

CBO – IN TOUCH

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What's Inside:

PAGE:

- 2 How to Groom Your Website for Growth**
- 4 Five Ways to Get Your Business Plan Going**
- 5 Tips for Financing Your Growing Business**
- 7 CBO'S Top Docs**

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A Message from the CBO Director

Warm weather is finally approaching! What better time to consider fresh ideas for your business community.

Don't miss reading "Five Ways to Get Your Business Plan Going" to help clients that are having a hard time getting their ideas onto paper.

We've also teamed up with the Business Development Bank of Canada (BDC) to bring you helpful articles on financing and developing a web presence.

For some useful information on what our mutual clients are looking for we've also provided our web site's most popular documents and guides in our "Top Docs" section.

Enjoy these helpful resources and, as always, we look forward to continuing our strong, collaborative relationship with each of you and we hope to receive your continuing feedback on our services.

All the best,

Sarah Powell-Smith
Director, Canada Business Ontario

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Murad's website accounts for three-quarters of his sales, which have been growing up to 30% annually for the past decade.

Clean, simple layout

Visitors to Murad's site are greeted with a clean, simple layout that's easy to navigate without a lot of scrolling or clicking. The site prominently displays links allowing them to get a price quote or book a show in their area. There's also a short YouTube video featuring happy customers, and contact information is easy to find at the top of the page.

The site also ranks phenomenally well in Google searches—showing up on the first page out of 150 million results for the term “magic shows.” A paid ad for Philip & Henry is the top result in a search for “magician.”

Murad credits years of experimentation with search engine optimization—the art of getting search engines like Google to rank your site near the top. He sprinkles his content with a few dozen keywords that describe his business and help him stand out from the competition.

He also works hard on attracting links to his site. That's because such links are one of the main ways Google uses to determine search engine rankings. The more links to your site, the higher you'll usually rank.

“There's a saying: ‘Content is king and links are queen,’” Murad says. “The more people talk about you and share your content on Facebook, social sites and YouTube, the more it improves your ranking.”

All his online efforts have paid off with a payback higher than for any other kind of marketing, he says—worth up to \$100 in returns for each \$1 in costs for his best-yielding campaigns.

“If there was no Internet, we'd be finished. It's huge for my business—absolutely huge.”

Internet marketing 101

Do you have a business website but not sure if it's doing your bottom line any favours? Keep these tips in mind.

- **Plan**—Your online efforts should be guided by an online strategy that's aligned with your overall business strategy, especially if you're in growth mode. It should spell out your online goals (whether that's making sales, generating leads or boosting your brand), your target audience and key messages. All this should guide the design of your website and social media properties—and the content on them.
- **Keywords**—Make a list of 20 to 50 keywords that you think potential customers will use in Internet searches to find your services. Choose terms that help you stand out, and sprinkle them through your site and social content.
- **Social media and links**—Search engine optimization means not only ranking well on Google, but also on social media sites. Post compelling and informative social content that visitors are likely to share. The more your site gets talked about and linked to elsewhere on the web, the higher you'll rank in search results.
- **Website design**—Visitors shouldn't have to scroll or click a lot to find what they need. Prominently display your contact info and a call to action.
- **Paid ads**—Consider paid ads on Google and social media targeted to your audience.
- **Measure**—Monitor your online efforts to see what's working and what's not. Then adjust. Free tools like Google Analytics can help.



Five Ways to Get your Business Plan Going

By Canada Business Ontario (CBO)

You have the best business idea and you've been thinking about it for years. You know this will turn into a spectacular entrepreneurial success.

Fantasizing about where your new business will take you is fun but the real challenge comes from sitting down and describing your idea in a formal business plan. After all, this document is vital to understanding how your business is going to succeed and will be required reading for lenders and potential investors.

Need help getting started? Here are five ways to get your plan onto paper:

1 – Talk about your plan with everyone

Tell anyone you can about your business idea. Feel free to keep sensitive information secret, but discussing your general idea is a great way to get your business brain going. You will be surprised by how many people have an opinion, know key people in an industry or have had an experience around the type of business you've chosen. Practice explaining your plans to people and in no time you will be able to translate these conversations to paper.

2 – Print Business Cards to Get Inspired

It's a simple trick but it can really encourage you to make your plans a reality. It costs little, takes a few minutes and can make your business idea much more tangible. Having a card with your name followed by "President and CEO" can make your plan seem less like a far way dream and more like an attainable reality.

3 – Run your own Focus Group

Get a few friends, colleagues or whomever else you can get a hold of. Write down a list of questions related to your business plan and have an informal discussion. Bring up questions like, "Would you buy this product?", "What do you hate about this industry?" or "Where would you buy this service today?" You'll be impressed at how much business planning material you'll get from even a small, informal group of people.

4 – Pictures

Don't be afraid to get creative in the appearance of your business plan. While you need to write a well thought out description of your business ideas, insert a few colourful pictures within the text to make a wordy document come alive.

