product or service? Should you budget for media advertising and a public relations campaign? What about trade shows, the Internet or free publicity opportunities? How much will you rely on word of mouth?
- 6) Does your marketing material reflect the professionalism of your company?
- 7) Where are your potential customers, e.g. percentage of domestic, U.S. and overseas tourists? How do you plan to reach these customers?
- 8) What is the location of your enterprise? Why did you choose it? What are the details of the geography? Is it a year-round facility?
- 9) Is there a common element linking your customers? For example, do the majority of your customers live in the same area, receive a daily newspaper, listen to one radio station, commute to their job via public transportation?

If you have a product or service that is in demand and you can determine your client base, entice them with good sales techniques and a professional image - you will find that your business will appeal to your target audience, resulting in increased sales.

A Road Map

to Tourism Financing

Your Financing Proposal

Lenders must be assured that people starting or expanding a small business will:

- 1) be honest business people,
- 2) follow their business plans (amending them as necessary),
- 3) operate a profit-making company, and
- 4) repay loans regularly and on time.

Three major items should be addressed when preparing the financial proposal of your business plan: cash flow forecasting, collateral and the loan payment proposal. Always remember that your account manager will only offer you a business loan if your financial proposal is a bankable proposition. Lenders cannot risk taking on a customer that will not repay a business loan.

Finally, be accurate and honest in your projections. Your financing proposal may be the pivotal factor deciding whether you obtain a loan.

Cash Flow Forecast

Of all the supporting documentation in a business plan, the cash flow forecast is one of the most complicated to prepare.

The cash flow forecast projects cash flow during the period covered by your business plan (business income and the frequency of its arrival). More specifically, it outlines daily operating costs (running your business on a day-to-day basis), affordable inventory items and when you can purchase these inventory items.

Projected operating costs and profits should realistically

estimate how quickly customers will pay their invoices. Your projections should also outline anticipated expenses that must be paid to maintain your business until you receive payment from your customers. Neglecting to follow your cash flow forecast closely can cause your business to fail.

Interestingly enough, when asked, many business owners say business failure is due to low levels of assets and receivables. This is not true. The majority of businesses meet their demise because assets and receivables are not managed properly. This cannot be emphasized enough.

Ask your accountant to outline how to organize your cash flow forecast, or obtain forms at your bank branch or commercial banking centre. Preparing an accurate cash flow forecast and using it daily will help you stay in control of your business through both the difficult and smooth periods.

Collateral

Bankers or other lenders need to know that your financing proposal represents a safe and profitable investment. Usually you, as the borrower, must pledge collateral to secure your loan request. However, not all loans require that collateral be pledged. Collateral requirements are a function of the inherent risk as assessed on each individual situation. If your business plan clearly demonstrates the ability to generate sufficient profits to repay a loan, the account manager will feel more comfortable in offering you a loan.

Collateral is an important financial back-up in case you cannot repay a loan. Lenders hope never to sell or realize on pledged collateral as a source of repayment. It is also important to remember that even if you have enough collateral to back a loan, the lender may not necessarily lend you any money unless

it believes you will have sufficient cash flow to repay the loan.

Assuming your financing proposal is sound and your entire business plan is accepted by the account manager, this is what you can anticipate.

The bank or other lender may require you to pledge various types of collateral to secure your loan. What you pledge depends on personal financial circumstances and how solidly your business is established.

Most banks accept the following business collateral: accounts receivable, real estate, inventory, equipment and/or automobiles. Personal assets may also be considered such as, homes, stocks and bonds, life and fire insurance and pledges of tangible assets from third-party guarantors (savings, bonds and collateral mortgages on residences).

In business ventures that require little start-up equipment and/or inventory - for example, a travel agency business -- third party guarantees and personal assets are especially important. In these cases, banks often ask for extensive financial histories and lists of outside assets before lending money. This financial data ensures the business person's business commitment and that he or she can afford to make regular loan payments.

Owners of any type of business, new or expanding, should expect to prove ownership and estimated market value of assets outlined as collateral. It should be noted that banks rarely give credit for 100 per cent of the current market value of collateral because:

- 1) it is difficult to assign value to assets such as company shares or products or services during the development phase;
- 2) safety margins are required to protect shareholders and depositors because assets fluctuate sometimes and cannot be sold for full value; and
- 3) the value of collateral tends to diminish in default and liquidation situations, resulting in a lower recovery rate on the outstanding loan.

It is vital that small business owners know the ramifications of defaulting on loan payments. However, if a healthy cash flow and client base are maintained, you will be able to repay your loan and the lenders will never realize on pledged collateral.

Loan Repayment Proposal

You and your lender will negotiate the terms and conditions of your loan. These arrangements will depend on the lender's assessment of you and your business, the amount of the loan, the reasons why you wish to borrow the money, payment terms, current interest rates and economic conditions.

Your repayment proposal should be based on your cash flow forecast and the nature of the loan. Suggest the loan size and payment frequency to your lender, indicating your priorities and expectations. Many small business owners repay loans on a monthly basis. On the advice of your accountant, choose a payment plan that best suits your business.

If you are looking for money to cover daily operating expenses, your repayment proposal should be based on volume and turnover of accounts receivable and the amount of inventory you have on hand. Your banker or other lender may suggest an operating credit or demand loan that permits you to revolve the loan as you collect your accounts receivable.

Your repayment proposal must be based on a long-term business plan. If you request a term loan to purchase equipment, machinery, land or buildings, expect to repay the loan within the useful life-span of the asset being purchased. Normally you would be expected to make regular payments of principal and interest. Repayment of a term loan is usually made from surplus cash flow (profits and depreciation generated).

The bottom line is, if you carefully monitor your cash flow and are able to make regular loan payments, you will be establishing a good repayment track history and credit rating.

A Road Map

t o T o u r i s m F i n a n c i n g

Be Environmentally Friendly

Because of the increasing number of laws regulating Canadian businesses on environmental issues, banks are requesting that potential borrowers include an environmental statement in their business plan - a company green plan.

When your company approaches the bank for a loan, you must prove that you are environmentally friendly. Banks need to know that your business meets or exceeds all applicable government environmental laws and regulations so they can safely offer a loan.

If your business is not environmentally friendly, it is unlikely that a bank will offer you a loan. In the event that the bank must realize on pledged security and the pledged security is contaminated or is polluting the environment, the bank may be liable for the clean-up of that contaminated collateral. Therefore, environmental risks and whether they can be remedied in the short term, affect loan pricing, terms and availability.

Be sure your business plan indicates your company's environmental commitment.

Presenting Your Loan Request

The following guidelines were provided by the Canadian Bankers Association in their booklet "Financing a Small Business, Working with Your Bank". However, the basic principles outlined may be followed in your dealings with other lenders or providers of financial assistance. Be sure to check with the appropriate authority in advance to find out what is required.

Your loan request is really your financing proposal. It should contain financial and non-financial data, indicating the amount of money you wish to borrow and the details of your loan payment plan. Usually there isn't a standard loan application form for small business borrowers to fill out. Instead, your banker may complete an application form from notes taken during your business plan presentation.

To prepare yourself for this important meeting with your account manager be sure to:

- 1) Make an appointment with your banker to present and discuss your business plan. Don't drop in unexpectedly. If you have a business partner, he or she should also be present. Dress appropriately.
- 2) Introduce your business aims and objectives, i.e., the type of business, why you require financing, etc.
- 3) Present your business plan and supporting documents in an organized fashion.
- 4) When asked questions by your banker, don't be alarmed. Your account manager is assessing you and your presentation, gauging how well you understand your proposed business venture. If you cannot answer certain questions, explain why and indicate when you will be able to supply the required answers. Follow up promptly.
- 5) Have answers available on collateral and other sources of financing. Include loan security asset data. If someone is lending you money, outline the terms and payment schedules.
- 6) If you have an existing small business, invite your banker to visit and observe your premises and operation. This will give the account manager a feel for the business and the opportunity to meet key employees.

Your banker will be very interested in your new business or expansion plans, so tackle your presentation in a positive manner. Be candid and willing to discuss any issue in depth. At this meeting you will be negotiating the terms and conditions of your loan, so remember to bring all relevant documents.

If you present yourself and the concept of your small business in a professional manner, backed by accurate facts and figures, it will be that much easier to obtain a loan.

Conclusion

This guide provides basic information which you, the operator of a small or medium-sized tourism business, can use in making decisions relating to the financing of your business. Obtaining financing takes time and will probably require a good deal of work on your part. It is important that you start the process early.

Most businesses use a combination of types of financing to support their activities. You should decide which types of financing would best suit your needs, and then which sources or providers of these types of financing you wish to approach. Remember, it is usually a good idea to start with your banker as a first step, and that they and other lenders place particular importance on your own personal financial commitment in your business. The sections on where and how to seek financing and types of financing in this guide, as well as the financing program chart and list of programs contained in Part II, have been designed to help you in your decisions concerning types of financing and who to approach to obtain it. The concept of "business partnering" was introduced as a creative financing strategy.

The importance of planning before launching or expanding a business cannot be over-emphasized. This guide describes how to prepare an informed and convincing business plan in order to improve your chances for success in obtaining financing. You will find qualifying for financing much easier if you approach your provider with a well-prepared business plan.

When applying for financing, it is important to be candid with the provider and present yourself and your business in a professional manner, supported by accurate facts and figures. Remember that your individual tourism business is unique, so your challenge is to convince the provider that your business has good prospects for success and that the investment would represent a sound business decision on the provider's part. If your initial proposal is rejected, do not be discouraged. Ask for an explanation, try to learn from the experience, go back and improve or review your proposal where necessary, and resubmit your proposal to the same or to another financial provider.

Over the past three years or so, we have seen the addition of many new products and services, by financial providers, aimed specifically at SMEs. The Canadian Tourism Commission sincerely hopes that this development will benefit you, the small or medium-sized tourism operator. We also hope that the information, suggestions and listing of programs contained in this guide will help you in your efforts to obtain financing and financing-related services, and that this will in turn go a long way toward ensuring your continued success and profitability.



A Road Map

to Tourism Financing

Additional Sources of Information

(I) Contacts

(In addition to those listed in Part II)

Federal Government Departments and

Regional Agencies

Aboriginal Business Canada

Tel: (613) 954-4064

Website: <http://abc.gc.ca>

Provides services and support to Aboriginal entrepreneurs, youth and organizations to promote the success of their businesses in Canada and the world.

Atlantic Canada Opportunities Agency

Tel: (506) 851-2271

Toll-free: 1 800 561-7862

Website: www.acoa.ca

By helping people to set up new businesses or expand existing ones, ACOA'S goal is to improve Atlantic Canada's economy.

Business Development Bank of Canada

Toll-free: 1 888 INFO-BDC

Website: www.bdc.ca

Plays a leadership role in delivering financial and management services, with a particular emphasis on the emerging, growth and export sectors. There are more than 80 branch offices across Canada.

Canada Business Service Centres (CBSCs)

Website: www.cbsc.org

CBSCs are designed to improve business access to a wide range of information on government services, programs and regulations. The Centres are a collaborative effort between federal, provincial and private sector organizations. A CBSC has been established in a major urban centre in each province. Contact information on each CBSC is listed below under the relevant province.

ALBERTA

The Business Link Service Centre

#100 – 10237 – 104 Street NW

Edmonton, Alberta T5J 1B1

Tel : (780) 422-7722

Toll-free : 1 800 272-9675

Fax : (403) 422-0055

BRITISH COLUMBIA

Canada/British Columbia Business Service Centre

601 West Cordova Street

Vancouver, British Columbia

V6B 1G1

Tel: (604) 775-5525

Toll-free: 1 800 667-2272

Fax: (604) 775-5520

Website: www.sb.gov.bc.ca/smallbus/sbhome.html

MANITOBA

Canada/Manitoba Business Service Centre

P.O. Box 2609

Office 250-240 Graham Ave.

