

We Can Help With

- Ideas for a business
- Starting a business
- **GROWING YOUR BUSINESS**
- Ending your business

It's said that if you fail to plan, you plan to fail. According to the Canada/Manitoba Business Service Centre, this holds especially true for entrepreneurs looking to grow their business.

"Business owners are frequently so consumed with day to day operations that they don't take the time to look at what's coming at them," says C/MBSC manager Shannon Coughlin. "This lack of forward planning is probably the biggest hurdle to business growth."

Coughlin says while it is "job one" to fill today's orders and satisfy current customers, a business can't grow if owners aren't also thinking about the challenges and opportunities of next month and next year. "What will you do if your main supplier stops doing business with you? How will you compete with a big box store opening across the road? How can you keep staff current with the latest demands of the marketplace? If you're not

looking down the road, then you're just being reactive, rather than proactive — and that's not a recipe for growth nor planned flexibility to meet the unexpected."

While Coughlin recognizes lack of time is the most commonly cited reason for lack of strategic planning, she says business owners simply have to make planning a priority. And she says the C/MBSC can provide owners with the information and contacts they need to make informed business decisions.

For example, a sole proprietor working from home may decide to grow his business by moving to commercial space and incorporating. The C/MBSC can provide info on the pros and cons of incorporation and its tax implications; referrals to qualified professionals who can help determine if the time is right for such a move; and even a free session with a lawyer and accountant. (The Guest Advisor program provides free, one-on-one

counseling with a lawyer, accountant, banker or e-business expert. Call the C/MBSC at 984-2272 or 1-800-665-2019 to book an appointment.)

Similarly, the BizCoach Manitoba program provides business owners with one-on-one mentoring by savvy and successful entrepreneurs willing to pass along lessons learned through experience. The program is open to all businesses, including start-ups as well as those in a growth phase.

"Whatever an owner needs to grow her business, we stand ready to help," Coughlin says. "We can assist existing businesses identify potential sources of funding, help them develop a plan for recruiting employees, provide business intelligence, and much more. Strategic planning might yield a decision not to grow, but at least that will be by choice and not due to lack of planning or external factors."

Contact Us!

If you have business questions, we have the answers!

Contact us if you would like to receive FREE future editions of *Let's Talk Business!* We'll add your name to our mailing list.

YOU CAN REACH US:

Visit: 250-240 Graham Avenue, Winnipeg (skywalk of the Cargill Building) or any of our satellite offices throughout Manitoba.

Mail: PO Box 2609, Winnipeg, MB R3C 4B3

Call: (204) 984-2272 or 1-800-665-2019

Fax: (204) 983-3852

E-mail: manitoba@cbsc.ic.gc.ca

Click: www.cbsc.org/manitoba

Managing Partners:
Western Economic Diversification
Canada and Manitoba Competitiveness,
Training and Trade.

Enquiries and comments on
Let's Talk Business! are welcome.

Editors: Shannon Coughlin and
Daria Gawronsky

Let's Talk BUSINESS!

Volume 8 • Issue 2

The Newsletter of the Canada/Manitoba Business Service Centre

Let's Talk
BUSINESS!

FALL/WINTER 2006

Business Start loans doubled! Now available to part-time businesses

For lack of financing, a great business idea may fall by the wayside. To ensure those great ideas have opportunity to grow and bear fruit, the newly-enhanced Manitoba Business Start program is now offering loan guarantees of up to \$20,000.

Whereas owners previously had to work full-time at their business in order to be eligible for a Business Start loan, the enhanced program requires only a 20-hour a week commitment, and home-based businesses are also eligible.



"Lack of financing can prevent some potentially strong business opportunities from getting off the ground," says Tony Romeo, director of the Small Business

Development Branch. "Over the life of the program, we've supported numerous successful Business Start loan participants, including Frantic Films, Candi and Dolls, and Bison Fire Protection."

In all, the program has supported more than 900 business start-ups since its inception in 1989 and has created in excess of 2,300 initial jobs.

Loan terms include an attractive prime-plus-one percent interest rate, and a one-year deferral

of principal repayments allows business owners to use cash flow in their first year to grow their business.

Romeo points out loan applicants must be in the initial start-up phase, with less than six months of full-time operations, and must attend a three-day business planning workshop.

"Although the workshop is a requirement for loan applicants, it would also be of value to anyone who is starting a business or running an existing business," says Romeo. "It covers everything from accounting and taxes to marketing your product or service."

For complete details on the Business Start loan program, visit the Manitoba Business Gateway @ www.manitoba.ca/gb and click on the Financing a Business folder.

