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Newfoundland
Labrador



classroom kit

6th edition



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> clearrisk | craig rowe

Business is risky, but that is Craig Rowe's business risk management to be precise. Craig, the President of ClearRisk Inc., becomes animated and energized as he explains his line of work. "Risk," he says, "is not negative. It is when there is opportunity for a downside or an upside." Risk management is about formalizing the decision making process. People are constantly assessing risks, whether it is instinctively in crossing the street or deliberately in weighing the pros and cons of buying a car. "Business people," he says, "engage in the same process whether in deciding where to build a head office or whether to buy another company."

> the entrepreneur

Craig spent almost 20 years in the insurance industry, where he started right out of high school. Over the years, he attained various insurance designations and completed many business courses and ample on-the-job training. Craig is naturally entrepreneurial and also operated his own consulting company and became involved in several insurance industry associations. This allowed him to develop a large network of connections.

Craig found himself thinking and talking more and more about risk management. He realized that if businesses did some basic things to manage risk they would save money. In 2001 he wrote a book on the topic and later adapted the ideas in to a workshop which he presented throughout Canada and the United States. Insurance industry professionals and other business people noticed

Craig and saw the logic in his message. Soon he was being invited to speak to various associations and was asked to assist in writing material on risk management. When dealing with clients of his consulting business, he noticed the same set of steps and questions could be applied to different realities in different types of companies. He was sure that there was something that could be packaged and sold to assist these companies.

> getting started

He went in search of risk management software. He found some, but none applicable to small and mid-sized companies and organizations. So he decided to build it. He teamed with David d'Entremont who had the background to provide technical expertise. Together they founded ClearRisk. They developed a business plan which became their roadmap, even though it was constantly being adapted to take into account new realities, circumstances and goals. Craig estimates they are on version 30 by now!

Craig decided to leave his job and pursue ClearRisk full-time. It was not an easy decision to make as Craig had a young family at the time. He had to engage in his own risk management process and weigh his options. He had almost 20 years of solid insurance industry experience. He had an extensive network of contacts. He had entrepreneurial experience through his consulting business. He knew the market. He knew what his customers needed and he knew that he could develop a product to meet that need. He found a solid business partner to complement his skills. So the

The biggest challenge facing ClearRisk and any business, whether it is in starting, sustaining or growing the business, is cash.

timing was right and after 10 years of thinking, dreaming and percolating ideas, Craig made the leap in 2006.

Craig says that the biggest challenge facing ClearRisk and any business, whether it is in starting, sustaining or growing the business, is cash. ClearRisk needed capital to develop its product. For any business to have credibility with lenders and investors, that initial money has to come from the business owner. Craig and David secured an operating line of credit from the bank based on personal guarantees.

Step 2 was to seek more financing to start implementing the business. Craig says that it is important to look for money before you need it because you are building relationships and confidence and convincing people that you are creditworthy. A business plan is a necessity but “everyone invests in people.” This applies to accessing financing from Business Development Bank of Canada (BDC), Atlantic Canada Opportunities Agency (ACOA), or any government organization, as well as private lenders and investors. It is necessary to raise private money to leverage government money.

Another important factor in developing ClearRisk was being accepted by Memorial University's Genesis Centre, a facility which provides business and technical support to new and emerging technology businesses. This added to their credibility and attracted the attention of angel investors.

Angel investors are business people with financial resources available to invest in new promising businesses.

> growing

Technological businesses are expensive to grow and ClearRisk's growth has been made possible by private investors and organizations such as Growth Works (a venture capital company). Ownership of the company is now shared with these investors and ClearRisk is a corporation with multiple shareholders. One of the tradeoffs in taking money from investors is that ownership becomes shared. Craig says, “You can have a big piece of something small or a small piece of something big.” He chose the latter.

Craig's idea has grown immensely. He keeps the numbers to himself, but says sales have grown exponentially. His primary market is North America and the ClearRisk software has been launched in French and Spanish. Customers do not pay an upfront fee; instead, they pay an annual fee for the software and support. ClearRisk is constantly improving its products. The team is always enhancing features and improving functionality. Currently, they offer three programs to consumers: ClearRisk™ Manager, which enables an organization to build and implement a risk management plan; ClearRisk™ Tracker, which facilitates tracking insurance claims; and ClearRisk™ Trainer, an online instructional program which increases awareness of risk and its management. The latter two products are offered in



partnership with other organizations.

> marketing

ClearRisk's web-based business is global; however, Craig is cautious about expanding beyond North America. The insurance industries in the USA and Canada are relatively interconnected and homogeneous. It would be very difficult to provide support to countries with different regulations and different languages. ClearRisk offers a web-based software service so they use web-based marketing, rarely using traditional media. They access all forms of social media such as Facebook, Twitter, MySpace, and blogs and find the approach cost effective and high impact. Social media facilitates the use of in-bound marketing.

In addition to web-based marketing, ClearRisk is now getting calls from referrals. Clients are spreading the word to

other businesses seeking a similar product. The demand for ClearRisk's product is expanding but Craig resists growing the team too quickly. Craig prefers a small team and likes the dynamics of small groups. However, more sales people are needed and they will soon grow beyond their current 12 employees. Craig also values the contribution of business co-op and computer science students to his company. He likes to hire young people. It is rewarding to see them take shape and become leaders.

> support and inspiration

Craig speaks favourably about starting a new business in Newfoundland and Labrador. He says that the provincial climate is positive. In addition to the practical and financial support available, the provincial government has done a lot to assist business in recent years, including reducing taxes and red tape and increasing funding.

When Craig reflects on the path his career has taken, he gives special acknowledgement to Paul Johnson of Johnson Insurance as a business icon and an inspiration. Mr. Johnson inherited his father's small insurance office and built it into an innovative, billion-dollar company. Not only was Mr. Johnson a great businessman, he was a community-minded philanthropist. This is evident today throughout the capital city in the parks, trail ways, and the Johnson Geo Centre on Signal Hill. Mr. Johnson has influenced Craig's professional and community life. In addition to Craig's entrepreneurial

“ Be informed, go in with open eyes and seek honest opinions from knowledgeable people. ”

success he is firmly rooted in his community; he currently serves as Chair of the YM/YWCA.