Cargill Building

Winnipeg, Manitoba R3C 4B3

Tel: (204) 984-2272

Toll-free: 1 800 665-2019

Fax: (204) 983-3852

Website: www.cbsc.org.manitoba.html

NEW BRUNSWICK

Canada/New Brunswick Business Service Centre

570 Queen Street

Fredericton, New Brunswick E3B 6Z6

Tel: (506) 444-6140

Toll-free: 1 800 668-1010

Fax: (506) 444-6172

Website: www.cbsc.org/nb/index.html

NEWFOUNDLAND and LABRADOR

Canada/Newfoundland and Labrador

Business Service Centre

90 O'Leary Avenue

P.O. Box 8687, Station A

St. John's, Newfoundland

A1B 3T1

Tel: (709) 772-6022

Toll-free: 1 800 668-1010

Fax: (709) 772-6090

Website: www.cbsc.org/nfld/index.html

NORTHWEST TERRITORIES

Canada/NWT Business Service Centre

Scotia Centre, 8th Floor

P.O. Box 1320

Yellowknife, NT X1A 2L9

Tel: (867) 873-7958

Toll-free: 1 800 661-0599

Fax: (867) 873-0101

Website: www.cbcs.org/nwt/index.html

NOVA SCOTIA

Canada/Nova Scotia Business Service Centre

1575 Brunswick Street

Halifax, Nova Scotia B3J 2G1

Tel: (902) 426-8604

Toll-free: 1 800 668-1010

Fax: (902) 426-6530

Website: www.cbcs.org/ns/index.html

ONTARIO

Canada/Ontario Business Service Centre

151 Young St., 9th Floor

Toronto, Ontario M5C 2W7

Tel: (416) 954-4636

Toll-free: 1 800 567-2345

Fax: (416) 954-8597

Website: www.cbcs.org/ontario/index.html

PRINCE EDWARD ISLAND

Canada/Prince Edward Island Business Service

Centre

75 Fitzroy Street

P.O. Box 40

Charlottetown, Prince Edward Island

C1A 7K2

Tel: (902) 368-0771

Toll-free: 1 800 668-1010

Fax: (902) 366-7377

Website: www.cbcs.org/pe/

Entreprise PEI

West Royalty Industrial Park

Charlottetown, Prince Edward Island

C1E 1B0

Tel: (902) 368-5800

The agency is a resource centre for all small businesses.

It offers marketing and business development programs and assists businesses in obtaining financing.

QUEBEC

Info entrepreneurs

5 Place Ville Marie

Suite 12500, Plaza Level

Montreal, Quebec H3B 4Y2

Tel: (514) 496-4636

Toll-free: 1 800 322-4636

Fax: (514) 496-5934

Website: <http://infoentrepreneurs.org>

SASKATCHEWAN

Canada/Saskatchewan Business Service Centre

122-3rd Avenue North

Saskatoon, Saskatchewan S7K 2H6

Tel: (306) 956-2323

Toll-free: 1 800 667-4374

Fax: (306) 956-2328

Website: www.cbcs.org/sask/index.html

YUKON

Canada/Yukon Business Service Centre

201-208 Main Street

Whitehorse, Yukon Y1A 2A9

Tel: (867) 633-6257

Toll-free: 1 800 661-0543

Fax: (867) 667-2001

Website: www.cbcs.org/yukon/index.html

Canada Economic Development for Quebec Regions (Quebec)

Tel: (514) 496-4636

Toll-free: 1 800 322-4636 (Info entrepreneurs hotline)

Website: www.dec-ced.gc.ca

Through offices in regions around the province, CED provides a range of services for Quebec SMEs. For program information call the Info entrepreneurs hotline

1 800 322-4636 or (514) 496-4636.

Canada Economic Development Offices:

Abitibi-Témiscamingue

906, 5e avenue

Val-d'Or, Québec J9P 1B9

Tel: (819) 825-5260

Toll-free: 1 800 567-6452

Fax: (819) 825-3245

A Road Map

to Tourism Financing

Bas-Saint-Laurent-Gaspésie-Îles-de-la-Madeleine

Édifice Trust général du Canada
2, rue Saint-Germain Est, bureau 310
Rimouski, Québec G5L 8T7
Tel : (418) 722-3282
Toll-free : 1 800 463-9073
Fax : (418) 722-3285

Centre du Québec

Place du Centre
150, rue Marchand, bureau 502
Drummondville, Québec J2C 4N1
Tel : (819) 478-4664
Toll-free : 1 800 567-1418
Fax : (819) 478-4666

Côte-Nord

701, boul. Laure, 2e étage
Bureau 202B, C.P. 698
Sept-Îles, Québec G4R 4K9
Tel : (418) 968-3426
Toll-free : 1 800 463-1707
Fax : (418) 968-0806

Estric

Place Andrew Paton
65, rue Belvédère Nord, bureau 240
Sherbrooke, Québec J1H 4A7
Tel : (819) 564-5904
Toll-free : 1 800 567-6084
Fax : (819) 564-5912

Laval-Laurentides-Lanaudière

Tour du Triomphe II
2540, boul. Daniel-Johnson, bureau 204
Laval, Québec H7T 2S3
Tel : (450) 973-6844
Toll-free : 1 800 430-6844
Fax : (450) 973-6851

Mauricie

Immeuble Bourg du Fleuve
25, rue des Forges, bureau 413
Trois-Rivières, Québec G9A 2G4
Tel : (819) 371-5182
Toll-free : 1 800 567-8637
Fax : (819) 371-5186

Montréal

Complexe Saint-Charles
1111, rue Saint-Charles Ouest
Bureau 411
Longueuil, Québec J4K 5G4
Tel : (450) 928-4088
Toll-free : 1 800 248-0335
Fax : (450) 928-4097

Île-de-Montréal

Tour de la Bourse
800, square Victoria
Bureau 3800, C.P. 247
Montréal, Québec H4Z 1E8
Tel : (514) 283-2500
Fax : (514) 496-8310

Nord-du-Québec

Tour de la Bourse
800, square Victoria
Bureau 3800, C.P. 247
Montréal, Québec H4Z 1E8
Tel : (514) 283-5174
Toll-free : 1 800 561-0633
Fax : (514) 496-7609

Outaouais

259, boul. Saint-Joseph, bureau 202
Hull, Québec J8Y 6T1
Tel : (819) 994-7442
Toll-free : 1 800 561-4353
Fax : (819) 994-7846

Québec-Chaudière-Appalaches

112, rue Dalhousie, édifice John-Munn, 2e étage
Québec, Québec G1K 4C1
Tel : (418) 648-4826
Toll-free : 1 800 463-5204
Fax : (418) 648-7291

Saguenay-Lac-Saint-Jean

170, rue Saint-Joseph Sud, bureau 203
Alma, Québec G8B 3E8
Tel : (418) 668-3084
Toll-free : 1 800 463-9808
Fax : (418) 668-7584

Headquarters

Tour de la Bourse
800, square Victoria
Bureau 3800, C.P. 247
Montréal, Québec H4Z 1E8
Tel : (514) 283-6412
Fax : (514) 283-3302

The Canadian Tourism Commission (CTC)

A partnership of the private and public sectors whose mission is to promote the growth and profitability of Canada's tourism industry. A list of CTC publications, which include guides, tourism market research reports and studies, industry sector analyses, and industry performance summaries, may be obtained by contacting the CTC's Tourism Reference and Documentation Centre at (613) 954-3943, fax 954-3945, E-mail: trdc.ctc@ic.gc.ca.
Website: www.canadatourism.com

Federal Economic Development Initiative for Northern Ontario (FedNor)

Tel: (705) 942-1327
Toll-free: 1 877 333-6673
Website: <http://fednor.ic.gc.ca>
Helps Northern Ontario businesses and economic development organizations access capital, information and markets.

Human Resources Development Canada (HRDC)

Toll-free: 1 800 277-9914 (English)
Toll-free: 1 800 277-9915 (French)
Website: www.hrdc-drhc.gc.ca
Operates Human Resource Centres across Canada which offer information on a variety of programs and services for small business as well as counseling, training and assistance with hiring new employees. Initiatives also available to help the unemployed wanting to start a business.

Industry Canada

Tel: (613) 947-7466 (general information)
Website: <http://info.ic.gc.ca>
Website: <http://strategis.ic.gc.ca>
Offers a wealth of information, programs and services for businesses, on everything from getting started to accessing new markets. Also operates Strategis, Canada's largest business information website.

Small Business Loans Administration

Tel: (613) 954-5540
Fax: (613) 953-0290
Website: www.strategis.ic.gc.ca/sbla/

Statistics Canada

Statistics Canada is the country's central statistical agency. It collects, processes, analyses and disseminates data on social and economic issues.

Lobby, R.H. Coates Building
Tunney's Pasture
Ottawa, Ontario K1A 0T6
Tel: (613) 951-8116
Toll-free: 1 800 263-1136
Fax: (613) 951-0581
Website: www.statcan.ca

Regional Statistics Canada Offices:

ALBERTA and NORTHWEST TERRITORIES

Park Square, 9th Floor
10001 Bellamy Hill
Edmonton, Alberta T5J 3B6
Tel: (403) 495-3027
Toll-free: 1 800 263-1136
Fax: (403) 495-5318

BRITISH COLUMBIA and YUKON

600-300 West Georgia Street
Vancouver, British Columbia
V6B 6C7
Tel: (604) 666-3691
Toll Free: 1 800 263-1136
Fax: (604) 666-4863

MANITOBA

VIA Rail Building, Suite 200
123 Main Street
Winnipeg, Manitoba R3C 4V9
Tel: (204) 983-4020
Toll-free: 1 800 263-1136
Fax: (204) 983-7543

NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND, NEWFOUNDLAND AND LABRADOR

Regional Reference Centre
1741 Brunswick Street, 2nd Floor, Box 11
Halifax, Nova Scotia B3J 3X8
Tel: (902) 426-5331
Toll-free: 1 800 263-1136
Fax: (902) 426-9538

ONTARIO

10th Floor
Arthur Meighen Building
25 St. Clair Avenue East
Toronto, Ontario M4T 1M4
Tel: (416) 973-6586
Toll-free: 1 800 263-1136
Fax: (416) 973-7475

A Road Map

to Tourism Financing

QUEBEC

Guy Favreau Complex
200 René-Lévesque Blvd. W.
Suite 412, East Tower
Montreal, Quebec H2Z 1X4
Tel: (514) 283-5725
Toll-free: 1 800 263-1136
Fax: (514) 283-9350

SASKATCHEWAN

Park Plaza, Suite 440
2365 Albert Street
Regina, Saskatchewan S4P 4K1
Tel: (306) 780-5405
Toll-free: 1 800 263-1136
Fax: (306) 780-5403

Western Economic Diversification Canada

Toll-free: 1 888 338-9378
Website: www.wd.gc.ca

With a delivery network of some 90 points of service across Western Canada, SMEs in most rural and urban centres can access a range of business services. This Western Canada business service network includes Community Futures Development Corporations, Women's Enterprise Initiative offices and regional offices. Check out the website for information and links to these services.

MISCELLANEOUS CONTACTS

Canadian Franchise Association

Tel: (905) 625-2896
Toll-free: 1 800 665-4232
Website: www.cfa.ca
Provides assistance to those seeking franchise opportunities, and offers publications with information on franchising.

Canadian Venture Capital Association

Tel: (416) 487-0519
Fax: (416) 487-5899
Website: www.cvca.ca
Promotes Canadian business through the use of venture capital and through networking, research and education. The CVCA Annual Statistical Review and Directory, available free of charge from the CVCA or on the website, includes a listing of all full members of the CVCA, contact information, information on the dollar size of investments, sectors of investment and type of investment.

Commercial Opportunities and Investment Network

188 Credit Creek Blvd
Orangeville, Ontario L9W 4T3
Toll-free: 1 800 931-1002
COIN is a computerized data base designed to link entrepreneurs with private investors.

(II) Other Publications or Materials

BDC Business Plan (Booklet and forms to produce a business plan). To obtain copies, contact the BDC office nearest you or call, Toll-free, 1 888 INFO-BDC.

Developing Business Opportunities Through Partnering. A Handbook for Canada's Tourism Industry. Produced for Industry Canada-Tourism by KPMG Management Consulting. A copy may be obtained from the CTC Distribution Centre, Industry Canada, C.D. Howe Bldg., 235 Queen Street, Room S114, Ottawa, ON K1A 0H6,
Tel: (613) 954-1724, fax: (613) 952-2320,
Email: sigouin.gilles@ic.gc.ca

Financing a Small Business - Working With Your Bank, published by the Canadian Bankers Association. To obtain copies: 1 800 263-0231 or visit website at www.cba.ca

Getting Started in Small Business, published by the Canadian Bankers Association. To obtain copies call 1 800 263-0231, or visit website at www.cba.ca

What's New in Debt Financing for Small and Medium-Sized Enterprises? A Conference Board of Canada report by Catherine Moser and Pierre Vanasse. For information about this publication, please contact the Publications Information Centre at (613) 526-3280, fax (613) 526-5248,
Email: pubsales@conferenceboard.ca

Where to Go When the Bank Says No: Financing your Small Business in Canada, Fitchett, Gary; Alton, John; Aldridge, Kathleen. McGraw-Hill Ryerson, 1998 (SOHO Solutions for Canadians).

Your Guide to Government of Canada Services and Support for Small Business, published by Industry Canada. Copies may be obtained from: Distribution Services, Communication Branch, Industry Canada, 205D, West Tower, 235 Queen St., Ottawa, ON K1A 0H5
Tel: (613) 947-7466
Fax: (613) 954-6436; or from the Canada Business Service Centre nearest you.

In addition, many banks and other financial institutions offer software programs, for free or at nominal cost, which assist in the preparation of a business plan. Other business plan programs are commercially available.