For information on the FREE three-day Business Planning Workshop, phone Margaret Kelly at 204-945-7721 or email kelly.margaret@cbsc.ic.gc.ca. Workshops will be held in Swan River in October and in Brandon during November. Workshops are held monthly in Winnipeg.

The Small Business Development branch is located at C/MBSC, 240 Graham Avenue.

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**CELEBRATE SMALL
BUSINESS WEEK
OCTOBER 15 TO 21!**

MINISTERS' MESSAGES

On behalf of Canada's new government and my department, Western Economic Diversification Canada, it's a pleasure to celebrate Manitoba's entrepreneurial spirit during Small Business Week.

Small businesses are vital to the growth and prosperity of our communities. They account for 80 per cent of all new jobs in Western Canada and help create a vibrant and competitive economy.

I am proud of the achievements of our entrepreneurs and small businesses over this past year. We are witnessing unprecedented growth in small business start-ups led by a diverse group of energetic and ambitious entrepreneurs. Hard-working men and women define the Western Canadian spirit through innovative thinking, dedication and determination.

Together with our partners, I wish you every success and encourage you to take advantage of the activities offered during Small Business Week 2006.

Carol Skelton, Minister
National Revenue and Western Economic Diversification



There are about 75,000 small businesses in Manitoba providing the kind of entrepreneurial spirit that renews and broadens our economic base. While expanding into new markets and bringing new energy to existing markets, they provide our province with diversity and stability that helps us adapt readily to economic change.

Our government recognizes that doing whatever we can to develop and expand the small business sector in Manitoba is a high priority. We believe supporting this sector requires us to advance skill development initiatives, remove barriers to growth and develop positive incentives.

One of the ways we do this is in partnership with the Canada/Manitoba Business Service Centre. The Centre provides resources such as training, counselling, programs, business planning and first-rate industry information to support development and growth of new enterprises.

Find out more about what the Canada/Manitoba Business Service Centre offers during Small Business Week, October 15 to 21, 2006. This week is observed across Canada as a way of thanking small business entrepreneurs by providing them with a variety of opportunities to network and learn. Mark it on your calendar and be sure to visit www.gov.mb.ca/gb online for more information on services to businesses across Manitoba.

Scott Smith, Minister
Manitoba Competitiveness, Training and Trade

C/MBSC – All business all the time

Turn to us for ALL your information needs!

- C/MBSC is your one-stop business information centre. We offer:
- a telecentre staffed by Business Information Officers who can immediately provide free information on hundreds of government programs, services and regulations
 - a walk-in information service for clients who are in the area and want to drop in to quickly pick up business and trade information
 - a Business Startup Service for clients who need help getting their business off the ground
 - an extensive business and trade reference library staffed with professional librarians and technicians who can help you find the information you need
 - free publications on a variety of business and trade topics
 - client workstations connected to the Internet and other searchable online databases
 - Information Specialists who can help you with your business planning and who deliver specific funding programs on-site
 - a Guest Advisor Program that offers Manitoba entrepreneurs the opportunity to speak with lawyers, accountants and banking professionals who volunteer their time and share their expertise
 - Export Services to assist new and existing exporters with international business plans, market intelligence, research and market access
 - seminars on business and trade development topics such as business planning, exporting, financial management, business startup, e-business, intellectual properties, and more
 - 32 regional access sites throughout Manitoba to help entrepreneurs wherever they may live and work
 - the Aboriginal Business Service Network, dedicated to helping new and existing Aboriginal entrepreneurs
 - E-Future services to help clients understand e-business and its role in their organization
 - a comprehensive web site, including an Interactive Business Planner and an online Small Business Workshop
 - BizCoach – a mentoring program that pairs entrepreneurs with experienced business people who have “been there, done that.”
 - and coming soon, a video conference network extending seminar and information delivery throughout Manitoba.

SMALL BUSINESS WEEK IS OCTOBER 15-21

GET MOTIVATED, GET SMART

Small Business Week is chock-full of special presentations and events designed to educate and inspire entrepreneurs. Below is just a sampling of our line-up in Winnipeg and Brandon. For details on times and location, and to register, check our website @ www.cbsc.org/manitoba or phone 204-984-2272 or 1-800-665-2019. Hurry, because space is limited! (All seminars are offered in Winnipeg unless otherwise noted.)

