

YBDP Yukon Business Development Project

The Yukon Business Development Project

What it Is

Since 2004, the **Yukon Business Development Project** is a joint initiative between Indian and Northern Affairs Canada (INAC), Department of Economic Development (Yukon Government), the Yukon Technology Innovation Centre (YTIC), the National Research Council (NRC), the Whitehorse Chamber of Commerce and recently in 2008 the Department of Tourism and Culture (Yukon Government) joined the team. The Whitehorse Chamber of Commerce is the operating entity of the project, with YTIC and INAC providing funding support.

What it Does

The project is made up of an innovative mix of business development components. It provides selected companies in a large variety of sectors, including manufacturing, agriculture, the recording industry, publishing, food processing, software and the environmental industry – with personalized business development assistance. This entails a detailed expert assessment of the company's objectives, goals, problems and prospects, followed by a custom-tailored course of business advisement and assistance to help it grow to the next level of business success.

How it Operates

The Yukon Business Development Project does not provide any direct funding assistance to the selected companies. Companies are expected to demonstrate their ability and willingness to pay for material or labour costs required to implement its development plan.

The project provides expert assessment and assistance from an experienced business advisor who heads up the project for each client, with the help and advice from specialized business experts in sectors relevant to the company's needs. Armed with an abundance of personal business knowledge and the expertise gained from discussions with experts in the specific sectors, the business advisor works with the clients to meet their needs and objectives.

Applicant companies are initially screened by the business advisor, and the most promising applicants are then interviewed by the project steering committee. This committee consists of representatives from the Whitehorse Chamber of Commerce, YTIC, INAC, NRC and the Departments of Economic Development, and Tourism and Culture of the Yukon Government.

If the applicant company is selected, the business advisor then undertakes a detailed analysis of the company, and arrives at a list of areas in which the company needs specific, expert advisement. The business advisor then recruits the best available experts in these areas and invites them to join a Business Advisory Board (BAB) specifically tailored to the needs of the client company. These experts may be drawn from the local business community, but are often drawn from across the country, or even from outside Canada depending on the clients needs.

The client company then undergoes a series of intensive, day-long business advisory board sessions, with the recruited sector experts-typically up to a total of four in number-who enter into direct communication with the client business in a brainstorming exercise.

The BAB members provide “best practice” advice and suggestions for business development and growth based on proven successes that they have learnt or achieved through their own businesses. The number and size of these business advisory board sessions will vary with the nature and needs of the client company. Each business advisory board session ends with the generation of a list of actions for the client company to carry out to attain its prioritized goals.

The client company, with the assistance of the business advisor must then follow through on the items in that list of actions, achieving as many of them as proves possible. When the time is right, a second business advisory session is organized by the business advisor with the same or other specialists depending on the updated needs of the company. This session results in yet another list of recommended actions to further advance the company’s development plans.

As many as four such business advisory sessions may be undertaken over the course of one year to 24 months, after which the company comes to the end of its course of assistance. Some exceptions may apply.

The Yukon Business Development Project provides the support and the organization of the Business Advisory Board sessions, as well as the business advisor’s services free of charge. The support of the YBDP is all encompassing and responds directly to the needs of the entrepreneur during a long term (up to 24 months). The business advisor helps and does the follow up of the implementation of the recommendations.

What it Accomplishes

The Yukon Business Development Project has been in operation for the past four years, during which time it has provided assistance to more than twenty companies. Its effectiveness is demonstrated by a recent survey of four of those companies who have been in operation long enough since the end of their course of assistance to provide reliably measurable outcomes.

The consolidated numbers for those four companies is as follows:

\$536,000 Gross Annual income before project participation

\$2,033,000 Current annual income

7.25 Total Number of employees before project participation:

20 Current number of employees

This represents significant growth in the four companies and an improved gross annual income for all.

Below are some examples of the positive and beneficial results from the Yukon Business Development Project (in addition, see the testimonials at the last page)

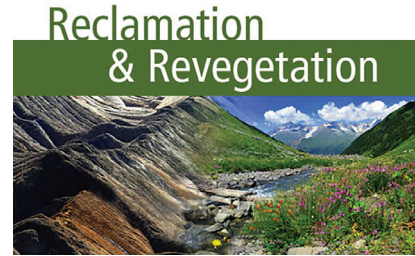
- The success of a start-up, **Northern Garments Inc.**, through its sales in Canada (sales have doubled each year since YBDP has begun to help and coach them) and its strategic partnership with the manufacturer Confection Aventure in Quebec as subcontractor to increase the NGI production capacity.



● During the period of the YBD Project, **Icefield Tools Corporation** grew to occupy an industrial space five times larger than before and saw a five-fold increase in staff. The company continues its R&D efforts and is now expanding into the oil & gas industrial sector.



● The YBDP provided **Arctic Alpine Seed Ltd.** with experts who focused the company's long term market & export development plans. Before their adhesion to the YBDP, Arctic Alpine Seed Ltd. was mostly limited to the Yukon market, while now, Arctic Alpine Seed has conducted exploratory analysis of markets across Canada and moved into South America where climate and geographical similarities create significant opportunities.