A Road Map

to Tourism Financing



PART 2

Existing Sources of Financial Assistance

A Road Map

to Tourism Financing



Guide for Small and Medium-sized Businesses

How to Use the Program Chart and List of Programs

This Part contains a chart and a list of various financing and financing-related programs sponsored by the federal government, provincial/territorial governments, private industry and various associations. Because of the multitude of programs in existence in localities across the country and because of their ever changing nature, it is not possible to list them all here. However, this list is intended as a good starting point for tourism businesses. Once you begin to contact listed programs, you may be told of other programs which may apply to your particular situation. Be sure to ask!

The chart and list are divided into three sections:

1. National Programs - these are programs to which businesses located anywhere in Canada can apply;
2. Regional Programs - businesses located in any of a group of provinces can apply; and
3. Programs or program components to which only businesses located in one particular province can apply.

You should check all three sections to find all the programs that apply to your location.

The chart which precedes the detailed list was prepared to give you a quick overall picture of program types. It guides you in determining whether or not a program is suitable for your particular financing or financing-related needs. Please note that a number of programs which provide business services only - such as training or consulting - and not financing *per se* have been included, on the premise that these programs can save you money. A check mark in a column indicates that funds provided by the program may be used for the purpose stated, except in the Human Resources and Consultant Advice Columns, where a check mark indicates that the program actually provides these services.

In the detailed listing, the program name, sponsor, type of program, contact information, criteria of eligibility and a brief description are provided. Please note that trust companies, credit unions, caisses populaires, and other financial lending institutions often provide programs and services similar to those of the banks, but have not been included in the listing.



	Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
Aboriginal Business Canada - Tourism Business	Repayable and non- repayable financial contributions	✓	✓	✓	✓		✓	✓	✓
Bank of Montreal	Programs and services of various types	✓	✓	✓	✓		✓	✓	✓
BDC - Growth Capital for Aboriginal Business	- Term loans - Mentoring	✓	✓						✓
BDC - Micro- Business Program	- Term loans - Management training / counselling - Mentoring	✓	✓	✓	✓	✓	✓	✓	✓
BDC - Techno.net	Term loans				✓				
BDC - Term Loans	Term loans	✓	✓	✓	✓	✓	✓	✓	✓

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
BDC – Tourism Investment Fund - Development Capital for Tourism	Flexible term loans	✓	✓	✓	✓	✓	✓	✓
BDC - Venture Capital	Quasi-Capital	✓	✓	✓	✓	✓	✓	✓
BDC - Venture Loans	Quasi-equity	✓	✓				✓	✓
BDC - Working Capital for Growth	Term loans		✓			✓		✓
BDC - Young Entrepreneur Financing Program	- Term Loans - Business management support	✓	✓	✓	✓	✓	✓	✓
Canada Community Investment Plan (CCIP)	Venture capital access facilitation				✓	✓		
Canada Small Business Financing Act (CSBFA)	Term loan guarantees offered through financial institutions across Canada	✓	✓					

	Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
CIBC	Programs and services of various types	✓	✓	✓	✓		✓	✓	✓
Commercial Development Program (DIAND)	- Term loans - Loan guarantees	✓			✓				
HRDC - Labour Market Partnerships	Funding programs					✓			✓
Industrial Research Assistance Program	- Financial assistance - Pre-commercialization assistance			✓	✓		✓		
National Bank of Canada	Programs and services of various types	✓	✓	✓	✓		✓	✓	✓
Royal Bank of Canada	Programs and services of various types	✓	✓	✓	✓		✓	✓	✓
Scotiabank	Programs and services of various types	✓	✓	✓	✓		✓	✓	✓
TD Bank	Programs and services of various types	✓	✓	✓	✓		✓	✓	✓
Tourism Careers for Youth	Employee training/supervise training and support fee					✓			✓

REGIONAL PROGRAMS - Atlantic, Quebec and Ontario

	Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
ACOA Business Development Program	Interest-free, unsecured, repayable contributions	✓		✓	✓	✓		✓	
Community Futures Development Corporation	- Term loans - Loan guarantees - Equity financing - Counselling	✓	✓	✓	✓	✓	✓	✓	✓
Northern Ontario Economic Development Fund	- Conditional loans	✓	✓	✓	✓				✓
Northern Ontario Not for Profit Fund	- Conditional loans	✓		✓	✓	✓		✓	
Northern Ontario Tourism Fund	- Conditional loans	✓	✓					✓	✓
Tourism Atlantic - Business Support Program	Non repayable contributions			✓	✓			✓	

REGIONAL PROGRAMS - Western

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
Community Futures Development Corporation	- Term loans - Loan guarantees - Equity financing - Business Counselling	✓	✓	✓	✓	✓	✓	✓
WD - Tourism Loan Fund	Term loans	✓	✓		✓	✓	✓	✓
Women's Enterprise Initiative	- Term loans - Business information, advice and other services	✓			✓	✓		

PROVINCIAL/TERRITORIAL PROGRAMS - Alberta

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/employment)	Consultant Advice	Marketing Activities	Working Capital
AOC- Financing for Alberta Business	Term loans and partial guarantees of bank operating lines of credit	✓	✓					
Rural Development Initiative	Terms loans to local governments	✓	✓					
Travel Alberta	Marketing programs						✓	

PROVINCIAL/TERRITORIAL PROGRAMS - British Columbia

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/employment)	Consultant Advice	Marketing Activities	Working Capital
Employee Share Ownership Program	Equity financing	✓						
Equity Capital Program	Venture Capital		✓					
Working Opportunity Fund (EVCC) Ltd.	Venture Capital	✓	✓					

PROVINCIAL/TERRITORIAL PROGRAMS - Manitoba

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
Business Start Program	Loan guarantee	✓			✓			✓
Tourism Product Development Program	Product development and marketing assistance	✓	✓	✓	✓	✓	✓	
Rural Entrepreneur Assistance	Loan guarantee	✓	✓					✓
The Development Fund	Business Loans	✓	✓					✓

PROVINCIAL/TERRITORIAL PROGRAMS - New Brunswick

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
Small Entrepreneur Capital Assistance Program (SECAP)	Non-repayable contributions	✓			✓			✓

PROVINCIAL/TERRITORIAL PROGRAMS - Newfoundland & Labrador

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/employment)	Consultant Advice	Marketing Activities	Working Capital
Community Business Development Corporation Program	- Term loans - Business information and counselling	✓	✓			✓		
Graduate Employment Program	Non-repayable contributions				✓			
Targeted Wage Subsidy Program	Non-repayable contributions		✓		✓			✓
Wage Subsidy Employment Program	Employment generation/ support				✓			

PROVINCIAL/TERRITORIAL PROGRAMS - Northwest Territories

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/employment)	Consultant Advice	Marketing Activities	Working Capital
Business Development Fund	Grants and non-repayable contributions	✓	✓	✓				✓
Community Futures Program	- Term loans - Equity financing - Loan guarantees - Advisory services	✓			✓	✓		

PROVINCIAL/TERRITORIAL PROGRAMS - Nova Scotia

	Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
Community Business Loan Program	Term loans	✓	✓	✓	✓	✓	✓	✓	✓
Nova Scotia Business Development Corporation	- Term loans - Loan guarantees	✓	✓						✓

PROVINCIAL/TERRITORIAL PROGRAMS - Ontario

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/employment)	Consultant Advice	Marketing Activities	Working Capital
Northern Ontario Heritage Fund Corporation (Tourism)	<ul style="list-style-type: none"> - Conditional contributions - Forgivable performance loans (need to meet criteria) - Incentive term loans (reduced or 0% interest) - Loan guarantees 	✓	✓				✓	✓
Ontario Tourism Marketing Partnership	Business support and marketing	✓	✓			✓	✓	
Tourism Consulting Services	Business support and consulting					✓		
Rural Youth Job Strategy	Job creation and opportunities for businesses in rural Ontario			✓	✓			
Rural Job Strategy Fund	Job creation and opportunities for businesses in rural Ontario			✓	✓		✓	

PROVINCIAL/TERRITORIAL PROGRAMS - Prince Edward Island

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/employment)	Consultant Advice	Marketing Activities	Working Capital
Canada / PEI Tourism Development Program	Non-repayable contributions	✓	✓	✓			✓	

PROVINCIAL/TERRITORIAL PROGRAMS - Quebec

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/employment)	Consultant Advice	Marketing Activities	Working Capital
Financial assistance program – Cooperative Promotion, Tourisme Québec	Non-repayable financial assistance		✓				✓	
Fund to increase private investment and revitalize employment (FAIRE)	Various types of funding (see p. 78)	✓		✓				
Local investment fund	Various forms of loans	✓						
SME Guarantee	Guarantee	✓						
Support for tourist supply development	Repayable (50%) financial assistance	✓						
Tourism development fund OTCCUQ	Non-repayable financial assistance	✓	✓				✓	
Tourism fund	Share capital or unsecured loans	✓	✓	✓				

PROVINCIAL/TERRITORIAL PROGRAMS - Saskatchewan

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
Saskatchewan Government Growth Fund	- Equity financing - Term loans - Asset purchases	✓	✓					
Tourism Saskatchewan Marketing Fund Keeping P.A.C.E.	Non-repayable contributions		✓				✓	

PROVINCIAL/TERRITORIAL PROGRAMS - Yukon

Program Type	Business start-up, expansion or modernization	Acquisition of fixed assets	Market development and expansion	Business Diversification	Human Resources (training/planning/ employment)	Consultant Advice	Marketing Activities	Working Capital
Historic Properties Assistance Contribution	Non-repayable contributions	✓	✓					
Yukon Venture Loan Guarantee	Venture loan guarantee	✓	✓					

