



Information compliments of the Canada/Nova Scotia Business Service Centre 1-800-668-1010

Ask an Information Officer

What financing options and support programs are available to me for expanding my business?

Julie Penwarden

Seeking some form of financing is virtually inevitable when expanding your business. Think back to when you first started your business. Remember those alarming words you may have heard – “business plan”?

Hopefully you’ve been keeping your business plan up to date, but if not, it’s time to dust it off and put it into action. Most lenders want to see a well-laid out plan to understand what you intend to do with the money and to ensure you are serious about the project.

Start with your bank – especially since you have already developed a financial history with your banker. Many banks and credit unions have financing options designed specifically for small businesses. Consider a line of credit instead of a loan so you can withdraw or repay money as needed.

The following is a list of organizations that assist with business expansion:

Nova Scotia Business Inc. – offers financial assistance and consulting through their Business Advisory Team. NSBI’s Account Executives are trained and certified in the delivery of business expansion services.

Regional Development Authorities – are the champions of business growth and provide business counselling from the initial idea to

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Business Article

Expanding your Business

Jaime Wombolt

The most important step in expanding your business is having a plan, which is meant to guide you in the growth of your business and be updated as your own circumstances and market conditions change.

In addition to your updated business plan, you should ensure you have the following elements in place:

- Marketing plan – including research on any markets that you are interested in expanding into
- Technical skills – especially if you are diversifying
- Sales and marketing skills – are important when bringing on new products
- Financial resources - to cover the cost of your expansion
- Financial management experience - to ensure that you stay within your budget

Depending on the type of business you own, there are innumerable ways to begin the growth process. Focus on one or two areas to start your expansion, instead of trying to do everything at once. Some approaches are:

- Increase sales volume/add new customers – this could require a reduction in prices, more marketing, new products, or a new location
- Increase production/add new products – this could involve hiring new staff that could produce more

or come up with innovative new ideas

- Grow your work force – hire employees with a fresh perspective or new idea, or simply extend business hours
- Add new markets – this could be at provincial level, or even internationally – exporting is an excellent way to expand
- Licensing/franchising – consider expansion through licensing your intellectual property (trade-marks, patents, etc.), or selling franchises of your business. These processes could lead to further expansion

Keep in mind; putting effort into any of the above approaches may push you to balance out your activities.

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For example, increasing sales would require you to increase production, which means you would have to hire more employees to handle the growth. Make sure your business has a good balance of resources. Set priorities and focus on specific goals.

There are many resources available to assist you with the expansion of your business. Look for books by other successful entrepreneurs for ideas and inspiration. Hire a consultant if you have the resources. Ask trusted employees or managers for suggestions. Research what has worked for your competitors and, more importantly, what hasn't.

Before beginning any expansion attempt, make sure that your business operation is running smoothly, and that it is fairly stable. Most importantly, before taking on any major growth projects, ensure that you have the passion and drive to see your project through to the end.

Featured Website

Halifax Regional Development Agency
Jaclyn Poole

The Halifax Regional Development Agency (HRDA) assists businesses and community groups in the rural and suburban Halifax Regional Municipality. The HRDA takes a hands-on approach in assisting clients and their services are free of charge.

The HRDA provides counselling support to potential and existing small business owners by guiding entrepreneurs through the many steps of business start-up or expansion. In addition to business counselling, they host a series of seven workshops that are exceptionally well-received by all types of business owners.

Here are some additional services offered by the HRDA:

- Business development and planning
- Entrepreneurial Self-Assessment
- Business expansion services including export and trade development
- Online business directory

To meet the information needs of their clients the HRDA has also developed The Small Business Briefcase, a web site that enables entrepreneurs to quickly and efficiently locate relevant programs and services.

For more information about the business counselling services and workshop series, visit www.halifaxrda.ca or call 902-869-4040

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the planned expansion. The RDA will also help you navigate the financial assistance process.

Greater Halifax Partnership – has a group of more than 25 senior business people and government officials, known as the SmartBusiness Action Team, to help employers develop solutions and tactics for business growth in Greater Halifax. GHP helps businesses access new markets, recruit skilled workers, access financing information, and address training needs.

Seed Capital Program – provides financial assistance to a maximum of \$20,000 for entrepreneurs age 34 and under for business expansion. (No age restrictions are in place for start-up)
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From Information to Business is a monthly publication of the Canada/Nova Scotia Business Service Centre.

Our Mission

To improve the start-up, survival and growth rates of small- and medium-sized enterprises by giving business people in every part of Nova Scotia access to accurate, timely and relevant information and referrals

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businesses.)

Community Business Development Corporation – provides financing to a maximum of \$150,000 in the form of loans, loan guarantees, and equity financing for starting or expanding a business. CBDC also offers counselling, advice, guidance, and entrepreneurship development training for small businesses.

