



Canadian Trade Successes 01-06

POWELL RIVER SNAGS U.S. SHELLFISH INVESTMENT

Company Name/Address:	Contact Name: Susan Plester, Communications Coordinator Tel: (250) 746-9891 Fax: (250) 746-9831 Email: questconsulting@shaw.ca
Key Quotation: “The support from Community Investment Support Program (CISP) was key to this project’s success,” said Blair Salter, VIEDA marketing manager. “CISP was the lead program from which all other funding was secured. Someone has to go first, and there are very few programs in Canada that are investment focused.”	
Story details: The Powell River shellfish farming industry is getting a healthy infusion of U.S. capital, aided by a B.C. marketing campaign aimed at foreign investment. A U.S. firm is establishing a shellfish facility in the area, investing an initial sum of more than \$1.5 million and creating 11 jobs. The company may soon add a processing plant, possibly pushing the investment over \$5 million and creating 50 more jobs. Other foreign firms are also set to visit the area this year, and some are negotiating the establishment of additional facilities. The investment was aided by discussions between the investors and the Vancouver Island Economic Developers Association (VIEDA), a group of 10 communities on Vancouver Island and the Sunshine Coast that are working to promote the region for investment over a three-year period. The federal government also played a significant role. Since 1999, VIEDA has received \$225,000 from the Community Investment Support Program (CISP), a program run by the	

Department of Foreign Affairs and International Trade (DFAIT) to help municipalities attract foreign direct investment.

Prior to the start of the VIEDA initiative, the region was in an economic downturn, with thousands of jobs lost and several towns almost entirely shut down.

Securing the U.S. investment in the Powell River region is the culmination of a long-term, dedicated marketing and communications strategy.

Susan Plester, who coordinates communications for VIEDA, said VIEDA spent five years visiting communities on the island and Sunshine Coast to assess how to market the area, and which industries to market. After this extensive research, VIEDA developed a marketing plan, and has been implementing it for the past three years.

“It was really quite an achievement to get these communities to work together, because most municipalities define their work locally,” said Plester.

The regional partnership approach is particularly effective for funding. Typically, the CISP offers funding of up to 50 percent in a matching contribution system. In 2004-05, CISP contributed \$52,200 to a \$250,000 budget for the shellfish farming initiative. The rest of the funds had to come from the private sector and local communities. Each community contributed an average of \$2,000 to \$3,000 annually, although contributions ranged as high as \$10,000. Other funding came from Western Economic Diversification Canada and the province’s Coast Sustainability Trust.

The CISP funds were used to conduct community consultations, undertake research into the potential of the shellfish sector, and employ consultants to identify potential investors. They were also used to develop marketing materials, such as a trade booth and a website.

VIEDA representatives contributed many volunteer hours managing the project and providing their insights.

The website, at www.shellfishwest.com, profiles Vancouver Island and the West Coast, describing why the VIEDA area is ideal for shellfish farming.

“The support from CISP was key to this project’s success,” said Blair Salter, VIEDA marketing manager. “CISP was the lead program from which all other funding was secured. Someone has to go first, and there are very few programs in Canada that are investment focused.”

The CISP funding was also used for a “relationship marketing initiative,” said Salter. “This is a process whereby we developed personal relationships with key players who might be ready to expand their operations in the future. These would usually be large companies that are sophisticated, profitable and successful.”

VIEDA short-listed the companies and then arranged to meet with key decision makers, looking for opportunities to build relationships and describe the advantages of investing in the B.C. industry.

Salter said the initial meeting typically occurred at a trade show or similar industry event. Subsequently, a meeting would be arranged “on site” at the investor’s location. “People tend to be more comfortable in their own environment.”

VIEDA also did background work, subscribing to industry newsletters and tracking the “buzz” in the industry, said Salter. “You do this on a weekly basis for years, building a base of knowledge.”

Plester said four other foreign investors are now looking at shellfish farming in the region. The B.C. Shellfish Growers Association expects the sector to grow from its current wholesale value of \$20 million to \$70 million by 2010.