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Aboriginal Business Canada - Tourism Businesses <i>Aboriginal Business Canada (Industry Canada)</i></p> <p>• Repayable and non-repayable contributions Provides business services and support to Canadian Aboriginal people.</p>	<p>Aboriginal Business Canada - Industry Canada Ottawa, Ontario Tel.: (613) 954-4064 Fax: (613) 957-7010 E-mail: abc.ottawa@ic.gc.ca Website: www.abc.gc.ca</p> <p>Halifax, Nova Scotia Tel.: (902) 426-2018 Fax: (902) 426-1643 E-mail: abc.halifax@ic.gc.ca Website: www.abc.gc.ca</p> <p>Montreal, Quebec Tel.: (514) 283-1828 Fax: (514) 283-1843</p> <p>Toronto, Ontario Tel.: (416) 973-8800 Fax: (416) 973-2255 E-mail: abc.toronto@ic.gc.ca Website: www.abc.gc.ca</p> <p>Winnipeg, Manitoba Tel.: (204) 983-7316 Fax: (204) 983-4107 E-mail: abc.winnipeg@ic.gc.ca</p> <p>Saskatoon, Saskatchewan Tel.: (306) 975-4329 Fax: (306) 975-5334</p> <p>Edmonton, Alberta Tel.: (403) 495-2954 Fax: (403) 495-4172 E-mail: abc.edmonton@ic.gc.ca</p> <p>Vancouver, British Columbia Tel.: (604) 666-3871 Fax: (604) 666-0238 E-mail: abc.vancouver@ic.gc.ca</p>	<p>• Canadian status and non-status Indians, Inuit and Metis individuals, associations, partnerships or other legal entities that are majority owned by Aboriginal people, on or off reserve</p>	<p>Financial support can be made available to:</p> <ol style="list-style-type: none"> 1. Establish new businesses that offer Aboriginal cultural tourism or ecotourism experiences. 2. Add an Aboriginal cultural tourism or ecotourism component to an existing tourism business. <p>You need to have a minimum of 15% cash equity in the eligible costs of the proposed venture. This may increase depending on your financial capacity to bear more of the costs.</p> <p>The maximum contribution for tourism activities is 60% of eligible capital and operating costs; in most cases, the contribution will be significantly lower.</p> <p>Up to 75% of the eligible costs of business planning and business support requirements is also available.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Bank of Montreal</p> <p>Programs and services of various types, including:</p> <ul style="list-style-type: none"> • FirstBank Plan for Small Business • Small Business Lending Rate • New Business Start-Up Package • Business Improvement Loans • Transforming Economy Lending Program • Small Business Capital Program • Strategic Investment Program • Young Entrepreneur Financing Program • \$1 Billion Commitment Program 	<p>Bank of Montreal Commercial Financial Services Toronto, Ontario Toll-free: 1 800 555-3000 E-mail: feedback@bmo.com Website: www.bmo.com</p>	<p>N/A</p>	<p>For SBLA program information, please see entry under Canada Small Business Financing Act.</p>
<p>BDC - The Business Development Bank of Canada</p> <p>• Various programs and types (see programs that follow)</p> <p>The BDC offers innovative financial and management services that address the unique needs of today's small and medium-sized businesses. BDC's wide range of products allow the Bank to provide the right kind of financing and management services to support the long-term growth of Canadian businesses in all sectors of the economy.</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>• Vary according to program.</p>	<p>N/A</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>BDC - Growth Capital for Aboriginal Business <i>The Business Development Bank of Canada</i></p> <ul style="list-style-type: none"> • Term loans • Business mentoring <p>Aims to increase access to capital for Aboriginal entrepreneurs who want to start a small business or expand an existing business operating on or off a reserve in Canada.</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Suitable for entrepreneurs:</p> <ul style="list-style-type: none"> • With a commercially viable business proposal • With an acceptable level of management expertise • Demonstrating financial commitment • Willing to take part in a mentorship program • Operating on or off reserve in all areas of Canada 	<p>Financing of up to \$100,000 for existing businesses and up to \$25,000 for start-ups. May be used for acquisition of fixed assets, financing of franchise fees, start-up costs, or working capital needs. Interest rates and compensation are determined on a project-by-project basis and reflect the risk associated with the proposal. Payments of principal may be deferred for the first year. Stepped and seasonal payments are available, where appropriate.</p>
<p>BDC - Micro-Business Program <i>The Business Development Bank of Canada</i></p> <ul style="list-style-type: none"> • Term loans • Management Support Plan <p>Supports the growth and development of some of the smallest innovative businesses by providing a total solution to their business needs.</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Small innovative businesses that:</p> <ul style="list-style-type: none"> • Are in the start-up or early-growth phase • Can demonstrate realistic market and sales potential • Possess experience or expertise in their chosen field • Demonstrate key personal characteristics of a successful entrepreneur • Have made or will make a reasonable personal investment in the business 	<p>The program combines personalized management support with term financing of up to \$50,000 for existing businesses and up to \$25,000 for start-ups. To further support growth during the critical early years, the program also features two years of follow-up mentoring and management support.</p> <p>The program can be used for working capital, acquiring fixed assets, and product research.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>BDC – Techno.net <i>The Business Development Bank of Canada</i></p> <p>• A term loan to implement e-commerce</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Suitable for businesses that:</p> <ul style="list-style-type: none"> • Have growth potential and existing business plan • Have approximately two years of operations/sales • Have a product that has demonstrated market acceptance • Have a technical plan with acceptable security levels for transactional websites 	<p>Loans may be used to expand market reach at home and abroad, increase sales and modernize distribution networks. They may also facilitate access to suppliers and streamline operations.</p> <p>Financing ranges from \$25,000 to up to \$500,000 to meet the various costs related to the implementation of a web solution. Loan amount is determined by the complexity of the technology and principal payments begin only after the web project is fully operational according to approved plans, with a term of up to three years.</p>
<p>BDC - Term Loans <i>The Business Development Bank of Canada</i></p> <p>• Term loans</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Suitable for businesses that:</p> <ul style="list-style-type: none"> • Have a skilled management team • Clearly have the ability to repay • Have a good financial commitment from the owner • Can offer adequate security 	<p>Term loans can be used for acquiring fixed assets, upgrading or expanding facilities, acquiring an existing business, or replenishing working capital.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>BDC – Tourism Investment Fund – Development Capital for Tourism <i>The Business Development Bank of Canada</i></p> <p>• Flexible term loans The fund helps finance high-end tourism infrastructure outside major urban centres. It is designed specifically for existing tourism operators that offer more than a one-season attraction or for operators who have the potential to expand beyond a single season.</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Operators of existing commercially-viable tourism facilities, outside major metropolitan areas, who want to expand beyond a one-season attraction or already provide more than a one-season attraction with a:</p> <ul style="list-style-type: none"> • Commercially-viable business proposal for expanding, upgrading, enhancing or improving the quality of their tourism infrastructure. • Marketing plan to develop or satisfy increased business from international tourists. • Proven earnings record, an ability to service the loan, and a solid equity base. • Competent, well-rounded and experienced management team. 	<p>Loans can be used for expanding, enhancing and upgrading facilities to help meet increased demand or to attract more international tourists.</p> <p>Financing can also be used for quality initiatives to meet international standards, working capital to support increasing sales and market development.</p> <p>Loans can range from \$250,000 to \$10,000,000. Interest rates and compensation are determined on a project by project basis and reflect the risk associated with the proposal.</p> <p>Mentors are available in a variety of areas such as market development, customer services initiatives and staffing to meet international standards.</p>
<p>BDC - Venture Capital <i>The Business Development Bank of Canada</i></p> <p>• Venture capital The BDC is a major investor of risk capital throughout Canada.</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Designed for SME's with:</p> <ul style="list-style-type: none"> • Strong, committed management • A unique product, service, technology or market approach • Above-average growth potential 	<p>Its goal is to help its clients build successful businesses and, in so doing, generate shareholder returns commensurate with risk.</p> <p>BDC has the capital, the expertise, proven experience and network connections to help businesses grow.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>BDC - Venture Loans <i>The Business Development Bank of Canada</i></p> <p>• Quasi-equity An innovative form of financing that combines the characteristics of term loans and venture capital.</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Businesses with:</p> <ul style="list-style-type: none"> • A proven earnings record and above-average growth potential • Products or services that serve established markets • A competitive advantage or promising strategic market position • A competent, well-rounded and experienced management team 	<p>Businesses may be eligible for quasi-equity financing between \$100,000 and \$1 million for expansion and market development projects.</p> <p>Loan repayment is based on a combination of interest payments and royalties on sales or a premium.</p>
<p>BDC - Working Capital for Growth <i>The Business Development Bank of Canada</i></p> <p>• Term loans Designed to allow businesses to take advantage of expansion opportunities by topping up an existing line of credit.</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463-6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Designed for SMEs that have:</p> <ul style="list-style-type: none"> • An existing line of credit • An experienced and accomplished management team • Been in operation for at least two years • Solid growth and profitability prospects • Identified new or expanded markets for products or services 	<p>Working capital loans of up to \$100,000 are available depending on cash flow requirements, inventory levels and receivables.</p> <p>Repayment terms tailored to company's cash flow needs.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>BDC - Young Entrepreneur Financing Program <i>The Business Development Bank of Canada</i></p> <ul style="list-style-type: none"> • Term loans • Business management support <p>Aims at giving start-up entrepreneurs between the ages of 18 and 34 a solid foundation to build a new business.</p>	<p>More than 80 branches across Canada Toll-free: 1 888 463 6232 E-mail: BUS-SERVICE-CENTER@BDC.X400.GC.CA Website: www.bdc.ca</p>	<p>Entrepreneurs must:</p> <ul style="list-style-type: none"> • Have a commercially viable business idea • Be in a start-up phase • Have a proposal that has realistic market and sales potential • Have made or will make a reasonable personal investment in the business • Demonstrate key personal characteristics of successful entrepreneurs • Provide personal and credit references 	<p>Term financing of up to \$25,000 and 50 hours of tailor-made business management support help to ensure that entrepreneurs with commercially-viable business proposals and excellent potential get their businesses off the ground.</p>
<p>The Canada Community Investment Plan (CCIP) <i>Industry Canada (Entrepreneurship and Small Business Office)</i></p> <ul style="list-style-type: none"> • Venture capital access facilitation <p>Aims to assist both small business intermediaries and entrepreneurs located outside financial centres to acquire the tools and skills required to overcome access barriers to risk capital.</p>	<p>Entrepreneurship and Small Business Office Ottawa, Ontario Toll-free: 1 800 328-6189 Tel: (613) 954-2746 Fax: (613) 954-5492 E-mail: growth.croissance@ic.gc.ca Website: strategis.ic.gc.ca/growth</p>	<ul style="list-style-type: none"> • Business must be located in one of the following 22 selected communities: <p>Newfoundland: Mount Pearl; New Brunswick: Fredericton, Moncton; Nova Scotia: Halifax; Québec: Saint-Hyacinthe, Sainte-Thérèse, Shawinigan, Sherbrooke, Village des Hurons (Wendake); Ontario: Hamilton, Kitchener, London, North Bay, St. Catharines, Sarnia, Sault Ste. Marie; Saskatchewan: Swift Current; Alberta: Canmore, Medicine Hat; British Columbia: Penticton, Victoria; Yukon: Whitehorse.</p>	<p>Two components of program:</p> <p>1) 22 Demonstration Projects: showcase innovative strategies to facilitate investment in local growth firms from existing local, regional and national sources of risk capital.</p> <p>2) Steps for Growth Capital: provides participating entrepreneurs and small business advisors with the strategic information, skills, tools and services they require to facilitate risk capital financing of local growth firms.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Canada Small Business Financing Act (CSBFA) <i>Industry Canada</i></p> <p>• Term loan guarantees The term loans themselves are offered through financial institutions across Canada.</p>	<p>Small Business Loans Administration (SBLA) Ottawa, Ontario Tel.: (613) 954-5540 Fax: (613) 953-0290 Website: www.strategis.ic.gc.ca/sc_mangb/smallbus/engdoc/sbla.html</p>	<p>• All businesses operating for profit in Canada -- excluding farming, charitable and religious enterprises -- that have gross revenues of less than \$5 million</p>	<p>The loans can be used to finance up to 90% of the cost of the purchase and/or improvement of real property leasehold or equipment loans.</p> <p>Loans cannot be used to acquire shares or provide working capital.</p>
<p>Canadian Imperial Bank of Commerce (CIBC)</p> <p>Programs and services of various types, including:</p> <ul style="list-style-type: none"> • Operating Loans • Floating Rate Capital Loans • Fixed Rate/ Fixed Term Loans • Leasing • Mortgages 	<p>CIBC Toronto, Ontario Toll-free: 1 800 465-CIBC Fax: (416) 368-8843 Website: www.cibc.com</p>	<p>N/A</p>	<p>Borrowing facilities: ...to start-up, to expand, to buy or lease equipment, to ease cash flow problems or to finance long-term investments. For SBLA program information, please see entry under Canada Small Business Financing Act.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Commercial Development Program: <i>The Department of Indian Affairs and Northern Development (DIAND)</i></p> <ul style="list-style-type: none"> • Term loans • Loan guarantees <p>Complements Industry Canada's Aboriginal Business Program.</p>	<p>The Department of Indian Affairs and Northern Development – Market Access Directorate Hull, Quebec Tel.: (819) 997-8383 Fax: (819) 994-0445</p>	<ul style="list-style-type: none"> • Unincorporated First Nations businesses on reserve • Assistance is provided in the absence of an Aboriginal Capital Corporation (ACCs) 	<p>Industry Canada assesses applicant needs and recommends the appropriate assistance package. Industry Canada may also provide direct contribution/ loan fund assistance through its Aboriginal Economic Development National Board. DIAND acts as a lender of last resort for First Nations businesses and approves ministerial guarantees for commercial loans up to \$100,000.</p>
<p>HRDC - Labour Market Programs <i>Human Resources Development Canada</i></p> <ul style="list-style-type: none"> • Various funding programs <p>Various programs such as Targeted Wage Subsidy, Self-Employment and Labour Market Partnerships may be available in your local area.</p>	<p>Please contact your local HRDC Human Resources Centre to find out if any of these programs are available in your area.</p>	<ul style="list-style-type: none"> • Vary according to program 	<p>N/A</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Industrial Research Assistance Program <i>National Research Council of Canada</i></p> <ul style="list-style-type: none"> • A nation-wide network of Industrial Technology Advisors • Financial assistance for R&D • Pre-commercialization assistance to help you from proof-of-concept to first sale <p>Industrial Research Assistance Program (IRAP) is designed to help small and medium-sized enterprises meet the unique challenges they face in bringing new products, processes or services to market.</p>	<p>National Research Council of Canada Ottawa, Ontario Toll-free: 1 877 994-4727 E-mail: irap.info@irap.nrc.ca Website: www.irap.nrc.ca/irap/</p>	<ul style="list-style-type: none"> • Clients are innovative or profit-oriented companies with fewer than 500 employees • Must have an innovative technological development, a significantly improved product or a new service that has commercial potential 	<p>IRAP offers a range of services designed to help access key resources:</p> <ol style="list-style-type: none"> 1. Expert advice 2. New technologies 3. Testing facilities 4. Financial assistance
<p>National Bank of Canada</p> <p>Programs and services of various types, including:</p> <ul style="list-style-type: none"> • Small to Medium-sized Business Loans 	<p>National Bank of Canada Montreal, Quebec Toll-free: 1 888 TELNAT-1 Fax: (514)394-8003 E-mail: telnat@bnc.ca Website: www.nbc.ca</p>	<p>N/A</p>	<p>For SBLA program information, please see entry under Canada Small Business Financing Act.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Royal Bank of Canada</p> <p>Programs and services of various types including:</p> <ul style="list-style-type: none"> • Credit Line for Small Business • Royal Business Overdraft Protection • Royal Business Operating Line • Royal Small Business Loan • Year 2000 Financing Options • Real Estate Financing • Royal Business Lease • Equipment Loans • Letters of Credit • Business Expense Visa 	<p>Royal Bank of Canada Business Banking Toronto, Ontario Toll-free: 1 800 769-2570 Website: www.royalbank.com/sme</p>	<p>N/A</p>	<p>For SBLA program information, please see entry under Canada Small Business Financing Act.</p>
<p>Scotiabank</p> <p>Programs and services of various types, including:</p> <ul style="list-style-type: none"> • Scotiabusiness Overdraft Protection • Scotiabusiness Improvement Loans • Scotiabusiness Credit Lines • Scotia Leasing • Scotiabusiness Plan Writer – Software available at no fee at any branch or downloadable from website • Scotiabusiness Account Plan – banking package, including electronic banking, with option of a credit line for one monthly fee 	<p>Scotiabank Customer Service Toronto, Ontario Toll-free: 1 800 9-SCOTIA Fax: (416) 866-3750 Website: www.scotiabank.ca</p>	<p>N/A</p>	<p>For SBLA program information, please see entry under Canada Small Business Financing Act.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>TD Bank</p> <p>Programs and services of various types, including:</p> <ul style="list-style-type: none"> • TD Business Overdraft Protection • Operating Loan • TD Businessline • Bankers' Acceptances • Small Business Loan • TD Commercial Term Loan • TD Commercial Installment Loan • TD Commercial Installment Lease • TD Commercial Mortgage 	<p>TD Bank Business Banking Services Toronto, Ontario Toll-free: 1 800 387-2092 Toll-free: 1 800 387-1500 (Province of Quebec) E-mail: tdinfo@tdbank.ca Website: www.tdbank.ca</p>	<p>N/A</p>	<p>For SBLA program information, please see entry under Canada Small Business Financing Act.</p>
<p>Tourism Careers for Youth Human Resources Development Canada / <i>Canadian Tourism Human Resource Council (CTHRC)</i></p> <ul style="list-style-type: none"> • Employee training • Training support fee <p>Aims to create a sustainable alternative entry-level/workplace opportunity for the 60% of high school graduates who do not proceed directly to further education or training.</p>	<p>CTHRC Ottawa, Ontario Tel.: (613) 231-6949 Fax: (613) 231-6853 (or the Tourism Education Council in your province or territory) E-mail: rbilodeau@CTHRC.ca Website: www.cthrc.ca</p>	<p>Prospective employees must be:</p> <ul style="list-style-type: none"> • Age 18-29 • High school graduates. (In exceptional circumstances, notably in the NWT, the Yukon, and for some aboriginal groups, high school graduation may not be required.) • Not on Employment Insurance 	<p>Provides for pre-employment, entry level skills training. A support fee is also available to employers to defray the cost of training the youth in the workplace.</p>