> final thoughts

Craig has advice for young people who dream of starting their own businesses. He says to be informed, to go in with open eyes and to seek honest opinions from knowledgeable people. He advises that an entrepreneur should realize that "the odds are against you, but you need the tenacity and perseverance to stick with it. It is important to understand your industry, to understand the need for your product or service and ultimately to understand the risks before you make the leap." In business, managing risk is everyone's business!

> did you know

The I.T. industry generates approximately \$465 million in direct and indirect gross domestic product in Newfoundland and Labrador a year!

> questions | clearrisk

Craig's educational process was one of life-long learning. Explain.

What are the mutual benefits of co-op placements to the employer and employee?

Explain how risk management is similar to the process of good decision making.

How did Craig engage in his own risk management process before starting his company?

Explain how a team comprised of people with complementary skills is important in this or any business.

What is Craig's advice to a person contemplating a career as an entrepreneur?



➤ hey rosetta! | tim baker

Seeds, Hey Rosetta!'s third album was released to a chorus of critical and popular acclaim resulting in a frenzy of downloading among fans. In reflecting on the title, frontman and multi-instrumentalist Tim Baker says, "In a way it's about what our lives had become, and how we're like seeds that float around into different fields and cities, bringing something... for the people that come to see us."

➤ the entrepreneur

The seeds of Tim Baker's career as a musician were planted many years ago. Growing up was an experience of growing musically for Tim. He studied classical piano; he sang in choirs, including the renowned and demanding Shalloway Youth Choir; and he played in bands. It seemed inevitable that he would study music in university. Unfortunately, extensive practice caused Tim to develop tendonitis. Instead of majoring in piano, he took an alternate route and studied sociology and creative writing at Concordia University in Montreal. However, the music was in him and he wrote songs and continued to play.

After graduation Tim returned to St. John's with his songs. It seemed natural to form a band so with former high school classmate, Josh Ward (bassist), along with Adam Hogan (guitar) and others, Hey Rosetta! was born in 2005. Today the band also includes Romesh Thavanathan (cello), Kinley Dowling (violin), and Phil Maloney (drums). Like Tim,

all of the band members have extensive musical training and experience.

➤ striking the right chord

Hey Rosetta!'s complex and sophisticated sound had instant appeal. The fan base began to build immediately. People responded enthusiastically to the orchestrations that featured cello and violin. Tim's creative writing skill and talent are evident in the intricate, poetic lyrics that challenge the listener to think, to wonder and to imagine. Their lives shows are electric with a depth and intensity that bring the audience to shared spaces that the collective spirit yearns for and finds in Hey Rosetta!

Even the band's name is a challenge in meaning. It harkens back to the famous Rosetta stone that unlocked the secrets of ancient Egypt. Hey Rosetta! in its music and lyrics explores meaning, emotion and experience and ultimately the secrets of the shared knowledge of humanity.

Music is an art and the creation of art is a process that is neither scientific nor mechanical. It does, however, involve discipline, time and work as well as talent. Tim is unsure of how to describe the song writing process. It remains somewhat of a mystery even to him. It involves sitting with his piano or guitar sorting through notes to arrive at a melody to complement an idea or statement that will be

Hey Rosetta!'s complex and sophisticated sound had instant appeal.



developed in the lyrics.

> challenges

The music business involves hard work on many levels, not the least of which is the challenge of touring. From their first tour in a little blue van to today's cross country and international treks taking the band as far away as Australia, touring is rewarding but challenging. This is especially so in winter; Tim says that touring often means cold feet (literally) and coffee. It means sleeping on buses, in ferry terminals, and in airport lounges. Sometimes it means not knowing where you are. Touring as a band from the eastern most point on the island of Newfoundland brings additional challenges in distance, time and expense.

Bands need capital to assist with the expenses of touring as well as of producing and marketing the music. Tim says that over the years the Newfoundland and Labrador Arts Council and Music Newfoundland and Labrador have been supportive of the band's ventures. On the national level, the Foundation Assisting Canadian Talent on Recordings

(FACTOR) and the Radio Starmaker Fund have provided assistance with marketing and label expenses.

Bands have many expenses but correspondingly they also generate revenue from various sources. CD sales, downloads, royalties from airplay, show ticket sales, merchandise, and synchronization - that is playing music for TV shows and movies - all contribute to the cheque on payday.

Band members, however, also need to agree on how revenues are shared. They need a band agreement which sets out a formula for the division of profits from the various revenue sources. These agreements and their attendant terms and formulas vary from band to band but a good agreement is essential for preventing misunderstandings among band members.

> the business of music

The band members are professional musicians and although the first priority is their art, they understand that music is

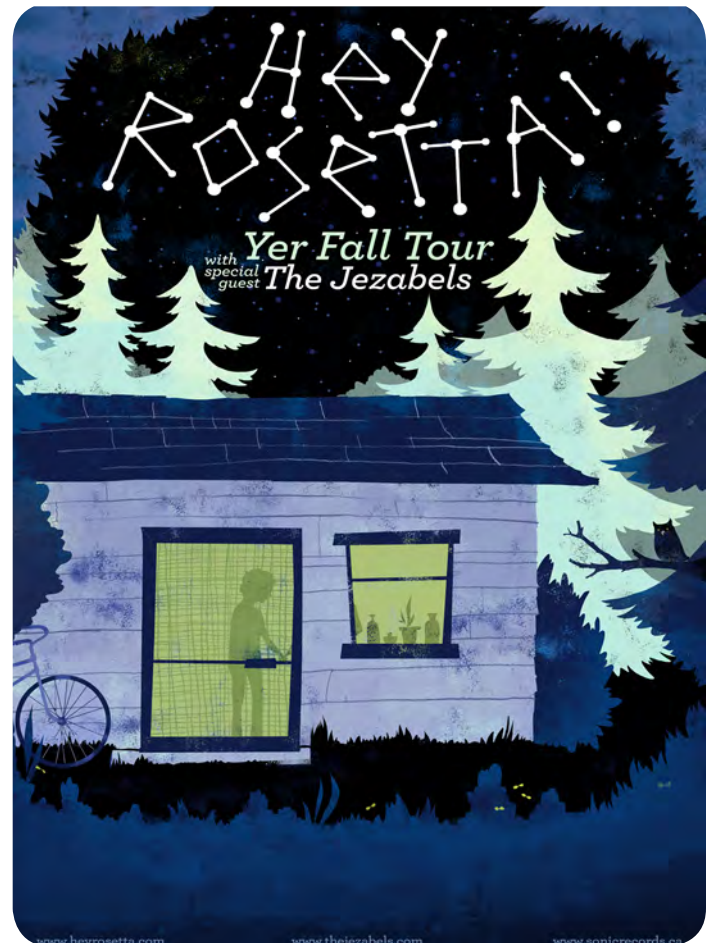
a business. It is not surprising then that Romesh actually researched and prepared a business plan for a musical group for his high school entrepreneurship course. The seeds of the music business were planted early for these musicians.