● After acquiring the manufacturing and product development skills required to create a liquor distillery, **Yukon Brewing Company** is buying all the equipment and machines to manufacture the new ongoing Yukon liquors. Typical Yukon liquors with indigenous ingredients are

being developed. This project will increase new sales for Yukon Brewing and will also require new production staff.



● In this example, we highlight the significant development of the manufacturing capacities and distribution of **Aroma Borealis Herb Shop** in Canada. Before the YBDP contract, Aroma Borealis' sales were

primarily in Yukon and now Aroma Borealis sells its cosmetic products in more than 63 stores in Canada and elsewhere.



● The touring project between four tourism companies in Yukon – **Klondike Kate's Cabins & Restaurant, Hot Springs Valley Retreat, Klauane Bed and Breakfast** and **Dalton Trail Lodge** – will attract the Francophone and European customer through



four distinct experiences providing a great vacation for the visitors. This package is being sold through a distribution network of several French travel agencies, touring operators and receptive companies.

The companies achieved these remarkable results at a consolidated cost of \$780,500 spread over the four years of the program, and all 20 businesses, on expenses directly related to the business development project.

Testimonials from the client companies

Northern Garments Inc.

Jake Duncan, co-owner

“Unlike many business development initiatives, the YBDP is inclusive and integrates expertise both from within government and from the private sector. The integration of these, sometimes diverse, perspectives provides well rounded guidance for new companies or companies that are trying to achieve the next level of success.

Typically programs are designed in a manner that proponents must conform to them and not the other way around. While we understand and respect the need for accountability and due process, especially in regards to the use of public funds to encourage the development of private business, we feel that the efficacy of many programs is lost in the process. In our opinion, programs should be adaptable enough to accommodate a spectrum of needs in order to achieve overall goals. The YBDP has been flexible enough to accommodate our changing needs and we believe this has translated into achieving efficiency and effectiveness as a program, as well as our overall goals.”

Klondike Kate's Cabins & Restaurant

Josée Savard, co-owner

“Klondike Kate's could not have realized this (editor's note: all their improvements of their facilities and services, touring project targeting Europeans, sustainable orientation, mutual collaboration with the First Nations, etc.), without the financial help and great management consultation and support from Olivier Pellegrin. We would like to express our support for this excellent project in the hope to make it a permanent one as all the Yukon business would benefit from this.

We would like to thank YBDP for their support towards our business.”

Icefield Tools Corporation

Erik Blake, President

“YBDP has been invaluable to us during a period of rapid growth. By assembling various advisory boards over a period of time, our company was able to tap the expertise that we needed when we needed it. It is one of the most beneficial government program we have been involved with.”

Arctic Alpine Seed Ltd.

Randy Lewis, co-owner

“With the support of the YBDP we have managed to stay at the forefront of what's happening internationally and while we are still waiting for reclamation mega-projects such as the Alaska pipeline or the Alberta oil sands to materialize, we are ensuring that we gain experience and profile on smaller projects in the north like the Carmacks Stewart and Minto Spur Transmission Line and the Faro Mine site. In my opinion, the YBDP helps maximize the local entrepreneur's abilities and significantly increase the potential for faster growth.”

Aroma Borealis Herb Shop

Bev Gray, CEO

“We have gained so much in the process that it is really hard to express to you the gratitude we feel.

Olivier Pellegrin, business advisor and project manager, has gone above and beyond to help us to move ahead in our business goals. He organized our Business plan, Business Advisory Board meeting, facilitated the meeting and agreements (...). Without Olivier I don't think we would have progressed to the point we are at. He has assisted us with every area of our business. His expertise is vast (...).

I would recommend that this program be extended to other business in the

Yukon. Sometimes in small business you can feel overwhelmed and find it difficult to move forward because there are always other priorities and obstacles but the BAB has pushed us in a positive direction and helped us define our goals with clarity. The support and advice has left us feeling like we have a community of advisors that we can call on at anytime to help us answer questions that go beyond our expertise.

Thank you very much we really appreciate all your assistance.”

Yukon Brewing Company

Bob Baxter, CEO

“We learned where more work was needed and where answers were still missing, and set about filling these gaps (...). We felt that we were developing the knowledge base to avoid most of the mistakes that others had made or seen. In our opinion, this program fit our needs to a tee – we had a Business Plan, written in-house and well understood. However, it had gaps, including missing information and assumptions. We were able to analyze the Plan, identify the gaps, and collect them into a single list. The program then enabled us to find answers to these questions in a group setting with qualified, knowledgeable individuals. A new level of confidence in our Plan was the result.

We could have (and may have) gone forward with this project with a less complete Business Plan. However, through YBDP and the BAB sessions, we feel that the likelihood of a successful venture has increased dramatically. We highly recommend this program to others who are finding themselves with similar challenges in a venture that they are trying to bring to fruition.”

Recommendation and Contact

Clearly, the **Yukon Business Development Project** is cost effective for its client companies. By enhancing the profitability and employment capacity of those companies, the project enhances the economic health of the Yukon as well.

If you would like any more information about this project, please do not hesitate to contact:

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