REGIONAL PROGRAMS - Atlantic, Quebec and Ontario

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>ACOA Business Development Program (Atlantic Canada Opportunities Agency)</p> <p>• Interest-free, unsecured repayable contributions Designed to help you set up, expand or modernize your business</p>	<p>ACOA New Brunswick Fredericton, New Brunswick Tel.: (506) 452-3184 Toll-free: 1 800 561-4030 Fax: (506) 452-3285 E-mail: www@acoa.ca Website: www.acoa.ca</p> <p>ACOA Newfoundland St. John's, Newfoundland Tel.: (709) 772-2751 Toll-free: 1 800 668-1010 Fax: (709) 772-2712</p> <p>ACOA Nova Scotia Halifax, Nova Scotia Tel.: (902) 426-6743 Toll-free: 1 800 565-1228 Fax: (902) 426-2054</p> <p>ACOA P.E.I. Charlottetown, P.E.I. Tel.: (902) 566-7492 Toll-free: 1 800 871-2596 Fax: (902) 566-7098</p> <p>Enterprise Cape Breton Corp. Sydney, Nova Scotia Tel.: (902) 564-3600 Toll-free: 1 800 705-3926 Fax: (902) 564-3825</p>	<ul style="list-style-type: none"> • Businesses located in Atlantic provinces only • Provide economic benefit to an area or a community • Demonstrate need for ACOA's financial assistance • Viability 	<p>The maximum level of assistance under ACOA's Business Development Program is 50% of eligible costs for start-ups, expansions and modernizations; and 75% of eligible operating costs for activities such as studies, marketing, innovation, training and quality assurance.</p> <p>The program offers access to capital in the form of interest-free, unsecured, repayable contributions.</p> <p>The major goal is job creation in Atlantic Canada.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Community Futures Development Corporation <i>Federally funded and delivered through Community Futures Development Corporations</i></p> <ul style="list-style-type: none"> • Term loans • Loan guarantees • Equity financing • Counselling <p>Counselling and advisory services often go hand in hand with financial assistance in making a business a success.</p>	<p>Atlantic Canada Toll-free: 1 888 303-CBDC Website: www.acoa.ca</p> <p>Quebec Tel.: (418) 658-1530 Website: www.reseau-sadc.qc.ca/</p> <p>Southern Ontario Tel.: (416) 954-7175 Website: www.communityfutures-ont.ic.gc.ca</p> <p>Northern Ontario Toll-free : 1 877 333 6673 Website: www.fednor.ic.gc.ca</p>	<ul style="list-style-type: none"> • Initiatives related to prioritized activity sectors • Entrepreneurs or small businesses for start-up expansion or stabilization 	<p>CFDCs support community economic development in communities in rural areas by providing assistance for the development and implementation of a long-term strategic plan for the development of their local economy.</p> <p>Counselling and advisory services to help with the establishment, expansion, competitiveness and stabilization of your business.</p> <p>Financial assistance in the form of loans, loan guarantees or equity investments up to \$125,000 to help you in the creation or maintenance of long-term employment in your community.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Northern Ontario Economic Development Fund <i>Federal Economic Development Initiative in Northern Ontario</i></p> <ul style="list-style-type: none"> • Conditional loans 	<p>Federal Economic Development Initiative in Northern Ontario (FedNor) Toll-free: 1 877 333-6673 Fax: (705) 670-5331 Fax: (705) 671-0717 Website: www.fednor.ic.gc.ca</p>	<ul style="list-style-type: none"> • Northern Ontario not-for-profit organizations such as business or trade associations, local economic development associations, municipalities, and education institutions • Project must be identified as a strategic priority in recognized plan for economic development 	<p>Assists locally developed, regionally significant community economic development projects that are exceptional in nature and integral to local economic development strategies.</p> <p>Projects may receive up to 50% of eligible and supported projects costs to a maximum \$250,000.</p> <p>Contributions are subject to Industry Canada's policy on repayability.</p>
<p>Northern Ontario Not for Profit Fund <i>Federal Economic Development Initiative in Northern Ontario</i></p> <ul style="list-style-type: none"> • Conditional loans 	<p>Federal Economic Development Initiative in Northern Ontario (FedNor) Sudbury, Ontario Toll-free: 1 877 333-6673 Fax: (705) 670-5331 Fax: (705) 671-0717 Website: www.fednor.ic.gc.ca</p>	<ul style="list-style-type: none"> • Eligible applicants include business oriented not-for-profit organizations which are based in Northern Ontario 	<p>Assists locally developed initiatives which build or create business and trade opportunities including feasibility and marketing studies; research and analysis; training programs, seminars and quality initiatives; and other specialized services in support of entrepreneurship, SMEs and regional development.</p> <p>Projects may receive up to 50% of eligible and supported projects costs to a maximum \$250,000.</p> <p>Contributions are subject to Industry Canada's policy on repayability.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Northern Ontario Tourism Fund <i>Federal Economic Development Initiative in Northern Ontario</i></p> <ul style="list-style-type: none"> • Conditional loans 	<p>Federal Economic Development Initiative in Northern Ontario (FedNor) Sudbury, Ontario Toll-free: 1 877 333-6673 Fax: (705) 670-5331 Fax: (705) 671-0717 Website: www.fednor.ic.gc.ca</p>	<ul style="list-style-type: none"> • Northern Ontario not-for-profit organizations, associations and alliances of commercial operations which are engaged in tourism 	<p>Supports broad based regional initiatives that strengthen Northern Ontario's tourism industry. Eligible projects include cooperative marketing initiatives, specialty tourism package development, tourism skills development, and sector specific economic research and analysis.</p> <p>Projects may receive up to 50% of eligible and supported projects costs to a maximum \$250,000.</p> <p>Contributions are subject to Industry Canada's policy on repayability.</p>
<p>Tourism Atlantic – Business Support Program <i>Atlantic Canada Opportunities Agency</i></p> <ul style="list-style-type: none"> • Non repayable contributions toward tourism research, product development and marketing expenditures of not-for-profit tourism associations and groups. 	<p>Tourism Atlantic Corporate Affairs and Tourism Atlantic Canada Opportunities Agency Charlottetown, PEI Tel.: (902) 368-0840 Fax: (902) 368-0896</p>	<ul style="list-style-type: none"> • Tourism industry associations and groups headquartered in Atlantic Canada only • Provide strategic, integrated approach to Pan Atlantic tourism development based on sound fundamental research and market intelligence 	<p>N/A</p>

REGIONAL PROGRAMS - Western

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Community Futures Development Corporation <i>Federally funded and delivered through Community Futures Development Corporations in rural communities</i></p> <ul style="list-style-type: none"> • Term loans • Loan guarantees • Equity financing • Business Counselling <p>Counselling and advisory services often go hand in hand with financial assistance in making a business a success.</p>	<p>In Western Canada there are 90 CFDC offices, funded by Western Economic Diversification Canada (WD) but operated independently.</p> <p>Contact WD for the Western CFDC office near you: Toll-free: 1 888 338-9378 Website: www.wd.gc.ca</p> <p>Edmonton, Alberta Tel.: (780) 495-4164 Fax: (780) 495-4557</p> <p>Calgary, Alberta Tel.: (403) 292-5458 Fax: (403) 292-5487</p> <p>Vancouver, BC Tel.: (604) 666-6256 Fax: (604) 666-2353</p> <p>Winnipeg, Manitoba Tel.: (204) 983-4472 Fax: (204) 984-2354</p> <p>Saskatoon, Saskatchewan Tel.: (306) 975-4373 Fax: (306) 975-5949</p> <p>Regina, Saskatchewan Tel.: (306) 780-8080 Fax: (306) 780-8310</p>	<ul style="list-style-type: none"> • Individual or community-based economic development initiatives • Individual must reside in the Community Futures rural area 	<p>Counselling and advisory services to help with the establishment, expansion, competitiveness and stabilization of your business.</p> <p>Financial assistance in the form of loans, loan guarantees or equity investments up to \$125,000 to help you in the creation or maintenance of long-term employment in your community.</p> <p>CFDCs provide financial support to communities in rural areas to develop and implement a long-term community strategic plan for the development of their local economy.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>WD - Tourism Loan Fund <i>Western Economic Diversification Canada</i></p> <p>• Term loans Designed specifically for small and medium-sized tourism businesses and is being offered in partnership with the Business Development Bank of Canada.</p>	<p>Western Economic Diversification Canada Toll-free: 1 888 338-9378 Website: www.wd.gc.ca</p> <p>Edmonton, Alberta Tel.: (780) 495-4164 Fax: (780) 495-4557</p> <p>Calgary, Alberta Tel.: (403) 292-5458 Fax: (403) 292-5487</p> <p>Vancouver, BC Tel.: (604) 666-6256 Fax: (604) 666-2353</p> <p>Winnipeg, Manitoba Tel.: (204) 983-4472 Fax: (204) 984-2354</p> <p>Saskatoon, Saskatchewan Tel.: (306) 975-4773 Fax: (306) 975-5484</p> <p>Regina, Saskatchewan Tel.: (306) 780-8080 Fax: (306) 780-8310</p>	<ul style="list-style-type: none"> • Tourism companies operating in the tourism industry in Western Canada for at least two years • Companies with less than 100 full-time or equivalent employees and less than \$5 million in annual sales • Companies with a proven, commercially-viable product or service 	<p>Provides capital for projects not normally financed by traditional lenders: marketing in support of ecotourism, outdoor/ adventure tourism, heritage/ cultural tourism and other related themes; moderate upgrading of facilities and equipment; service training for management and staff; working capital for anticipated sales increases; professional consulting designed to improve performance; acquisition and application of new technology.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Women's Enterprise Initiative <i>Funded by Western Economic Diversification Canada</i></p> <ul style="list-style-type: none"> • Term loans • Business information, advice and other services <p>Provides business information and services specifically aimed at women entrepreneurs.</p>	<p>Alberta Women's Enterprise Initiative Association Calgary, Alberta Tel.: (403) 777-4250 Toll-free: 1 800 713-3558 Fax: (403) 777-4258 Website: www.compusmart.ab.ca/aweia</p> <p>Women's Enterprise Society of BC Kelowna, BC Tel.: (250) 868-3454 Toll-free: 1 800 643-7014 Fax: (250) 868-2709 Email: wesbc@silk.net Website: www.wd.gc.ca/english/services/wei.html</p> <p>Women's Enterprise Center Winnipeg, Manitoba Toll-free: 1 800 203-2343 Tel.: (204) 988-1860 Fax: (204) 988-1871 Website: www.mbnet.mb.ca/wec</p> <p>Women Entrepreneurs of Saskatchewan Saskatoon, Saskatchewan Tel.: (306) 477-7173 Toll-free: 1 800 879-6331 Fax: (306) 477-7175 E-mail: women@the.link.ca</p>	<ul style="list-style-type: none"> • Women entrepreneurs • An operation that is at least 51% owned and controlled by a woman or women • Submitted by a Canadian citizen or landed immigrant; or legal entity owned by such a woman or women 	<p>The non-profit groups offer access to a loan fund, advisory services, pathfinding to existing services plus a host of unique products and services tailored to meet the needs of women entrepreneurs in their province.</p>