In fact, Hey Rosetta! is incorporated and it runs the same way as any other small to mid-sized business. It has a manager, Jason Burns, who keeps everything in running order. He looks after the tour program, transportation, accounting and financial issues, promotion and marketing strategies and other matters necessary to keep the band thriving. Jason was once a musician himself sharing gigs with Hey Rosetta! Jason found that he was handling the bookings for himself and Hey Rosetta! and other bands, so he formalized it and became a manager capitalizing on his educational background in marketing and media communications. Jason says that a band, like any successful business, requires a tight business plan, realistic budgets and the right people both in making the music and supporting the musicians.

In addition to a manager, Hey Rosetta! also has a front house technician and a lighting technician. Booking agents are engaged for different regions of Canada and other countries. Publicists schedule interviews and appearances. Technical people are needed to set up for shows and to create and maintain the band's webpage and social media pages among other tasks. Graphic artists design album covers. There is a lot to be done.

Marketing is important to the success of any business and Hey Rosetta! is no exception. It involves advertising,

publicity, interviews and appearances as well as song play and promotions on the radio. The band has carefully cultivated its image. It is concerned that promoters request that radio stations play their music with appropriate promotional introductions. For example, the song "Welcome" is about the anticipation of a new baby, a new life. Promotional introductions to that song should reflect a sensibility compatible with the song. The band also has an extensive and interactive webpage with an archive of photos and videos and links to Twitter and Facebook. Fans can also purchase music directly from the site. In addition, Tim also writes a blog commenting on the band's music, the



shows and life on tour.

> giving back

The band members of Hey Rosetta! are musicians with a shared social conscience. Their website contains links to websites and films that document the importance of seeds and biodiversity to the world's food supply. Again they present a challenge to their fans not to simply enjoy the experience of their music but to engage with the possibilities of the meanings of Seeds on a socio-political level. Hey Rosetta! challenges complacency and indifference.

> recognition

Hey Rosetta! has had much success. They have received many prestigious awards and nominations, among them a nomination for the coveted Polaris Prize and a \$25,000 Verge Music Award for Album of the Year. Their single "Red Heart" was featured in the 2010 Olympics Montage video.

They have a growing fan base. These fans anticipate more awards and accolades for the band.

> final thoughts

Hey Rosetta! will continue to grow, to blossom and to feed the spirits of its audiences. Tim thinks of songs as seeds. "These little things, these little images or musical moments that can, hopefully, take root in people's minds and grow into something more meaningful... sort of become part of something bigger than what they are".

These musical moments that Hey Rosetta! shares with its listeners are taking root just as the band is taking root in the hearts of music lovers across the country and beyond. The seeds of Hey Rosetta!'s success were planted years ago and are cultivated with hard work, discipline and passion by each of its members. These band members have each become part of something bigger. They are Hey Rosetta!

> did you know

In 2009 the Information, Culture and Recreation Industry in Newfoundland and Labrador was worth \$624 million! That is 2.7% of the province's GDP.

> questions | hey rosetta!

Explain how Tim's education, activities and interests all contributed to his current career choice.

There are many related careers in the music business. Jason was a musician whose natural inclination and circumstances led him to be a manager. How did his experience and training equip him for this?

What are some related occupations in the music industry and what do they do?

Hey Rosetta! has a social conscience. How is this evident in their music and media materials?

Explain how a band such as Hey Rosetta! is like a team and to be successful the members must have successful teamwork skills.

List the seven behaviors, attitudes and skills commonly accepted as necessary to have positive interactions with others and show how they would be important to the viability of a band.



> hi-point industries | bill butler

Bill Butler grows cranberries for peat's sake!

Cranberry production is just one of the operations to be found at Hi-Point Industries Inc. in Bishops Falls. Hi-Point Industries is owned and operated by Bill Butler. Its principal and original product is a natural oil absorbent product called Oclansorb used to clean up oil spills. This product is made from peat. The peat is harvested from bogs. After these bogs have been exhausted of peat, they need to be rejuvenated.

That is where the cranberries come in. Hi-Point Industries is an environmentally conscious company that is engaged in assisting nature in its process of reclaiming the bogs. So Bill plants cranberries to restore the natural cycle of life to the bog and at the same time he adds another product line to an already diverse business.

> the entrepreneur

Bill is a person with imagination who sees possibilities and seizes opportunities. Prior to 1991, he was the production manager at the Oclansorb plant which was owned by a large company. When it decided to sell off its Newfoundland peat-based operations, Bill, who had never before considered becoming an entrepreneur, realized he was in a unique position to make the leap into the business world. He knew the business of peat production; he had a network of contacts in the international market; he had the advantage of the good name and solid research of a product developed by a major corporation. As well, the

provincial government did not want the province to lose the business. It was willing to guarantee some of his bank loans. The time was right; Bill became a businessman and Hi-Point Industries was born.

Bill began with Oclansorb but has expanded his product lines. For the most part they are all based on peat. Bill is animated but patient as he explains the process of harvesting and processing peat.

> the business

Peat bogs look like any bog and are covered in low growth. This growth has to be removed. Bogs are also punctuated with small holes. These must be filled. The low growth becomes fill and is thrown in the holes. The surface must be smooth so any other material, such as roots or knots, is loosened and is also thrown in the holes. Then the surface is leveled and the holes are covered in.



Bill, who had never before considered becoming an entrepreneur, realized he was in a unique position to make the leap into the business world.

Approximately every 70 feet a ditch is dug for the purpose of lowering the water table to enable the peat to dry out. Once dry, farm tractors loosen the surface of the bog. The loose bog is like powder and a harrow flips it. When it is 50% dry, it is vacuumed and stockpiled. It is then hauled to the plant where it is screened. At this point it can be packaged for the horticultural market or it can be further processed until it becomes Oclansorb. This involves being put through a drier until only 10% of the original moisture remains.

