

## **15**

### **YORK REGION SMALL BUSINESS ENTERPRISE CENTRE ANNUAL REPORT 2003**

**The Planning and Economic Development Committee recommends the adoption of the recommendations contained in the following report, November 11, 2003, from the Commissioner of Planning and Development Services:**

#### **1. RECOMMENDATIONS**

It is recommended that:

1. The 2003 annual report of activities of the York Region Small Business Enterprise Centre be received for information.
2. Staff be authorized to submit a new business plan and funding proposal to the Ministry of Economic Development and Trade for funding assistance to continue the operation of the York Region Small Business Enterprise Centre.
3. The Regional Chair and Regional Clerk be authorized to execute subsequent and all future agreements with the Ministry of Economic Development and Trade for the delivery of the program.

#### **2. PURPOSE**

The purpose of this report is to update Regional Council on the progress of the York Region Small Business Enterprise Centre.

#### **3. BACKGROUND**

In March 2002, approval was given by Regional Council to enter into a Letter of Agreement with the Ontario Government for the purpose of establishing a Small Business Enterprise Centre at York Region. The Agreement with the Province was executed in February 2003, and the Centre was opened in June 2003. A Small Business Consultant, James Nicholson, was retained to manage the operation of the Enterprise Centre.

#### **4. ANALYSIS AND OPTIONS**

##### **4.1 The York Region Small Business Enterprise Centre**

The York Region Small Business Enterprise Centre (*YRSBEC*) is the newest member of a network of 44 Small Business Enterprise Centres across Ontario, created as a partnership between the Region and the Ministry of Economic Development and Trade.

According to the 2002 Employment Survey, about 75% of businesses in the Region have less than 10 employees. The York Region Small Business Enterprise Centre (*YRSBEC*)

will be an important resource to act as a catalyst for new small business growth, as well as provide accurate and timely assistance to existing small businesses, particularly in the northern municipalities. At the same time, it will complement the services provided by the existing Enterprise Centres in the Town of Markham, Town of Richmond Hill, and the City of Vaughan.

The *YRSBEC* was established in June 2003 at the Regional Administration Centre. In order to facilitate ease of access for clients, discussions are being held with Property Services to provide a permanent location for the Enterprise Centre on the main floor of the Regional Building. In the interim, the Enterprise Centre is located on the fourth floor within the Planning and Development Services Department on a temporary basis.

The Small Business Consultant provides advice to potential entrepreneurs on business registration, writing business plans, market planning and financing options. Existing businesses are given advice on strategic planning, market penetration, expansion planning and human resource issues. Other outreach activities include making presentations, organizing seminars and workshops, and securing partnerships and sponsorships. The Consultant is also responsible for the delivery of Provincial programs for businesses and youth and the daily management of the Centre.

## **4.2 Progress To-date**

### **4.2.1 Salute To Small Business Showcase 2003**

The *YRSBEC* organized and hosted a *Salute to Small Business* Showcase in celebration of National Small Business Week on November 21, 2003 at the Cardinal Golf Club. The objective of the *Salute to Small Business* Showcase was to provide a forum where participants can learn from experts, enhance their business skills, expand their horizon, display their products and services, exchange ideas and network.

The Showcase was organized in partnership with Job Skills and the Business Loan Centre and funded in part by the Ministry of Economic Development and Trade. Other sponsors of the event included the Royal Bank, David Hart and Kristen Dennis representing the arts and cultural community, and Marsh Corporate Consulting Limited.

The activities for the day included the following:

- A keynote address by a local marketing/advertising consultant.
- A panel discussion with experts from the banking, legal, accounting and small business consulting professions.
- Facilitated roundtable discussions on the subjects of marketing, export, government funding programs and the municipal approval process.

There was an overwhelming response to the event. In addition to representatives from the three levels of government, the Showcase was attended by about 170 small business owners and entrepreneurs representing a variety of small business enterprises operating in the northern part of York Region. The Trade Show component of the Showcase was well subscribed with about 40 exhibitors displaying their products and services. The

exhibitors included retailers, consultants, a farm business, a local brewer, food service, government service providers and technical support businesses.

This is the first major event organized by the Enterprise Centre since its establishment. The feedback was very positive, with many exhibitors indicating that they have made solid business gains from their participation in the Showcase. As a result of exposure through the *Salute to Business* Showcase, a major financial institution has already expressed an interest in taking up a lead sponsorship to assist in the cost of organizing next year's event.

#### **4.2.2 Seminars, Workshops and Presentations**

As part of the Centre's education and training mandate, the *YRSBEC* organized and hosted two seminars at the Regional Administration Centre on the GST and PST Systems in September 2003, in partnership with the Ministry of Finance and Canada Customs and Revenue Agency. The seminars attracted about 45 small business owners. A third seminar on How to Avoid Frauds and Scams was held in December 2003 at the Regional Administration Centre. This seminar was sponsored jointly by the Ontario Securities Commission.

A half-day *Local Business Opportunities* workshop was held at the Neighbourhood Employment Resource Centre in Sutton. About 13 aspiring business owners attended and were motivated to start their businesses in Georgina.

As part of the Centre's proactive approach, presentations were made to the Newmarket Economic Development Advisory Committee (NEDAC), the East Gwillimbury Business Development Committee, the Whitchurch-Stouffville Neighbourhood Employment Resource Centre (NERC) and the Entrepreneurs Networking Group (ENG). These presentations have resulted in ongoing referrals being directed to the Centre.

Networking and attendance at business functions is an important outreach activity to increase awareness of the Centre and its activities. The Small Business Consultant has represented the *YRSBEC* at twenty-seven business meetings and events over a six-month period.