ALBERTA PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>AOC - Financing for Alberta Business <i>Alberta Opportunity Company</i></p> <p>• Term loans and partial guarantees of bank operating lines of credit AOC was established to help Albertans turn their good ideas into thriving businesses by providing financing when conventional financing is not available.</p>	<p>Alberta Opportunity Company Ponoka, Alberta Tel.: (403) 783-7011 Toll-free: 1 800 661-3811 Fax: (403) 783-7079 Email: aocloans@gov.ab.ca Website: www.aoc.gov.ab.ca</p>	<ul style="list-style-type: none"> • Intended to be a profit making venture • A proprietorship, partnership, cooperative or corporation formed under federal or provincial companies legislation located in Alberta • Supported by a reasonable equity investment • Capable of contributing to the economic expansion of the province and is in the best interest of the community • Able to demonstrate a capacity to repay the loan 	<p>Financing in the form of term loans, partial guarantees of bank operating lines of credit, as well as assistance in the financing of export contracts is available.</p> <p>Financing is available for business loans, export financial assistance and financing Alberta student business.</p> <p>Emphasis is placed on Alberta owned businesses which will create jobs, are introducing improvements in productivity or technology, or have export or tourism potential.</p>
<p>Rural Development Initiative <i>Alberta Municipal Financing Corporation</i></p> <p>• Term loans to local governments</p>	<p>Alberta Municipal Financing Corporation Edmonton, Alberta Tel.: (780) 427-9711 Fax: (780) 422-2175 Email: webamfc@treas.gov.ab.ca Website: www.treas.gov.ab.ca/amfc</p>	<ul style="list-style-type: none"> • Any local government or other authority authorized under a Province of Alberta Act, such as cities, towns, villages, municipal districts, school boards, irrigation districts, hospitals, health regions, etc. 	<p>AMFC makes loans for capital projects with terms from three to 25 years at the provincial borrowing rate.</p> <p>The staff of AMFC assist local authorities in all steps of the debenture process, provide interest rates, assist auditors, etc.</p>
<p>Travel Alberta <i>Alberta Government / Price Waterhouse</i></p> <p>• Marketing programs A cooperative marketing organization working with the industry operators, destination marketing organizations, government and non-traditional partners to promote and sell Alberta's diverse tourism product to the world.</p>	<p>Travel Alberta Calgary, Alberta Tel.: (403) 297-2858 Fax: (403) 297-5068 Website: www.discoveralberta.com/ATP/</p>	<ul style="list-style-type: none"> • Partners with Travel Alberta 	<p>Travel Alberta's core business is marketing; partners directly invest with Travel Alberta in innovative marketing initiatives that support their long term strategy and plans. It offers diverse marketing programs including: consumer/ travel trade shows, sales missions, brochure distribution, familiarization tours, media relations, promotional print and ad campaigns, to name a few.</p>

BRITISH COLUMBIA PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Employee Share Ownership Program <i>Ministry of Small Business, Tourism and Culture/ Business Equity Branch</i></p> <p>• Equity financing The purpose of this program is to facilitate the direct investment by employees in their employer's company.</p>	<p>Ministry of Small Business, Tourism and Culture Vancouver, BC Toll-free: 1 800 665-5457 Fax: (604) 660-1719 Email: esop@tbc.gov.bc.ca Website: www.beb.sb.gov.bc.ca</p>	<p>• Companies with up to \$500 million in total consolidated assets and that pay at least 25% of their wages to British Columbia employees</p>	<p>ESOP funds are to be used for business expansion, to start a new company, to reduce debt, or to transfer ownership from a retiring owner to the employees.</p> <p>The Provincial government will provide a 20% tax credit up to a maximum of \$2,000 per year to each employee who participates in the ESOP. In addition, some investors receive up to \$750 a year based on a 15% federal tax credit. There is a lifetime limit on the tax credit of \$10,000 each.</p> <p>The government will help employee groups and ESOPs obtain professional advice by paying half the cost associated with setting up an ESOP to a maximum of \$5,000 each.</p>
<p>Equity Capital Program <i>Ministry of Small Business, Tourism and Culture / Business Equity Branch</i></p> <p>• Venture capital This program is designed to encourage arm's length investors to make equity investments in businesses which enhance export, replace imports or otherwise diversify the British Columbia economy.</p>	<p>Ministry of Small Business, Tourism and Culture Victoria, BC Tel.: (250) 387-0225 Toll-free: 1 800 665-6597 Fax: (250) 387-1080 Website: www.beb.sb.gov.bc.ca/</p>	<ul style="list-style-type: none"> • At least 50% of the assets and expenses of the business must be used for an export enhancement, import replacement or economic diversification activity. However, not more than 20% of the business' assets can be located outside the province • The business must pay at least 75% of wages and salaries to employees who report to work at operations located in BC • The business, with its affiliates, must not have more than 75 full-time employees at the time of the investment • The business has a permanent establishment in BC and it files income tax returns as such 	<p>The investment in a small business must be in the form of common or approved preferred "equity shares".</p> <p>The investors must be at arm's length from the small business. Investors cannot use their investment to take over, control or obtain other benefits from the business. The aggregate investment under this program in any one small business, together with its affiliates, cannot exceed \$3 million.</p> <p>The program provides B.C. investors with a 30% tax credit. The investment is made through a holding company called a venture capital corporation.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Working Opportunity Fund (EVCC) Ltd.</p> <p>• Venture capital A labour-sponsored, private investment fund owned by over 28,000 BC investors.</p>	<p>Working Opportunity Fund Vancouver, BC Tel.: (604) 688-9631 Toll-free: 1 800 563-3863 Fax: (604) 689-5401 Website: www.wofund.com/wof/</p>	<ul style="list-style-type: none"> • A business concept identified as having a sustainable competitive advantage • An experienced management team which participates in the results of the enterprise either through a share of the profits or an equity interest • Reasonable anticipation of profit based on a history of performance or other characteristics • Business must be located in British Columbia • Investment size over \$500,000 • A principal activity in a market with a significant growth potential • The likelihood of a sustainable competitive advantage associated with superior technology, patented products, established market position, substantial barriers to entry and/ or dominant distribution in its market 	<p>This is an equity investor who will require a rate of return on investment commensurate with the risk of the investment.</p> <p>A plausible exit strategy for the investor must be identified.</p> <p>Employed investors receive a 15% Federal income tax credit, to a maximum of \$525 per year and a 15% Provincial income tax credit, to a maximum of \$2,000 per year. There is a lifetime maximum of \$10,000 in Provincial tax credits.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Business Start Program <i>Manitoba Industry, Trade and Tourism</i></p> <p>• Loan guarantee A program established by the Manitoba Government, providing a loan guarantee through participating financial institutions.</p>	<p>Small Business and Co-operative Development Branch Manitoba Industry, Trade and Tourism Winnipeg, Manitoba Tel.: (204) 945-7721 Fax: (204) 983-3852 E-mail: glennie.keith@cbsc.ic.gc.ca Website: www.cbsc.org/manitoba</p>	<ul style="list-style-type: none"> • Manitoba resident, aged 18 or over, and eligible to work in Canada • You must be just starting your business, or have operated it for less than six months prior to applying for the loan guarantee • You must not have operated a similar business as the one proposed in the previous 12 months 	<p>Prior to funds being released, applicants must attend the three-day business planning workshop.</p> <p>In the first year you pay only interest on the loan. Then in years 2 to 5, you pay principal plus interest.</p> <p>The loans will be offered and administered by participating banks, credit unions and caisses populaires for five year terms at an interest rate of prime + 1 %.</p>
<p>Tourism Product Development Program <i>Manitoba Industry, Trade and Tourism</i></p> <p>• Product development and marketing assistance A funding program established by the Government of Manitoba to provide program funding to assist tourism product development, particularly those that generate new tourism revenues for the province and the businesses, lever and/or stimulate private sector investment and create long term tourism job opportunities. A further objective is to assist the tourism industry sector with the development of marketing initiatives.</p>	<p>Tourism Policy and Development Branch Manitoba Industry, Trade and Tourism Winnipeg, Manitoba Tel.: (204) 945-3796 Fax: (204) 945-2302 E-mail: nmcinnis@itt.gov.mb.ca Website: www.travelmanitoba.com</p>	<p><i>Product development assistance</i> is available for strategic alliances of at least three partners or community projects; - provides support for up to 30% of approved capital project costs to a maximum of \$30,000; project costs must exceed \$50,000; project must be market driven; and must demonstrate leveraging of funds from the private sector and/or other agencies.</p> <p><i>Marketing assistance</i> is available for marketing initiatives undertaken by individual tourism operators, regional groups, or consortium of tourist operators; - provides support up to 30% of total project costs to a maximum of \$10,000 to support new tourism market development initiatives.</p>	<p>The Tourism Policy and Development Branch offers the following services/programs:</p> <ol style="list-style-type: none"> 1. Consulting Services 2. Product Development. 3. Regional Tourism. 4. Human Resource Development. 5. Marketing Assistance.

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Rural Entrepreneur Assistance <i>Manitoba Rural Development</i></p> <p>• Loan guarantee This is a provincial loan guarantee.</p>	<p>Winnipeg, Manitoba Tel.: (204) 945-2157 Toll-free: 1 800 567-7334 Fax: (204) 945-5059 Website: www.gov.mb.ca/rd</p>	<ul style="list-style-type: none"> • Existing full time, small and home-based businesses in rural Manitoba • Business must not have achieved gross annual revenues of \$1 million • Business must be outside of Winnipeg • Business must be in one of the following industries: retail, service, or manufacturing/processing 	<p>Under the program, the Province will guarantee a percentage of individual business capital loan between \$10,000 and \$100,000.</p> <p>The loans will be offered and administered by participating banks and credit unions for 5 year terms at a Prime +1% interest rate.</p> <p>Loan money may be used for working capital, equipment purchase, expansion, modernization, etc.</p>
<p>The Development Fund <i>Communities Economic Development Fund</i></p> <p>• Loan guarantee Program established by the Government of Manitoba to provide a source of capital for northern businesses unable to secure financing from conventional sources.</p>	<p>The Development Fund Thompson, Manitoba Tel: (204) 778-4138 Toll-free: 1 800 561-4315 Fax: (204) 778-4313</p>	<ul style="list-style-type: none"> • The Fund's programs are available to all Manitoba residents 18 years or older within Northern Manitoba (North of the 21" township) • The Fund may make loans throughout Manitoba (except the City of Winnipeg) when working in conjunction with a federal Aboriginal-funding program 	<p>The Fund is a useful resource for those developing proposals for Northern Manitoba. The Fund provides a full-service Business Resource Centre with useful business information.</p>

NEW BRUNSWICK PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Small Entrepreneur Capital Assistance Program (SECAP) <i>New Brunswick Economic Development, Tourism and Culture</i></p> <p>• Non-repayable contributions Aims to increase and to enhance employment opportunities in New Brunswick.</p>	<p>Economic Development, Tourism and Culture Fredericton, New Brunswick Tel.: (506) 453-3890 Fax: (506) 444-4182 E-mail: wwwedt@gov.nb.ca Website: www.gov.nb.ca/edt</p>	<p>Eligible industry sectors include:</p> <ul style="list-style-type: none"> • Manufacturing, and processing, information technology • Full time tourism operations offering services/activities not less than 120 consecutive days • Commercial service sector firms primarily engaged in export-oriented or important replacement activity • Initial year employment levels should not exceed 25 persons • Most recent annual sales levels of eligible businesses undertaking expansion project must not exceed \$2.0 million 	<p>Assistance (40% contribution to a maximum of \$50,000) can be in the form of support towards:</p> <ol style="list-style-type: none"> 1. Eligible capital costs including buildings, machinery, and equipment (not less than \$5,000 and not exceeding \$200,000). 2. Initial year wage costs of full time employees earning not less than \$20,000 annually (maximum contribution of \$12,000 per employee) in the case of full time tourism operations, full time employees earning not less than \$1,600 monthly (maximum contribution of \$1,000 monthly per employee). 3. Training costs of employees at on-site or of off-site management or technical training sessions or seminars. Maximum training assistance is limited to \$2,000 per application. The aggregate of any combination of these eligible costs cannot exceed the maximum contribution of \$50,000.