The resulting peat powder is sold as Oclansorb and is used for cleaning up surface oil spills.

Bill began producing Oclansorb and Sorbsox. These sock-like tubes of different lengths are filled with the absorbent peat dust. Later, he created Spillows, a pillow shaped product with two synthetic products sewn together on the outside holding Oclansorb in the middle.

In addition, Hi-Point Industries manufactures a related product called Oclansorb Plus. This is designed for situations where the oil absorbent product is not able to be removed from the spill, such as along seashores and marshes. It is designed to be left in place.

Bill also makes and sells spill kits. These kits contain Spillows,

Sorbsox, shovels, gloves and hazardous waste bags, among other items. They vary in size from a small \$25 kit to throw in a pick-up truck or to keep handy for a small spill, to \$800 kits in 90 gallon drums for larger operations. The largest kits he has sold are contained in huge aluminum boxes. These large kits are expensive. The box alone is \$7,500.

Bill's operations have branched into other products needed in the oil clean-up industry. He has another plant which makes containment booms, berms, flex tanks and turbidity curtains. Containment booms are used around the perimeter of a spill to contain the oil. Berms are like miniature swimming pools. Engines can be put in berms to be worked on. Flex tanks can hold 1000 gallons and are eight feet square but are flexible and can fold to 9 inches for shipping. Finally, turbidity curtains are made from a geo textile material that allows liquid to pass through but not solids.

> demand

It is not surprising that there is quite a demand for Hi-Point's products. They are purchased by oil companies, heavy industries such as pulp and paper, mining and refineries, as well as shipping and transportation companies. Any enterprise that uses petroleum products could potentially have a spill. Many companies do not wait until the spill happens to buy remedial products such as those manufactured by Hi-Point.

Responsible companies ensure that they have adequate quantities of oil remediation products on hand as part of their risk management strategies.

Ninety percent of Hi-Point's products are exported. They can be found world-wide throughout North and South America, parts of Africa, Europe and Asia. Bill's market is global and it is accessed through a network of distributors.

In building his markets Bill has found industry trade shows to be invaluable. He has had booths in trade shows around the globe. At these shows the competitors are there, the industry players are there, the distributors are there and they have a chance to see and touch the product. They can ask questions and compare Hi-Point's products to other products. It is a time to build relationships, trust and loyalty, especially among the distributors.

On-line advertising and web pages have lessened the impact of trade shows, but Bill feels they do not replace the personal interaction and product education provided by a trade show.

Bill has extensive knowledge about the oil clean up industry. He says that it is particularly important "to know the competitors and to know their products inside and out." Bill's largest competitor is the large multi-national 3M and

there are approximately one dozen smaller competitors. These sell synthetic products. Bill says his product is better because it is natural, environmentally friendly, 100% organic and does not release oil. It has the International Standard Organization (ISO) certification. It is a high quality product with quality sales and service behind it.

growing

Bill has maintained sole ownership of his business through all periods of growth and expansion. Owning a business is rewarding and challenging but it is a lot of responsibility. He says that a business owner has to be prepared to do any job necessary and to work long hours. In the summer when the weather is good and it is time to harvest the peat, he works 16 to 18 hour days for weeks on end.

Hi-Point has 10 employees in the winter and approximately 30 in the summer. There are office staff, sales personnel and people who can operate and maintain heavy equipment. Millwright skills are an asset in this field. A millwright is a tradesperson who installs, maintains and repairs industrial machinery and mechanical equipment. Whatever the position, Bill looks for people who are personable, willing to learn and able to accept criticism. Bill said that recently he has not had difficulty filling positions, but this was not the case a couple of years ago when Alberta's economy was booming.

“Owning a business is rewarding and challenging but it is a lot of responsibility. A business owner has to be prepared to do any job necessary and to work long hours.”



Bill has built a great team at Hi-Point Industries and he is very much a team player and a leader. This is evident in his participation in the Canadian Manufacturing Association (CMA), the Newfoundland and Labrador Environmental Network (NET) Association and, the Newfoundland & Labrador Oil & Gas Industries Association (NOIA). He has found participation in such groups invaluable for networking; for sharing ideas with people who experience similar situations; for lobbying governments or other bodies on mutual concerns; and for their ability to bring in experts to share their knowledge with industry players. He was named Newfoundland and Labrador Manufacturer of the

Year and has received awards from NET and others.

➤ final thoughts

Bill is optimistic about the future of Hi-Point, the future of the environmental business in general and the future of Newfoundland and Labrador. Bill has found his home province an excellent place from which to do business. The government has many agencies and programs in place that are supportive of new and growing businesses and the overall economy in Newfoundland and Labrador is healthy.

The environmental business is a global priority and will only continue to grow. The horticultural business, which also uses peat, is experiencing similar growth as the population in the western world ages and people invest more in their gardens. Products such as cranberries that contain natural anti-oxidants are also experiencing an increased demand.

The future looks bright for Hi-Point. It is an environmentally responsible company which makes ecologically friendly products in a manner that is sensitive to renewing the earth. There is no doubt that Hi-Point Industries will continue to be a global player relied on by enterprises far removed from the peat bogs and berries of central Newfoundland.

➤ did you know

Newfoundland and Labrador exported over 9.2 billion dollars worth of goods and services in 2010.

> questions | hi-point industries

Sometimes it is circumstances which impact career choices and paths. By what set of circumstances did Bill arrive at this career path?

Show how Bill's aspirations and motivations worked together to bring about his success as an entrepreneur.

Bill knows the values of networking both internationally and locally. Explain how and why networking is important.

What skills and attributes does Bill look for in employees?

How do labour markets in other parts of the country impact his business?

Research and list where a person can train as a millwright in NL?



> king's point pottery | linda yates and david hayashida

When does your work become your life? Is it when you love what you do? Is it when what you do is created from a space within you yet it is inspired by the space without? Is it when you share your work with someone who shares your life?

This is the story behind King's Point Pottery. It is a story of a passion for pottery by two people who have faith in each other, faith in their art, and faith in rural Newfoundland and Labrador. It is a story of partners in life and work who believed that they could create a world class pottery business in a small community cradled into the head of Green Bay, Newfoundland. It is the story of Linda Yates and David Hayashida, artists and entrepreneurs.