- How to Start a Business in Manitoba*
- Fees and Permits – City of Winnipeg Requirements
- Understanding Small Business Financing (with Assiniboine Credit Union)

- Methods of Financing your Business
- Starting a Business and the Canada Revenue Agency
- GST Workshop**
- Intro to Provincial Sales Tax*
- Hiring Employees
- Marketing Basics
- Market Research — Use quantitative and qualitative research to evaluate your market and find business financing
- Building your Network
- Succession Planning for Small Businesses

- Selling and Negotiating to Win
- Export Development
- Buying a Franchise
- Finding Your Competitive Advantage — How to set yourself apart from the crowd
- Selling Your Products or Services to the City of Brandon**
- Selling Your Products or Services to the Government of Manitoba**
- Selling Your Products or Services to the Government of Canada**

* also offered in Brandon

** offered only in Brandon

Risk analysis

When the going gets tough, the tough have a plan to get going

Every business venture carries risk: the risk the business won't be able to produce the product it wants; that the market won't develop as expected; that the business can't find or retain the employees it needs. The biggest risks, however, are usually the ones business owners have no control over.

For example, when the Canadian dollar was worth less than \$0.63 U.S. just a few years ago, few people predicted a 40 percent rise in our currency. For businesses with a large customer base in the United States, this soaring value of the Canadian dollar has been devastating since their goods are no longer such a bargain to American customers.

Likewise, the rapidly rising cost of energy was largely unforeseen and has put a huge dent in the profit margins of some companies. Bad weather, terrorist threats, and soaring costs of raw materials might also affect a business and leave owners feeling vulnerable.

Other risks are more obvious. For example, one risk most business owners face is loss or theft of their electronic records. “Information technology itself isn't nearly as big an asset as the information it contains,” says Michael Legary, founder of Securix, a company that helps ensure IT systems are secure. “Small businesses, in particular, may be wiped out if they lose all their records, or if someone copies or tampers with them, yet small businesses often don't have the time or money to protect their greatest asset.”

According to Legary, the solution for small business owners is to back-up all records, limit employee access to electronic files, and make an educated decision about what risks they're willing to accept. If they need assistance to figure that out, or to make their systems more secure, they should hire outside help.

Whatever the risk, according to risk analysis experts the greatest businesses threats can often be overcome with intelligent upfront planning. As much as possible, business owners should try to anticipate possible risks. After identifying their vulnerabilities, they should estimate the probability of financial loss in various situations that could go wrong. They should develop a worst-case scenario and put a price tag on it, then develop a plan to handle the possible losses. That plan might include cutting operating costs, diversifying operations, developing new markets, or negotiating better deals with suppliers.

Some risks may be managed through insurance. However, a one-size-fits-all insurance plan may not be adequate: owners may need additional special coverage relevant to their own business.

Ideally, risk assessment should be included in a new venture's business plan, along with steps owners can take to mitigate the risks. However, existing businesses should also be thinking about potential risks.

Where are **your** business landmines? Many business risks can be predicted in advance, and keeping your plan's risk analysis current keeps you on your toes and negates risks before they happen.

Last fall we profiled two new entrepreneurs who started their businesses with help from the Canada/Manitoba Business Service Centre. This issue we check in on their progress and lessons learned.

SUCHOT'S KITCHEN

What a difference a year makes. For Suchot Sunday, owner of Suchot's Kitchen, a 12 month interval has brought more reasonable work hours, greater flexibility, and a revised vision of where she wants to take her business.

"A year ago, I was thinking franchising and was wanting to take the business as far as it could go," Sunday laughs. "Now I realize that although I love my business, I want it to be just a satisfying part of my life, not all of my life."

Sunday moved her catering and baked goods company from rented space in a church kitchen to its own premises at 751 Wall Street, extensively renovated the former office space, grew the list of cafés she supplies with baked goods...and learned to work smarter.

"My greatest challenge has been working too much and knowing when to stop," Sunday says. "But I've recognized it's better to pace yourself, otherwise you may burn out or lose interest."

Sunday clearly hasn't lost interest. Her enthusiasm for her business is evident and she has plans to further grow the catering side of her business, install a take-out deli counter, and open her

CAREFUL GROWTH LEADS TO NEW POSSIBILITIES, GREATER SATISFACTION

bakery to walk-in customers a couple of days a week. But she'll take it one step at a time.

"I'm not comfortable dropping a huge amount of money and trying to do everything all at once. You need to respect your own comfort level, otherwise why be self-employed?"

Asked what she has learned over the last year, Sunday says, "To talk, talk talk! It has led to the most amazing connections for me."