NEWFOUNDLAND & LABRADOR PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Community Business Development Corporation Program <i>Atlantic Canada Opportunities Agency & Community Business Development Corporation</i></p> <ul style="list-style-type: none"> • Term loans • Business information and counselling <p>ACOA has linked its resources, both financial and technical, to those of the 40 Community Business Development Corporations (CBDCs) located throughout rural Atlantic Canada.</p>	<p>ACOA Newfoundland St. John's, NF Tel.: (709) 772-2751 Toll-free: 1 800 668-1010 Fax: (709) 772-2712 Website: www.acoa.ca</p> <p>Labrador Community Development Corporation Goose Bay, Labrador Tel.: (709) 896-5814 Fax: (709) 896-4333 Website: www.acoa.ca</p>	<ul style="list-style-type: none"> • Eligibility criteria may vary from office to office. To obtain further information, you should contact ACOA or one of the CBDCs in your area 	<p>They assist in the creation of small businesses, and in the expansion, modernization and stabilization of existing businesses. The maximum amount of financial assistance is \$125,000.</p> <p>Technical assistance usually takes the form of information, counselling and advice on small business related matters.</p> <p>Investment decisions are made by an independent local board of directors sensitive to the needs of the community.</p>
<p>Graduate Employment Program <i>Provincial Department of Human Resources and Employment</i></p> <ul style="list-style-type: none"> • Non-repayable contributions <p>A program designed to provide graduates of post-secondary education programs with employment related to their academic studies.</p>	<p>Department of Human Resources and Employment St. John's, Newfoundland Tel.: (709) 729-2719 Toll-free: 1 800 563-6600 Fax: (709) 729-0767 Website: www.gov.nf.ca</p>	<ul style="list-style-type: none"> • Graduates who have successfully completed a Post-Secondary Program of a minimum duration of one year • Graduates who have been seeking work in their field of study for a minimum of three months • Graduates who are currently non-EI eligible • Graduates who have graduated in the past two years 	<p>Graduate employment program: up to 60% wage subsidy toward the starting salary of the approved position, to a maximum contribution of \$10,000 for a period of 52 weeks.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Targeted Wage Subsidy Program <i>Human Resources Development</i></p> <ul style="list-style-type: none"> • Non-repayable contributions An agreement is made with an employer, whereby HRDC contributes toward the costs incurred by the employer in hiring one or more workers. 	<p>Please call your local Human Resources Canada Centre (HRCC) to find out if this program is available in your area.</p>	<p>Prospective employee must:</p> <ul style="list-style-type: none"> • Be unemployed • Be currently receiving Employment Insurance benefits • Have received Employment Insurance benefits in the last 3 years • Have received maternity or parental benefits through a claim that started within the past 60 months 	<p>Contributions are usually negotiated and may relate to any of the following:</p> <ol style="list-style-type: none"> 1. Wage of workers up to 60%. 2. Training costs up to \$8 per worker training hour for on-the-job training, and \$20 per worker training hour for off-the-job training. 3. Special costs for persons with disabilities up to \$10,000. 4. Leasing or purchase of equipment up to \$10,000.
<p>Wage Subsidy Employment Program <i>Human Resources and Employment</i></p> <ul style="list-style-type: none"> • Student Work and Service Program (SWASP) (Paid Employment) • Employment Generation • Seasonal Employment Program • Linkages • Supports to Employment (STEP) 	<p>Human Resources and Employment St. John's, Newfoundland Tel.: (709) 729-2719 Fax: (709) 729-0767 Website: www.gov.nf.ca</p>	<p>These different programs, under the Wage Subsidy Employment Program, may assist:</p> <ul style="list-style-type: none"> • Individuals who plan to attend or return to a post-secondary institution • Non-profit organizations to create summer employment • Young people who have not completed post-secondary training • Employers for the generation of long-term jobs, etc. 	<p>Program availability and funding depend on budget allocations and may vary from year to year.</p>

NORTHWEST TERRITORIES PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Business Development Fund <i>Department of Resources, Wildlife and Economic Development, GNWT</i></p> <p>• Grants and non-repayable contributions A contribution fund aimed at stimulating employment and economic development throughout the NWT.</p>	<p>Community Economic Development, Department of Resources, Wildlife and Economic Development Government of the Northwest Territories Yellowknife, NWT Tel.: (867) 873-7838 Fax: (867) 873-0434 Website: www.rwed.gov.nt.ca</p>	<p>• Registered Northwest Territories business</p>	<p>Assistance is provided for research and planning, business start-up and expansion, market and product development, training, and emergency relief to assist businesses in financial difficulty.</p> <p>The levels of assistance and minimum equity requirements vary depending on the level of economic development in a community.</p> <p>For the purpose of implementing this program, communities have been grouped in categories of economic circumstance, based on such factors as employment, remoteness and market size.</p>
<p>Community Futures Program <i>Department of Resources, Wildlife and Economic Development, GNWT</i></p> <p>• Term loans • Equity financing • Loan guarantees • Advisory services Supports small communities in economic difficulty to assess economic problems and opportunities and to achieve long term employment stability, growth and adjustment.</p>	<p>Community Economic Development, Department of Resources, Wildlife and Economic Development Government of the Northwest Territories Yellowknife, NWT Tel.: (867) 873-7838 Fax: (867) 873-0434 Website: www.rwed.gov.nt.ca</p>	<p>• Individual communities or groups of communities that make up a labour market area</p>	<p>Provides development and expansion capital through loans, equity financing or loan guarantees to viable businesses that are unsuccessful in getting adequate financing elsewhere.</p> <p>Provides technical advisory service operated by the Business Development Centre.</p>

NOVA SCOTIA PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Community Business Loan Program <i>Nova Scotia Economic Development and Tourism</i></p> <p>• Term loans The Nova Scotia government encourages the development of small business throughout the province by providing financial assistance through this program.</p>	<p>Canada/Nova Scotia Business Service Centre Halifax, Nova Scotia Tel.: (902) 426-1227 Toll-free: 1 800 668-1010 Fax: (902) 426-6530 Website: www.cbosc.org.ca</p>	<p>• Owner-equity requirements: <i>First Step Loan:</i> Equity contribution of an amount equal to the loan requested for projects in the Halifax/Dartmouth metro area, or to at least 50% of the loan requested for projects in other areas of the province. <i>Small Business Growth Loan:</i> Minimum 20% equity in business (including project) unless otherwise determined.</p> <p>• The applicant must be registered in Nova Scotia as a proprietorship, partnership, co-operative, or limited company</p> <p>• The project must demonstrate effective management and present a business plan for a viable operation</p> <p>• Acceptable security</p> <p>• There must be a net economic benefit to the community and the province</p>	<p>First Step Loans of up to \$10,000 are specifically targeted to new full-time business start-ups. The loan can be used for any valid business purpose including working capital.</p> <p>Small Business Growth Loans of up to \$50,000 are specifically designed to assist in the start-up or expansion of full-time small businesses. The loan can be used to purchase fixed assets but also for an element of "soft" costs (advice, technical help, marketing assistance and counselling, or training services) and working capital under exceptional circumstances.</p>
<p>Nova Scotia Business Development Corporation <i>Nova Scotia Business Development Corporation</i></p> <p>• Term loans • Loan guarantees Encourages business development and promotes employment opportunities in the province by delivering direct financial assistance to business.</p>	<p>Nova Scotia Business Development Corporation Halifax, Nova Scotia Tel.: (902) 424-6488 Fax: (902) 424-6823 E-mail: worthen@bbd.gov.ns.ca Website: www.bbd.gov.ns.ca</p>	<p>• Manufacturing, processing and technology based industries are a focus for assistance, although businesses in many other sectors of the economy are also eligible</p>	<p>Financial assistance is normally available by way of loans or loan guarantees. Financial assistance may be provided for the following purposes:</p> <ol style="list-style-type: none"> 1. Purchase of land and improvements to land. 2. Purchase or construction of buildings and other structures, expansions or renovations to existing buildings and other structures where these structures are used in the business. 3. Construction, purchase or lease back of machinery, equipment, furnishings and other fixed assets. 4. Provision of working capital and equity based financing in certain limited and well defined circumstances.

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Northern Ontario Heritage Fund Corporation (Tourism) <i>Ministry of Northern Development and Mines</i></p> <ul style="list-style-type: none"> • Conditional contributions • Forgivable performance loans • Incentive term loans • Loan guarantees <p>Provides financial assistance to infrastructure improvements and development opportunities in Northern Ontario.</p>	<p>Ministry of Northern Development and Mines Sault Ste. Marie, Ontario Tel.: (705) 945-6700 Toll-free: 1 800 461-8329 Fax: (705) 945-6701 Website: www.gov.on.ca/MNDM</p>	<ul style="list-style-type: none"> • Group or consortium acting together. • Municipalities • Not-for-profit corporations • First Nations • Applicants should be located in Northern Ontario 	<p>Increases tourism activity in the North by: assisting in the identification and development of major destination and regional attractions which reflect the way northerners live and work, supporting the development of northern marketing strategies, and encouraging tourism market research to identify future opportunities.</p>
<p>Ontario Tourism Marketing Partnership <i>Ministry of Economic Development, Trade and Tourism</i></p> <p>Public/Private agency dedicated to the promotion of Ontario as a "must-see" tourism destination for visitors from everywhere.</p>	<p>Ministry of Economic Development, Trade and Tourism Toll-free: 1 800 263-7836 Fax: (416) 325-6004 E-mail: tourism.partnership@edt.gov.on.ca</p>	<ul style="list-style-type: none"> • Tourism businesses and organizations operating in Ontario • Ontario Partners must be willing to participate financially in the marketing initiatives 	<p>Provides opportunities to participate in co-op marketing, domestic, United States, Asia/Pacific and European markets as well as event marketing.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Tourism Consulting Services <i>Ministry of Economic Development, Trade and Tourism and Ministry of Northern Development and Mines</i></p> <p>• Business support and consulting Provide tourism consulting, information, contacts and program access to key tourism growth businesses.</p>	<p>Ministry of Economic Development Trade and Tourism Toronto, Ontario Tel.: (416) 325-6666 Fax: (416) 325-6688 Website: www.gov.on.ca</p> <p>Ministry of Northern Development and Mines Toronto, Ontario Tel.: (416) 314-3800 Fax: (416) 314-3797 Website: www.gov.on.ca</p>	<p>• Key Tourism Growth Business</p>	<p>Ministry's Offices provide tourism consulting, information, contacts and program access to key tourism growth businesses.</p> <p>Tourism consultants offer professional advice on strategic planning, improved competitiveness, business network building and finance.</p>
<p>Rural Youth Job Strategy <i>Ontario Ministry of Agriculture, Food and Rural Affairs</i></p> <p>Participating departments are: the Ontario Ministry of Education and Training and the Ministry of Northern Development and Mines.</p> <p>The Rural Youth Jobs Strategy is a program designed to enhance the employable skills of rural youth and encourage a climate for job creation and opportunities for businesses in rural Ontario.</p>	<p>Ontario Ministry of Agriculture, Food and Rural Affairs Toll-free: 1 888 588-4111 Website: www.gov.on.ca/OMAFRA</p>	<p>• Eligible applicants must be part of an alliance or partnership of two or more groups, organizations, and/or business in any rural Ontario community. Any community outside of a major metropolitan area would be considered</p> <p>• It is not necessary for all entities to be incorporated. Projects submitted by any one individual or any one individual business are ineligible</p>	<p>The Rural Youth Job Strategy is an integral part of government's Youth Opportunities Ontario Initiative.</p> <p>This program will invest in projects carried out by rural partnerships and alliances that would stimulate job creation and/or improve the skills and employability of Ontario rural youth aged 15 to 29.</p> <p>The Rural Youth Jobs Strategy is seeking projects that stimulate job creation and/or provide skills development and experience through the following initiatives:</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
			<ul style="list-style-type: none"> • Rural internships • Sector/Community Based Projects • Technology Based Employment Opportunities • Mentorships • Rural Job Fairs • Transportation Assistance • Internet based job market and career information <p>A review panel will evaluate the submissions and make recommendations to the Minister of Agriculture, Food and Rural Affairs on which projects best meet the objectives of the Fund.</p>
<p>Rural Job Strategy Fund <i>Ontario Ministry of Agriculture, Food and Rural Affairs</i></p> <p>Participating ministries for the Rural Job Strategy Fund include also the Ministry of Economic Development, Trade and Tourism, the Ministry of Consumer and Commercial Relations, the Ministry of Municipal Affairs and Housing, the Ministry of Northern Development and Mines, the Ministry of Natural Resources and the Ontario Native Affairs Secretariat.</p> <p>Encourage a climate for job creation and opportunities for businesses in rural Ontario.</p>	<p>Ontario Ministry of Agriculture, Food and Rural Affairs Toll-free: 1 888 588-4111 Website: www.gov.on.ca/OMAFRA</p>	<ul style="list-style-type: none"> • Eligible applicants will include groups or organizations in the broader rural economic sectors • Applicants must form an alliance or partnership of two or more groups which might include forestry, mining, agriculture, tourism, recreation, food, manufacturing, biotechnology groups, industry or sector associations, municipalities, educational institutions, marketing associations, rural community organizations, rural economic development service providers, or any formally organized group • It is not necessary for all entities to be incorporated • Projects from an individual or an individual business are ineligible 	<p>The Rural Job Strategy Fund is seeking out projects that address one or more of the following priority issues identified by the rural business sectors which provide benefit to rural Ontario:</p> <ul style="list-style-type: none"> • Quality Enhancement • Information Technology • Marketing <p>The Fund will invest in projects that promote new alliances, partnerships, and sectorial development for the benefit of rural communities in Ontario.</p>