> the entrepreneurs

Linda is from King's Point, NL. David is from the Kitchener-Waterloo area of Ontario. Both Linda and David have extensive education, training and work experience in arts-related fields. David has a background in geography, commercial interior design and ceramics. Linda studied visual arts, and later majored in ceramics and fibre arts.

Through college David took advantage of co-op programs to broaden his practical experience and after graduation worked with Ontario design firms. In his spare time he pursued his interest in pottery making. Linda found herself working in arts and crafts business development jobs with the Government of Newfoundland and Labrador advising and facilitating crafts people in setting up businesses.

Eventually she wanted to produce her own work, to start her own craft business. To prepare for this, she apprenticed with a renowned studio in Scotland.

Then, as fate would have it, their paths merged. Linda and David both enrolled in the same advanced glaze course in British Columbia. Soon after, David came to Newfoundland to tour the spectacular Gros Morne National Park - and he stayed.

David and Linda decided to make art and become business people together. Although neither of them had formal business training, they both had learned about business from their career experiences. Linda's position with the provincial government educated her in the business of crafts. Through this on the job experience, Linda developed an extensive business skill set. As well, Linda came from a family where being self-employed and owning a business was common among her relatives. It was something she saw as natural.





➤ getting started

David says that looking back at that original business plan it is amazing how much they did not know about what is entailed in running a business. But the plan was a necessity. They had to start somewhere; they had to lay out what they knew and map out where they were going.

They started with a studio and store in King's Point. But they were unknown; they had to market their product to the wider world and they had to find a way to get consumers to come to them.

And so they went to market, literally. They went on the road to all of the craft fairs. In addition, they put signage on the highways and roadways directing and enticing travellers to their little studio. Linda's previous experience in government also helped. She had connections throughout the province. This gave them a network of people with whom they could promote their products and also on whose advice and expertise they could draw. They are grateful to the Craft Council of Newfoundland and Labrador and to the craft division of the Provincial Department of Innovation, Business and Rural Development for the encouragement and support given.

Eventually they reduced the number of craft fairs they attended and concentrated on the wholesale market together with, of course, their retail store and studio in King's Point. This was the emphasis of their business for the first several years. It allowed them to get their products into many stores in various locations without them having to do the selling. Yet this model created much paper work, shipping and distribution costs and saw smaller returns on each item.

➤ challenges and opportunities

In recent years, King's Point Pottery has shifted its focus from wholesale to retail. They are selling their own products and those of other crafts people. They net a higher return on their items and also turn a profit on selling the work of

“Your craft skills will feed your soul, but it's your business skills that will put food on the table.”

others. David said that in the beginning he found selling challenging. But it is the delight in talking to people from all over the world about the products of King's Point and those of the other crafts people he admires, that turns selling into a pleasure.

Operating a business in King's Point may seem idyllic but it is not always easy. A big challenge comes in accessing supplies. Fortunately, the craft-making community is collegial and practical. Often crafts people rent a truck and share in the cost of bringing in supplies. David does not know if this level of co-operation exists among potters in other provinces.

Linda and David's work could not be produced just anywhere. It is very much of the place, of King's Point. Their iconic blue and white whale line is inspired by the whales that can be seen playing off shore during the idyllic summer days. The place does not simply inspire design but King's Point is literally often in the materials used. They grind local minerals to use in experimental glazes on the pottery. Various roots, plants and wooded material are also incorporated into their pieces. Even the sea is in their pottery as the inside of their salt/soda oven is sprayed down with salt water collected from nearby tidal pools when oven temperature reaches 1260 degrees C.

David and Linda are artists who create beautiful functional series of ceramics as well as one of kind pieces. This beauty, this art, costs money and David and Linda have had to educate customers about the value of their work. To make a living their prices have to cover their costs. Sometimes a batch of pottery is not successful and nothing is produced.

New techniques have to be tried and sometimes things go wrong. Even the bricks in their oven have to be replaced at times. The price per unit has to take into account all of their costs, not just the time and material in that one piece.

In educating their customers, they talk about their special techniques, the skills and unique local ingredients that combined to produce a thing of functional beauty. They educate the imaginations of their customers. They do not dwell on costs such as breakage, fuel costs, or other factors that drive up the cost of their pottery per unit. It is important to have the customer want to buy the piece for its inherent value not feeling that they are covering inflationary costs and lost product.

➤ the future

David and Linda have been successful in their strategy. They do not have other jobs or sources of income outside of their business. There are few potters who can say that.

For the future David and Linda will continue to concentrate on the retail side of the business. They currently showcase the works of about 70 artists in their store and soon will represent over 100. This, however, means an increase in the administration side of business – more paper work.

This retail expansion means that they will need extra staff in the summer. In recent years they have had an apprentice and they usually hire a summer student but they anticipate needing more assistance in the shop. The challenge will be to hire someone who shares their passion for crafts. Ideally this person would have worked in a craft store before and be a crafts person themselves.

This person should love crafts. They want to invest in this person, train them and retain them. This is the challenge, especially in a rural setting. Luckily, they say, more young people are returning to that region.

Even though David and Linda have reduced the number of places they wholesale their products, their pottery is available in various locations around the province. It is carried in the Historic Sites Association Heritage shops. This enables them to use a central distributor to access several shops at a variety of geographic locations of historic and cultural importance. Of course, their work is also available at the Craft Council stores.

Between them, Linda and David have received many awards and much recognition. The world class work and unique salt/soda oven were featured in the world's largest ceramics magazine, *Ceramics Monthly*.

For a young crafts person hoping for a career in crafts David advises education, both formal and practical. It is important to take advantage of co-op programs and apprenticeship

opportunities. Once working in the field, a student will become knowledgeable of the range of related career opportunities available.

> final thoughts

For those who are interested in owning their own business, Linda and David caution that people must be prepared to work hard, not just at making crafts but at the business end. Linda says, "Your craft skills will feed your soul, but it's your business skills that will put food on the table."

King's Point Pottery's third decade will be a new chapter in its operations. With Linda and David's blend of faith, vision and talent, supported by practical business sense, King's Point Pottery will continue to be a story of success.