#### **4.2.3 Client Activities**

Clients were attracted to the Centre through outreach to the business community, listing on websites, interaction with networking groups, referrals from other agencies and exposure through the *Salute to Small Business* Showcase. During the year, the Small Business Consultant was engaged in the following client activities and has met the Centre's benchmark targets for 2003:

- Handled over 700 general inquiries.
- Provided 75 private business consultations.
- Organized five seminars and workshops.
- Raised \$14,164 in cash and in-kind contributions through partnerships and sponsorships.

Over 96% of the clients were from the northern part of the Region. Services provided over the last six months included:

- Reviewing and developing business plans.
- Sourcing funding for a potential retailer in Keswick, a manufacturer in Sutton and a farm business in East Gwillimbury.
- Reviewing an offer to purchase an established business in Newmarket.
- Defining target markets for several clients.
- Discussing business opportunities with a partnership locating in Aurora.

#### **4.3 Successes**

With the involvement of *YRSBEC*, the following clients have achieved successes in their business ventures:

- A client has been successful in getting a large contract with a Country Club that was serviced from Barrie.
- A web designer has acquired 10 potential new customers.
- A client was able to exhibit at a trade show in Chicago and is now working on a contract to supply a major US beverage company.
- A company has made inroads with China which has culminated in the arrival of a Chinese delegation and a return business meeting in China. The economic impact will be in expanded sales and employment.

#### **4.4 Proposed Workplan for 2004**

With assistance from Property Services, it is anticipated that the Small Business Enterprise Centre will be relocated to a more client-friendly location on the main floor of the Regional Administration Centre in the Spring of 2004. The Centre will expand its facilities to include space for meetings and private consultations, a resource library and work area with provision for internet workstations.

Subject to budget approval, a part-time consultant will be hired to assist with general inquiries, walk-in traffic and administrative duties. This will allow the Small Business Consultant to focus his efforts on personal consultations, securing partnerships and sponsorships, expanding services to the northern municipalities, participating in community outreach activities, organizing seminars/workshops and presentations, and delivering the youth programs and initiatives mandated by the Province.

##### **4.4.1 Service Targets for 2004**

The *YRSBEC* has set the following service targets for 2004:

- Respond to 2,000 general inquiries
- Provide 200 personal consultations
- Organize four special interest seminar/workshops
- Host a revolving series of six Business Education Seminars
- Develop a Youth Entrepreneur Training Program

##### **4.4.2 Education Programs**

The *YRSBEC* Business Education series of seminars and workshops will be expanded to six core seminars that will revolve on a six-week cycle. In addition, four special interest

seminars/workshops will be hosted in 2004, with two being *Lunch and Learn* sessions. Revenue from the seminars will be used to offset the cost of operating the program.

Subject to the continuation of these programs by the Province, youth initiatives and business programs such as *Summer Company* and *My Company* will also be delivered. A Young Entrepreneur Training Program will be initiated to assist youth in their business ventures.

#### **4.4.3 Other Services**

Other services that the Centre can offer in 2004 will include the following:

- The Centre will investigate the acquisition of a business registration terminal. These terminals provide a significant first point of contact opportunity and are very effective in driving the use of the Enterprise Centres.
- Several suppliers of products and services that are beneficial to Centre clientele will be approached to provide these goods and services at preferred prices.
- An expanded second annual *Salute to Small Business* event will be organized.

#### **4.4.4 Partnerships and Sponsorships**

An Advisory Committee will be established with representatives from the local business community and the Provincial Government. The committee will meet quarterly at the Centre and will oversee the strategic initiatives of the *YRSBEC*.

Contacts with financial institutions, lawyers, accountants, marketing/business consultants and insurance brokers from each municipality will be expanded. These interested parties will be encouraged to partner with the Centre and assist through involvement and sponsorship.

Efforts will be directed towards securing core sponsorship funding for the amount of \$10,000 in cash to offset part of the Centre's operating costs.

#### **4.5 Relationship to *Vision 2026***

The *YRSBEC* is a progressive service offered to promote new business start-ups and entrepreneurial activities. It is a vital to the attainment of the Vibrant Economy Goal as established in *Vision 2026*.

### **5. FINANCIAL IMPLICATIONS**

The current Letter of Agreement with the Province will expire on March 31, 2004. It is recommended that staff be authorized to submit a new business plan and proposal to the Ministry of Economic Development and Trade in early 2004 for funding assistance to continue the operation of the *YRSBEC* for 2004/2005.

Under the terms of the current Agreement, the Ontario Government provides the Region with funding for the amount of \$45,000 per annum. An additional \$5,000 is available from the Province if matching funding is obtained through cash contribution from sponsorships. Funding is also available from the Ontario Government for the youth

initiatives and the Small Business Week event. Other revenue from seminars, product sales, sponsorships and the Business Week event will be used to offset some of the Centre's operating costs.

The Region's share of the operating budget including funding for the part-time consultant has been included in the proposed budget for 2004.

## **6. LOCAL MUNICIPAL IMPACT**

The York Region Small Business Enterprise Centre will service clients mainly from the northern municipalities. At the same time, it will complement the activities of the existing centres located in the southern municipalities. Increased entrepreneurial activities in all local municipalities will be beneficial to the economic growth of the Region as a whole.

## **7. CONCLUSION**

The economic prosperity of York Region and Ontario will continue to rely on the growth of small businesses. The creation of an attractive and vibrant environment for small businesses to operate is key to building the economy and jobs. The York Region Small Business Enterprise Centre will ensure that small businesses are fully supported with advice, information and education providing every opportunity for success. It is recommended that Regional Council continue to offer its support through partnership with Ontario Government's Small Business Enterprise Centre Program.

The Senior Management Group has reviewed this report.