PRINCE EDWARD ISLAND PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Canada/ PEI Tourism Development Program <i>Atlantic Canada Opportunities Agency & PEI government</i></p> <p>• Non-repayable contributions Aims to stimulate the further growth of the Island's tourism.</p>	<p>Department of Economic Development and Tourism Charlottetown, PEI Tel.: (902) 368-5540 Fax: (902) 368-4438 Website: www.gov.pe.ca</p>	<p>• Industry organizations and associations either regionally or sectorally based</p>	<p>Tourism Development Program funding will be targeted towards the following types of initiative:</p> <ol style="list-style-type: none"> 1. The development of new market driven tourism products. Support will be provided for research, product development and marketing activities. 2. The marketing and promotion of "key" niche tourism products as identified by consumer research. 3. The development, upgrading, and promotion of major festivals and events. 4. The upgrading and enhancement of provincial tourism infrastructure including parks, trails, campgrounds, visitor services, and golf courses. 5. The improvement of service and product quality.

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Financial assistance program – Cooperative promotion <i>Tourisme Québec</i></p>	<p>Tourisme Québec Montreal, Quebec Tel: (514) 873-7977 Fax: (514) 873-2762</p>	<p>Eligible organizations:</p> <ul style="list-style-type: none"> • Intermediaries operating in the tourism sector (wholesalers, carriers) • Regional tourism associations • Tourism service provider groups • Tourism event promoters <p>The focus is on projects:</p> <ul style="list-style-type: none"> • of an interregional nature aimed at clients from outside Quebec; • using a product approach (skiing, snowmobiling, etc.) and reaching out to all of Quebec; • that are innovative and able to improve and diversify the tourism supply or that promote seasonal and regional staggering. 	<p>Tourisme Québec's support focuses primarily on promotional efforts outside Quebec. Non-repayable financial participation cannot exceed 50% of the total cost of eligible expenditures.</p>

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Fund to increase private investment and revitalize employment (FAIRE) Investissement-Québec</p>	<p>Investissement-Québec E-mail: iq@invest-quebec.com Internet : www.invest-quebec.com</p> <p>Montreal, Quebec Toll-free: 1 800 461-2433 Tel: (514) 873-4375 Fax: (514) 873-4383</p> <p>Quebec City, Quebec Toll-free: 1 888 322 6466 Tel: (418) 643-5172 Fax: (418) 528-2063</p> <p>Jonquière, Quebec Tel: (418) 695-7865 Fax (418) 695-7870</p> <p>Rimouski, Quebec Tel: (418) 727-3582 Fax: (418) 727-3686</p> <p>Trois-Rivières, Quebec Tel: (819) 371-6012 Fax: (819) 371-6962</p> <p>Sherbrooke, Quebec Tel: (819) 820-3224 Fax: (819) 820-3966</p>	<p>Eligible clients:</p> <ul style="list-style-type: none"> • The business must have a financial structure, quality management, and professional and technical staff; • A production and marketing structure that ensures the viability of the project and the competitiveness of the business. <p>Eligible projects:</p> <ul style="list-style-type: none"> • Projects must meet one of the following conditions: <ul style="list-style-type: none"> -Include an investment of at least \$10 million over a period of 36 months; -Create at least 100 jobs over a period of 36 months; -For a new facility, include an investment of at least \$2 million and create at least 50 jobs over a period of 24 months. 	<p>Financial assistance may take one or more of the following forms:</p> <ul style="list-style-type: none"> • Cost-sharing for up to 50% of the feasibility study costs to obtain a world mandate (maximum \$100,000); • A repayment guarantee of not more than 70% of the net loss for a loan, line of credit or any other financial commitment granted by a financial institution (such financial commitments may not exceed 75% of the project amount); • An interest buy-down; • Coverage for certain start-up costs; • A contribution for training; • A repayable or non-repayable contribution.

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
Local investment fund <i>Ministère des Régions</i>	Ministère des Régions Internet : www.sdr.gouv.qc.ca Please contact the regional office of the Ministère des Régions to determine if the program is available in your region.	<ul style="list-style-type: none"> Any business in the start-up or expansion phase, including cooperatives, and whose mandate is consistent with the requirements of the investment policy of the "Centre local de développement" 	The assistance granted may take the form of a loan, equity loan, loan security, guarantee bond, the acquisition of bonds or other loan instruments, equity participation, investment in capital stock or other.
SME Guarantee <i>Investissement-Québec</i>	Investissement-Québec Web site: www.invest-quebec.com Consult the list of Investissement-Québec's regional offices (see p.78).	Tourism component: <ul style="list-style-type: none"> Lodging Camping Excursion cruises Hunting and fishing, adventure and the great outdoors, recreational, arts, crafts and science activities, when offered as part of packages including accommodation Downhill skiing Cultural, nature, scientific, recreational or other attraction The investment necessary for a tourism event aimed at clients from outside Quebec Specific conditions for each category 	Guarantee specifications: <ul style="list-style-type: none"> Maximum percentage: 50% to 90% according to type of project; Guarantee must be at least \$50,000; Maximum term: 10 years; Annual guarantee fees according to risk of 1% to 2.25% on the balance (for start-ups: reduced guarantee fees and risk premiums required); Possibility of a capital repayment exemption for a period not to exceed two years.

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
Support for tourist supply development <i>Part 1 – Support for studies</i> <i>Tourisme Québec</i>	Tourisme Québec Quebec City, Quebec Tel: (418) 643-5959 Contact your region's tourism officer.	Carry out studies on tourism investment projects or activities likely to contribute to the development of Quebec's tourism industry: <ul style="list-style-type: none"> • Opportunity, technical and financial feasibility, and concept studies of an investment project or for an activity sector. • Devise a concept for a tourism product or project. 	Financial assistance for a commercial investment project (profit-oriented organizations) can reach 50% for professional honorary fees and 75% of expenditures for a public project (non-profit organizations).
Tourism development fund <i>Office du tourisme et des congrès de la</i> <i>Communauté urbaine de Québec</i>	Office du tourisme et des congrès de la Communauté urbaine de Québec Québec, Québec Tel: (418) 522-3511, ext. 2674	Profit-oriented or non-profit organization operating in the tourism sector. Municipal tourism projects are eligible. <ul style="list-style-type: none"> • Part 1: Support for special events • Part 2: Support for development of tourism product. 	Subject to budgetary availability, the Fund offers non-repayable financial assistance not to exceed 50% of the activity's or project's eligible costs.

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
Tourism fund <i>Fonds de solidarité des travailleurs du Québec (FTQ)</i>	Fonds de solidarité des travailleurs du Québec (FTQ) Montreal, Quebec Toll-free: 1 800 361-5017 Tel: (514) 383-8383 Web site: www.fondsftq.com	The Fund focuses on projects that: <ul style="list-style-type: none"> • Demonstrate a satisfactory return on investment, taking into account the project risk; • Require a minimum investment of \$500,000 by the Fund, with or without the participation of a regional Fund; • Have a structuring effect on the tourism industry through its spin-offs; • Are aimed at local and international clients; • Eliminate or at least reduce seasonality; • Are carried out in partnership with the private sector, such that the Fund's participation in the project's overall funding totals between 20 and 30 percent. 	Type of funding: Equity participation (minority): this can take the form of ordinary or preferred shares or unsecured debt instruments; it is accompanied by a presence on the board of directors and a shareholder agreement. Financial engineering: mergers, acquisitions, recapitalization and organization.
Other programs	For further information on the programs described in this guide and the complete list of other available programs in Quebec, please consult the TourismExpress 1999 agenda/directory. Tel: (514) 842-3853 Fax: (514) 842-9424 E-mail: texpress@mlink.net		

SASKATCHEWAN PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Saskatchewan Government Growth Fund <i>Saskatchewan Government</i></p> <ul style="list-style-type: none"> • Equity financing • Term loans • Asset purchases <p>Seeks investment opportunities in value-added projects located in Saskatchewan.</p>	<p>Saskatchewan Government Growth Fund (SGGF) Regina, Saskatchewan Tel.: (306) 787-7293 Fax: (306) 787-2086 Email: sggf@sk.sympatico.ca Website: www.cbsc.org/english/sask/bis/5824.html</p>	<ul style="list-style-type: none"> • SGGF will invest in new businesses, existing business expansions, or, in some instances, in a turnaround situation • Investment size is \$500,000 to \$2.5 million • Re-financing is not permitted 	<p>The investments will be made directly or indirectly through equity or loan capital or occasionally through direct asset purchases.</p> <p>Destination tourism is one of the areas of investment.</p>
<p>Tourism Saskatchewan Marketing Fund Keeping P.A.C.E. (Partnership-Accountability-Competitiveness-Excellence) <i>Tourism Saskatchewan</i></p> <ul style="list-style-type: none"> • Non-repayable contributions <p>Increase expenditures in Saskatchewan by residents and visitors from target markets and increase awareness of the province's tourism products with residents, target markets and tourism operators.</p> <p>Develop effective partnerships within the tourism industry to sustain long-term marketing efforts and provide financial support toward incremental marketing activities.</p>	<p>Tourism Saskatchewan Regina, Saskatchewan Tel.: (306) 787-8708 Fax: (306) 787-0715 Website: www.sasktourism.sk.ca/</p>	<ul style="list-style-type: none"> • Only Saskatchewan-based tourism organizations and operators working to increase provincial tourism 	<p>The program provides targeted financial support to the tourism industry in the following areas: market development, (50% of any approved project based on matching funds). Primary research projects for collection and analysis of data on tourism markets, as well as feasibility studies to examine market opportunities are eligible on a 75/25 basis (75 % from Tourism Saskatchewan and 25 % from partners to a maximum of \$3,000).</p>

YUKON PROGRAMS

Program Name, Sponsor and Type	Contact Information	Criteria of Eligibility	Additional Details
<p>Historic Properties Assistance Contribution <i>Heritage Branch of the Yukon Department of Tourism</i></p> <ul style="list-style-type: none"> • Non-repayable contributions Aims to help preserve properties and buildings considered to have significant heritage value. 	<p>Department of Tourism Heritage Branch Whitehorse, Yukon Tel.: (867) 667-3463 Fax: (867) 667-8023 Email: bruce.barrett@gov.yk.ca Website: www.gov.yk.ca</p>	<ul style="list-style-type: none"> • Projects throughout the Yukon • Individuals, community groups, societies, First Nations or businesses in their preservation efforts 	<p>Started in 1987, approximately \$500,000 has been contributed to projects in Yukon.</p> <p>This latest funding initiative will help preserve historic buildings, cemeteries and historic churches.</p>
<p>Yukon Venture Loan Guarantee <i>An initiative between the Yukon Government, Department of Economic Developments Venture Loan Guarantee Program and the following banks: Bank of Montreal, Bank of Nova Scotia, Business Development Bank of Canada, CIBC, Royal Bank, TD Bank and Dana Nays Ventures.</i></p> <ul style="list-style-type: none"> • Venture loan guarantee The program will reimburse the lender (after all security has been liquidated) for 65%, up to a maximum of \$100,000 of loan principle lost. 	<p>Department of Economic Development, Trade and Investment Branch Whitehorse, Yukon Tel.: (867) 667-3014 Fax: (867) 393-6944 Website: www.gov.yk.ca</p>	<ul style="list-style-type: none"> • Yukon businesses which have less than \$5,000,000 in gross revenues and less than 100 employees • The program will primarily focus on new or upgrading tourism accommodation facilities and tourism attractions which have the potential to expand the Yukon economy and create new jobs 	<p>The program is delivered by the financial institutions, which receive the applications, evaluate the projects, approve or reject, provide and collect the loans.</p>

A Road Map

to Tourism Financing

Notes:

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ESBO RESOURCE CENTRE

DOCUMENT NO.: 1053

DATE: May 1999

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