One of Sunday's "amazing connections" is a mentor she found through the Canada/Manitoba Business Service Centre. She says her mentor has many years experience in the food business and has provided her invaluable advice, including that she doesn't need to do everything herself, and must take the time to do long-term planning.

Consequently, Sunday is currently planning to hire a part-time baker and has again turned to the C/MBSC for information on programs that may offer employment subsidies. "By slowing down a bit, I think I'm better able to see possibilities for my business that I hadn't previously considered."

Contact Suchot's Kitchen at 688-4287 and view its menu online at www.menumanitoba.com/suchotskitchen.htm



Steel 'N' Ink continued...

he has been able to overcome the challenges of locating an "urban" business in a rural area.

"In my business plan, I anticipated taking my service on the road. I'm pleased that I've been invited onto First Nations reserves and to Winnipeg several times. I think my willingness to travel is something that sets my business apart and makes me unique." Kit proudly says he has even been invited to Swan Valley Hospital to practice his art on long-term patients who couldn't come to him.

Kit put many hours into his initial business plan, and now intends to re-do it to take into account the rent, renovation, maintenance and insurance costs he'll face once he makes the move to a commercial space. And, as he has so often



done over the last three years, he'll turn to the Swan Valley Enterprise Centre (a C/MBSC satellite site) for assistance.

"One of the main pieces of advice I would give any young entrepreneur is to take advantage of a government business start program. They have answered so many questions and opened so many doors for me. I know they'll now help me re-do my business plan and help me gain access to some necessary loans."

Contact Steel 'N' Ink at 204-281-1735.

C/MBSC LIBRARY THE PLACE TO RESEARCH BUSINESS IDEAS, GAIN COMPETITIVE EDGE

No matter what kind of business information you need, chances are the C/MBSC has it!

Our library, located at 250-240 Graham Ave., has more than 12,000 books on every imaginable business topic. We also have a large collection of Canadian company directories plus some international directories, and provide public access to a database of international companies.

You'll also find more than 270 different Canadian and American industry magazines and a wide range of audio-visual materials in a variety of formats. We have more than 2100 titles on a wide range of business topics.

We have a large collection of titles organized by business type e.g. photography, retail, martial arts schools, etc., with over 1,400 titles in this industry-specific collection. That's on top of the thousands of titles in sections dedicated to workplace safety, marketing, management, human resources, demographics, customer service and relations, day to day business operations and much more. Come check out what we have on our shelves about your type of business!

Finally, entrepreneurs interested in international trade will appreciate the library's large collection that covers not just the nuts and bolts of exporting and importing, but also information on doing business in specific countries.

The library is open to the public Monday to Friday from 8 a.m. to 5 p.m. Below is just a small sampling of some of our recent acquisitions:

- *Aboriginal Business and Communities Directory - Alberta, Saskatchewan and Manitoba*
- *The Unique 2005 (first edition) Hutterian Brethren Potato Grower Directory*
- *Manitoba Business Directory, 2006* 52,000 business listings organized by city and industry, as well as major employers and manufacturers.
- *101 Power Strategies: Tools to Promote Yourself as the Contractor of Choice*, by Paul Montelongo, 2001
- *From Nyet to Da: Understanding the Russians*, by Yale Richmond, 2003
- *How to Design a "Wow!" Trade Show Booth Without Spending a Fortune*, by Steve Miller, 2002
- *Wrongful Dismissal Handbook*, by John Sproat, 2006
- *Advertising and the For-Profit Site*, by David Hills, 2006 (DVD) Learn how to evaluate the effectiveness of your pay-per-click campaign and how to reap revenue from your site by providing visitors with relevant advertising.

BUSINESS PLAN OVERHAUL WILL PROVIDE BLUEPRINT FOR GROWTH

STEEL 'N' INK

Sometimes a business gets a boost in the most unexpected way. Curtis Kit, owner of Steel 'N' Ink Body Art, could never have predicted the appearance and popularity of the reality TV show Miami Ink, but he credits the show with helping make tattooing more popular with the masses and increasing demand for his services.

Despite the increasing popularity of body art, three years after opening his doors, Kit finds it a continual challenge to grow his business — not because of lack of demand for his services but because of lack of time to take the necessary next steps.

"I would love to move my operation out of my home and into a storefront," he says. "But with running my business, working part time at the local hospital,

and being a father to three kids, I just haven't had the time."

Kit is pleased that his business continues to grow slowly and that the complexity and resultant price of his tattoo work is increasing. While he started out doing mostly \$50 to \$100 jobs, most of his works are now \$300 and up. And while he says his greatest challenge has been operating in Swan Valley — an agricultural area with many seniors —