Atlantic Canada Opportunities Agency – administers the Business Development Program, which focuses on the start-up, expansion, and modernization of small and medium-sized businesses. Interest-free, unsecured loans are available for eligible industries. If you are interested in exporting, check out ACOA's new E-Business and Export Mentoring Program.

Business Development Bank of Canada – tailors its loan program to your needs – whether your business requires money for constructing a new building or for managing your human resources. BDC's professionals can you help you in any stage of business growth.

Take other avenues of financing into account. If the financing you require is to purchase equipment, vehicles, or buildings, consider leasing instead of buying. Even suppliers may be willing to extend payment terms if they feel you will be a profitable, long-term customer.

Keep in mind; it is possible to expand too quickly, so make sure your business has the resources, capacity, and market potential to expand. For additional questions, reach a Business Information Officer by calling 1-800-668-1010 or emailing halifax@cbsc.ic.gc.ca.

Hot Picks

The following books are available from the Canada/Nova Scotia Business Service Centre Library. These books may also be available in our resource centres, located throughout the province.

Big Ideas for Growing Your Small Business

McGuckin, Frances

Now that your business is up and running, you are faced with a multitude of daily decisions and responsibilities. *Big Ideas for Growing Your Small Business* is an easy-to-read, refreshing, and insightful step-by-step guide answering challenges, understanding problems, and delivering the tools to help small businesses think big. This exciting second edition, companion book to the best-selling *Business for Beginners*, is loaded with new and vital information on how to master the many diverse skills necessary to ensure a thriving business.

Learn how to:

- Fine-tune sales and marketing skills
- Manage time and get organized
- Use seven tools of change
- Hone entrepreneurial skills
- Control financial reins
- Present with power
- Hire and manage employees
- Grow your customer base
- Prepare for growth
- Operate more profitably
- Overcome operational crisis
- Enjoy your success

Tips, big ideas, questionnaires, checklists, case studies, and content focused on helping today's busy business owners succeed in a competitive marketplace are included in this excellent read.

From Ice Cream to the Internet: Using franchising to drive the growth and profits of your company

Dr. Shane, Scott A.

For businesses seeking new paths to growth, franchising offers immense

promise – and unique risks and pitfalls. All too often, decisions about whether and how to franchise are made based on anecdotal or unrealistic information. This book brings together the field's best research, helping you to decide whether to franchise, to understand the key factors associated with long-term success, and to build systems that work for franchisor and franchisee alike.

Drawing on studies of hundreds of franchise systems in dozens of industries, Dr. Scott A. Shane identifies proven principles and techniques for the entire franchise system development process: defining products and services, planning support, establishing royalty rates and advertising programs, mapping territories, recruiting and managing franchisees, and much more.

Clear and engaging, this book brings together previously inaccessible research on a wide range of crucial issues, from establishing margins to navigating the legal and institutional challenges of franchising. It will be the definitive guide for every business leader responsible for evaluating, planning, implementing, or managing franchise relationships.

Exporting from Canada

Kautz, Gerhard W.

A world of international markets opens up for your small or medium-sized business when you begin to export your product. To succeed in your exporting venture, you will need to know what, where, and how to export. This book provides Canadian exporters with easy-to-follow information and advice on the strategies and issues involved in doing business outside the country.

Topics covered include:

- Possible markets
 - Product redesign
 - Costs and financial issues
 - Export business arrangements
 - Resources and government funding
 - Paperwork and documentation
 - NAFTA-related issues
 - Agents and promotion
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Hot Picks

Exporting from Canada is also a complete resource directory, including reference guides, Internet sites, and business contacts that will help you develop an unbeatable entry strategy. Practical pointers on visiting foreign countries will make your business trips run smoothly and effectively.

The Canadian population is comparatively small. With Exporting from Canada, you can make your target markets significantly larger, and your product more successful.

Comment gagner la course à l'exportation (How to win the race for exports)

Vigny, Georges

(available in French only)

Canada holds the top spot among members of the Group of Seven countries for the volume of trade per capita. We export three times more per capita than the Americans and twice more than the Japanese. Approximately 40% of the goods and services produced in Canada are destined for export.

These figures are impressive. They also highlight our dependence on this strategic sector. Indeed, exports now represent the critical ingredient of our economic growth and are a determining factor in the creation of permanent jobs. There is only a small step to take then to affirm that the survival of your business may depend on export markets. And Georges Vigny takes that step without hesitation.

From the kit for the business leader planning his first trip to the various steps of the conquest of the most promising markets and sectors, to the resources at your disposal and the exporter's lingo, the author leads you on how to journey which is characteristic of the business guides from the series entitled *Entreprendre, aux nouvelles frontières des entreprises conquérantes!* (Undertaking, to the new frontiers of conquering businesses).

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