> did you know

There are over 1600 craftspeople with businesses in Newfoundland and Labrador.

> questions | king's point pottery

Linda and David took advantage of co-operative education and apprenticeship programs to prepare for their careers. What are these programs and why are they beneficial?

Neither Linda nor David attended business school. How did they develop their business skill set?

- A. What do Linda and David say they are looking for in employees?
- B. What other skills and qualities do you think would be an asset in their store?

Research and list where people can access training in ceramic arts in Newfoundland and Labrador.

Lisa and David are partners in life and partners in business. What are the advantages and disadvantages of this arrangement?



➤ labrador rewinding | françois gamache

The economic engine of Labrador West's economy is revving into high gear. Expansions are planned for the iron ore mines. Businesses are going at full throttle and no one is going faster than Labrador Rewinding. Motors are necessary for exploration, extraction, processing and transportation of minerals. Labrador Rewinding is playing a vital part in keeping the Labrador West economic engine roaring.

Labrador Rewinding is in the business of servicing industrial electric motors. Motor rewinding involves stripping down the interior of the motor, cleaning it and replacing all of the components. As the name suggests, it also involves rewinding the coils in the motor.

➤ getting started

Labrador Rewinding is a family owned and operated business. Two generations of rewinders have been at the wheel of this company. François Gamache, the founder, began in the rewinding business in the late 1960's learning the trade on-the-job with industrial giant Westinghouse.

After years working for Westinghouse, François began his first entrepreneurial business in 1986 in his home town of Sept-Îles, Quebec. As part of this business, the company serviced some Labrador clients as no rewinding shop existed in Labrador. Then demand began to grow for motor rewinding in Labrador West. Businesses were expanding in the area and they were losing time and money shipping motors out of Labrador for servicing. François saw the opportunity. With the assistance of the federal and provincial governments, he acquired the necessary

assets and established Labrador Rewinding. For almost two decades it has been a thriving business securing contracts with companies such as Iron Ore Company of Canada (IOC) and Wabush Mines.

François managed to maintain his business in Sept-Îles, Quebec and establish and grow a sister business in Wabush, Labrador. Today François' son Jeannot is the president of Labrador Rewinding Inc. The Quebec business is called LRI Sept-Îles and is run by Luc Gamache, another son. The brothers consult with each other frequently, but neither is involved directly in the operations of the other's plant.

The Gamache men know motors and they know business. Jeannot worked summers in the family business and specialized in engineering trades at a private college. Just as François saw opportunities and seized them, Jeannot is following his father's example. He says, "My father planted entrepreneurship in my head since I was five".

➤ growing

Jeannot saw his father set up, manage and grow two businesses in two different provinces. As a young man, he worked with his father as the company expanded its operations to provide additional services such as pump repairs and the sales of electrical motors and electromechanical components. In 2004, Labrador Rewinding expanded again and installed new equipment: a 10 ton overhead crane, a test panel, a milling machine, a lathe, a balance machine and a new varnish tank suitable for larger motors. Under Jeannot's leadership the company looks forward to even more expansion. This will mean a need for added space and

additional employees.

Labrador Rewinding, like many businesses in the region, experience difficulty attracting and retaining employees. The motor rewinding business is highly specialized and the training is offered in Quebec and Ontario. It can be challenging to recruit people to work in Labrador. To counter this, Labrador Rewinding has offered the opportunity for on-the-job training for millwrights, mechanics and electricians.

> employees

This has not completely alleviated the labour shortage. Once employees are trained, there is no guarantee the rewinders will stay with the company. Labrador Rewinding addresses this problem by offering competitive salaries and excellent benefits. However, even these measures are not enough to ensure a sufficient supply of labour; recently Labrador Rewinding has begun engaging employees from outside the country.

Importing employees from outside the region presents another challenge in Labrador West: accommodations! The economy in the region is so strong that there is not a sufficient supply of housing to meet the demand. Consequently rent is high... A two bedroom apartment costs between \$2,000 and \$2,500 per month! For anyone who wants to own a house, there is very little to buy and little available land to build on. That which is available is very expensive.

Attracting and retaining employees is a challenge, but Jeannot still won't hire just anyone. He wants people with good attitudes and work ethics who are willing to learn. The team is small but dynamic and effective, with nine

skilled trades people employed in the shop and additional employees in sales and in the office.

Labrador Rewinding has grown due to the huge demand for their services in the region. The company does not take this success for granted though. They have established good relationships with the mining companies and they believe that it is their customer service that keeps the major companies coming back. Jeannot says, "We make ourselves available 24/7. The first qualification for working with Labrador Rewinding is to be available all the time."

> competition

Labrador Rewinding has competition. This includes large, out of town companies as well as a New Brunswick based operation that has opened a shop in the region. The out of town companies have the disadvantage of extra time and added shipping expenses in getting the motors back and forth. With regards to the nearby competition, a company spokesperson for Labrador Rewinding stated that the company's superior customer service combined with the prompt turn-around time will maintain customer loyalty.



“ We make ourselves available 24/7. The first qualification for working with Labrador Rewinding is to be available all the time.”

To establish their customer base, Labrador Rewinding has built strong personal relationships and provided good work. While web pages and internet advertising are growing in importance, in this business, it is personal meetings and a company's reputation that matter most.

Jeannot wants to expand his customer base. He wants to make sure that there is no need for potential customers in Labrador City-Wabush to go out of town to get their engines serviced. He also sees potential to expand his electric motor sales to the island part of the province. Jeannot does not see any limitations in their location. Recently he explored doing business with a mining company in Morocco. Jeannot says it is important for any business person, new or established,

“to keep your mind open to customers in different markets.”

➤ final thoughts

Jeannot looks at the accelerating mining activity in his region and sees immense opportunity. Like his father before him, he will seize these opportunities, and Labrador Rewinding will continue to be an essential component in the economic engine of Labrador West.

➤ did you know

Employment growth in the province was the highest among all the provinces and was more than double the national rate of growth in 2010.

> questions | labrador rewinding

What challenges would you face as a new worker in Labrador West?

The Labrador West economy is expected to continue to grow.

A. What types of skills would you advise a young person interested in a career in trades to acquire to be marketable in this industry based economy?

B. What programs at the university level would be marketable in the mining industry?

What is work-life balance and why is it increasingly important to employees?