5 – Use Free Government Services

Want to save time when getting demographic data or lists of potential suppliers? Use free services such as those offered by Canada Business Ontario (www.canadabusiness.ca or 1-888-745-8888) that can provide detailed consumer spending reports, lists of companies in a specific town and even industry news and trends. If you know what you're looking for, free information like this can easily be inserted into your business plan to support your ideas and give your business plan a professional look and feel.

Tips for Financing your Growing Business

By the Business Development Bank of Canada (BDC)

Is it time to go shopping for a major purchase for your growing small business? It can be hard not to get swept up in the excitement.

Whether it's a major technology upgrade or shiny new equipment, you probably spent hours shopping around for the best product, comparing consumer reviews and talking with vendors.

Then comes the hard part: How to pay for it? Here's where many entrepreneurs could be doing a better job.

Financial planning for an expansion project may not be quite as sexy as a cool new smart phone or bigger digs for your office. But it's critical to make sure your investment doesn't stretch your cash flow and sink you.

"Growth can put an enormous strain on the cash flow of a company," says Patrice Bernard, Senior Vice President, Financing and Consulting at the Business Development Bank of Canada.

Small business owners often make the mistake of financing growth out of their cash flow or by cobbling together a patchwork of smaller loans for each individual purchase, Bernard says.

Protect cash flow

The result can be poor financing rates and repayment conditions. Or even worse—the company may suddenly become caught in a cash flow squeeze. And then it may be too late to line up any financing at all.

"It's as if you used a credit card to finance your home renovations. Your cash flow would be really affected," Bernard says.

Bad financial planning is especially common—and risky—at fast-growing companies, says Peter Brown of financial advisory firm Deloitte, where he is national leader of private company services. "High growth can kill you if you don't have the capital."

Bernard agrees: "You need to plan more if you're expanding because you usually have much higher accounts payable and receivable."

The solution is to take time to do a financial plan for upcoming investments, preferably at the beginning of each year.

The first step is to work out how much financing you'll need based on your overall business growth plans.

Next, meet with your financial partners early on to discuss your plans and brief them about your needs for the coming year. This is the time to secure a credit line for your investments in the coming year, which you can draw on as needed and then convert into long-term debt at the end of the year.



Plan financing

Page 6

The idea is to plan your financing to have the best possible conditions for your debt. The exercise may even show that you need more than one financial partner to give you enough flexibility.

And never pay for large expansion projects out of your cash flow, Bernard says—even if it looks like you've got oodles of extra cash on hand right now.

"That's a big mistake," Bernard says. "When cash flow is good, you think it will always be like that. But if a company is growing, it has to invest much more than other companies. And profits usually won't be enough to cover your investments."

Brown agrees: "It's always better to seek financing before you need it rather than during a crisis. It shows good management. Financiers are much more likely to give financing to an entrepreneur who shows good management."

Rob Read always used self-financing at his quickly growing fire extinguisher maintenance company, Bison Fire Protection, as it ballooned from five employees to 50 over the past decade.

But when Read and partner Émile Jolicoeur decided to expand into new lines of business, such as fire alarms and sprinkler services, they realized they needed better financial planning.

They brought in an outside consultant to help them plot out their overall business strategy, and that included laying out a financial plan. The exercise led them to do their first budgeting and forecasting and add overdraft protection and a line of credit to make sure they've had money lined up before they actually needed it.

Equally important, Read says, he started including his financial partners more in his planning through regular meetings to discuss coming needs. "They're partners in our business. They're definitely part of the team."

Ways to finance your growth

Thinking about how to finance your growing company? Here are some tips:

1. **Talk to your suppliers**—Consider asking suppliers for financing for a purchase, says Peter Brown of financial advisory firm Deloitte. Many are willing to offer a loan if it means a sale—a win-win for the supplier and you. And if you're a supplier yourself, think about offering customers financing. It could become a new revenue stream and boost sales at the same time.
2. **Speed up cash flow**—Every entrepreneur knows productivity is important. But how many focus on the productivity of their cash? "Faster cash flow is a big competitive advantage," Brown says. Consider offering customers creative terms to speed up cash flow, such as a 2% discount to those who pay within 10 days. "Getting cash quicker can mean more peace of mind and a reduced line of credit," Brown says.
3. **Focus on quality clients**—Some customers are slow to pay because their cash flow isn't great, and they're sometimes not worth the effort or risk, Brown says. "Many businesses chase sales—rather than profitable sales," he says. A trademark of well-managed companies is a focus on high-margin, quality customers, who translate into smoother finances and fewer surprises as you grow. "It's a real secret to success."

CBO'S TOP DOCS (as of December, 2012)

TOP Documents

- [Starting Your Business](#)
- [Permits and Licenses](#)

CBO TOP Guides

- [Business Start-Up](#)
- [How-To Start a Restaurant](#)
- [How-To Start a Daycare](#)

CBO TOP Multilingual Documents

- [Business Plan Guide](#)
- [Ways to Promote Your Product or Service](#)
- [Business Structure](#)

CBO TOP Multilingual Language

- [Tagalog](#)