Would you have any concerns about working for Labrador Rewinding?

What advice would you give the company on this matter?

Work in any industry, but especially in the heavy industries of Labrador West, requires that an employee be knowledgeable of safety practices. List 3 factors that would indicate an employee is prepared implement safe work practices.



> marble zip tours | martin flynn

Martin Flynn is breaking new ground up in the air. Yet the experts said it couldn't be done. They said it was too steep. They said it was too expensive. They said, "You don't even own the land!" But Martin Flynn was not going to accept no for an answer. He imagined a zip line high above the tree tops, crossing the gorge and the waterfall of the Humber River in the shadow of the soaring Marble Mountain above. He envisioned a future in business as Marble Zip Tours.

> the entrepreneur

Looking back on Martin's youth in Forteau, Labrador, a future in the zip line business seemed to be his destiny. At the age of 13 Martin and a friend constructed a zip line 10 feet above a sand dune. It was all just summer fun. Martin loved the outdoors. It was his recreation and his passion and Labrador offered outdoor challenges for every season. Martin acknowledges, however, he probably would have been an outdoor person anywhere. It was in him. But in Labrador fostering this love was easy because the great outdoors was right out his front door. Even so, sometimes he had to come indoors and help out in the family business. Martin's father had a number of businesses, among them a grocery store where as a teenager Martin spent many hours working. So like the outdoors, Martin saw owning a business as a natural part of life.

Years later Martin decided to twin his passion for the outdoors and his studies. He enrolled in the Adventure Tourism program at the College of the North Atlantic (CNA)

in Corner Brook. It was there when he saw the mighty Marble Mountain that he laughingly said, "Imagine my zip line here!" But he wasn't joking. He was serious. Perhaps even unbeknownst to him at the time the seed of his future business was planted. He kept his dream to himself.

Martin graduated with his diploma from CNA and took a 6 month job with Royal Caribbean Cruise Lines. Although this was great experience and great fun, Martin decided not to renew his contract and took a short stint of work at the Whistler ski resort in British Columbia. On the west coast at Whistler, Martin was drawn back to the east. So he came home, home to Labrador where his father helped him plan for his business dream, a zip line at Marble Mountain.

> the challenge

There were so many challenges in getting started. Who would design it? Build it? Insure it? Inspect it? And fund it? This was going to be expensive and no one was even sure



All forms of advertising are important. Yet, the most important marketing tool for Marble Zip is word of mouth.

that it was feasible.

Experts from outside the country were brought in. Their pessimistic responses were disappointing. But Martin was undeterred. In the end the expertise Martin needed was already on the hill itself. Martin was directed to the outdoor recreation manager of Marble Mountain Ski Resort. This was a man who knew the hill and was an expert in ropes and pulleys and lifts. He was also a contractor, so he knew how to build. He teamed with an engineer from Corner Brook and they designed the plan. Then they built it. And “the experts” said it couldn’t be done.

Before the construction could actually take place there were many hurdles to overcome – not the least of which was that Martin did not own the land. It was owned by the ski resort so Martin had to pitch his idea to its 10 person board of directors. They were sold and the decision was unanimous, Martin could build his zip line on the mountain.

They believed in Martin and so did many others. Martin needed financing. He raised money from his family and then took his idea to various funding agencies such as Atlantic Canada Opportunities Agency (ACOA), the Department of Innovation, Business and Rural Development (IBRD) and the Business Development Bank of Canada (BDC). Martin says that it is important to raise money and to prepare a business plan before seeking financing from any of these

agencies. Martin’s father assisted with both. The agencies liked what they saw and Martin had his funding.

There were still so many steps to go through as this had never before been done in the province. Was there even anyone to inspect it? No rules existed for zip lining in the provincial building code. These had to be researched and written and it was Martin and his team who had to do it. Every step was a learning process.

There was also the challenge of who would train Martin and the staff. There was no one in the province qualified to do it. They sourced PETZL, a European company that specializes in training and materials for people who work at extreme heights. Martin was trained and set up as a PETZL dealer. This enabled him to get materials at cost.

There were delays. Construction did not begin when scheduled in the fall of 2007. Then came the snow and more delays. They were not ready to open until the end of August of 2008. They lost their busiest season. Even so, two years from planning to opening is impressive.

➤ marketing

Martin is the sole owner of the business but with the inherent risk and liability involved in a venture of this scope, he incorporated. In the beginning Martin focused on just getting opened. But once he opened, he had to bring in



customers so he turned his attention to marketing. He uses traditional methods such as road signs, brochures in tourist venues, ads on radio stations and posters. Of course, he has a website which is now in its fourth or fifth version.

Martin says that all forms of advertising are important. Yet, the most important marketing tool for Marble Zip is word of mouth. Not the old fashioned word of mouth but virtual word of mouth on the web. Facebook, YouTube and other social media get the message out. Marble Zip can send out an email and reach 2000 customers. Marble Zip's videos on YouTube also have a high viewership. Better yet, customers zip line and then go online to Tweet, upload their videos to YouTube, post their pictures on Facebook and tell their friends and the world, about their amazing experience.

Martin has also benefited from publicity in the media. Marble Zip has been featured on CBC, NTV, Rogers Cable,

Sportsnet and K Rock. Print journalists and travel writers have also written stories on the business.

Martin says that marketing is such a large job and is so vital to his business that he has hired a local company, J Osmond Design, to do everything from brochures and business cards, to online advertising to salable merchandise. Marble Zip now has a line of swag – including t-shirts and hoodies. People come for the thrill of the ride and they want a souvenir. Selling merchandise adds to the revenue stream and adds to the marketing.

The foundation of Martin's customer base is tourism. Tourists come from everywhere; however, the majority of his customers are people "staycationing" at home in their own province. Martin expects to see more people from Labrador in the future due to the completed Trans-Labrador Highway.

Interestingly, 60% of Marble Zips customers are female. Martin has had customers as young as 5 and as old as 88. In the summer he sees many families, couples, and groups. In the winter it is skiers and snowmobilers. People come for the thrill, to see the scenery and to experience something different. One couple has even booked Marble Zip for their wedding.

> growing

The business is expanding. Martin's company has just completed their 9th zipline and moved their office headquarters to the ski lodge. It was an exciting day when Martin was approached to partner with Bombardier to offer snowmobile and ATV tours. Marble Mountain's board

of directors approved and Martin added ATV tours to his product mix in the summer of 2011 and snowmobile tours in the winter of 2012. Adding these elements involved more insurance, more equipment, more storage facilities and more staff but also more reward!

Marble Zip employs 3 full-time and 4 part-time staff in the winter. Last summer they had 14 staff members. With expansion they expect to increase to 20 at peak season. Marble Zip primarily hires guides and they have to train them. It is an asset if the applicants have had experience rock climbing or working at heights with ropes. Martin is looking for safety conscious employees who enjoy people. An important part of the job is entertaining the customers.

Marble Zip is growing but Martin does not anticipate any difficulty in finding people to work with him. Students graduate from CNA's Adventure Tourism program in Corner Brook and can find a summer's work just down the highway. Other employees come from other places and backgrounds.

For Martin being in business in Newfoundland and Labrador has been a positive experience. He is a member of Hospitality Newfoundland and Labrador and Western

Destination Marketing Organization. These organizations provide a network of people who share common interests and goals. He is also a member of the Corner Brook Board of Trade. For Martin this membership is important because, "Your business is part of the community and you should be involved in the community."

➤ final thoughts

Martin says that Newfoundland and Labrador is a great place to start a new enterprise, especially in the tourism sector. He says, "We have so much to offer - some of the best kayaking and hiking in the world. We have a premiere ski facility and we have so much more. We are really only just beginning. "

Just as the future looks bright for tourism in the province, it holds similar promise for this young entrepreneur who has accomplished much in such a short time and who will no doubt continue to break new ground in the air and elsewhere. For Martin, things are looking up.

➤ did you know

Non-resident tourists spent approximately \$411 million in Newfoundland and Labrador in 2010!

> questions | marble zip tours

How did Martin's interests, education and background equip him for his career choice?

What employability skills does Martin look for in his employees?

What other types of skills should Martin look for?

Why is community involvement important to business people and how does Martin demonstrate this?

List 3 ways a business can be a good community citizen.

A. Why is the west coast of NL a good place to have an adventure tourism business from the point of view of a business looking to hire employees?

B. Research and list other possible places of employment in this region for a person with an adventure tourism background.



> the norseman restaurant | gina and adrian noordhof

It has been more than 1000 years since the Vikings briefly inhabited L'Anse aux Meadows on the northern tip of the island of Newfoundland. Yet the place speaks in echoes of Viking voices long gone. The wind whistles whispers over fields and mounds. Mirages of Viking ships shimmer on the distant horizon. At times, it is as if those long ago people never left.

This is how it feels at the Norseman Restaurant and Gaia Gallery owned by Gina and Adrian Noordhof. Gina and Adrian, both tall, blonde and fair, look like 21st century Norsemen. But they're not. Gina, from Newfoundland and Labrador, and Adrian, from Alberta, established a first class gourmet restaurant at the end of the road on the edge of the ocean in a place where few would dare to dream of such a venture – let alone actually do it.

> getting started

Gina and Adrian did not set out to be entrepreneurs. Gina has a Bachelor of Science in Geography and a Masters in Environmental Science. Adrian has a Sociology degree and he completed the Canadian Securities Course. Gina's mother, Bella Hodge, however, is a businesswoman. She owns the Valhalla Lodge Bed and Breakfast and owned the restaurant business before Gina and Adrian purchased it from her. Gina spent summers working in her mother's businesses. Her business education occurred on the job. She was involved in dealing with customers, taking bookings and doing marketing for her mother. Soon Adrian was also involved. He had an interest in cooking which naturally led

to the development of his gourmet culinary skills.

After gaining experience and expertise working in the family businesses, Gina and Adrian wanted to own their own business and to steer their own course. The time was right and they bought the restaurant business from Bella. They created a casual fine dining establishment with high quality gourmet food and professional and personable service that rivals the best in the country.

Some people thought they were too ambitious, that they were aiming too high. Some people thought there would not be a sufficient market for such fine food. One person even said, "How can you have a restaurant without French fries?"

Gina and Adrian were determined. They were not going to have a deep fryer. They were certain that tourists would search out and embrace quality food. Their research told



Gina regularly surveys her customers to see how her businesses are meeting their needs.

them that seasoned travellers were willing to pay for an exquisite culinary experience that specialized in local food.

And specialize they did. They offer a menu that features an array of fresh seafood: cod, caplin, halibut, shrimp, scallops and crab. However, it is the experience ordering lobster that takes fresh to a whole new level. The lobsters are held in a pen in the ocean. The customers can actually go down to the wharf and select their own lobster right from the cold North Atlantic. Gina says it is the cold water that enhances the flavour and texture of the lobster.

Whether they are serving bakeapples or caribou, the food has been transformed into an experience of simplicity and sophistication by the skillful hand of Adrian, the chef.

Behind the restaurant is the Gaia Gallery. This gift store specializes in products sourced from artists and artisans: Labrador Innu tea dolls, Inuit carvings, handmade silver jewelry, and books on the historical and geographical heritage of the region. As in the restaurant, the focus is on quality.

> growing

Gina and Adrian have added a third dimension to their business - vacation rental properties. They have recently purchased two traditional outport houses in Gunner's Cove just 11 kilometers from L'Anse aux Meadows. These houses were owned by Pulitzer Prize winning American writer Annie

Proulx, author of *The Shipping News*, a novel set in the area. Situated in a meadow tucked into a beachside hill on the shore of a protected cove, the houses are a picturesque postcard image of old Newfoundland. They are so popular that they start to book up in the fall of the previous year.

The demand for first class quality vacation rentals in the region is high and Gina sees potential to expand the business. She hopes to buy or build more houses in Gunner's Cove. She looks at the success of Fishers' Loft in Port Rexton and sees a model for expansion for her businesses. Like Gina and Adrian, the Fishers started in the hospitality business by renovating a heritage structure. Now they offer first class accommodations in several newly constructed heritage-style buildings. The Fishers also have a fine dining restaurant and are even in the process of adding a small conference centre for corporate meetings.



Gina is animated as she talks about the potential for her business and for tourism in general in Newfoundland and Labrador. In 2010, 30,000 tourists journeyed all the way up the Great Northern Peninsula. This is not a huge number of consumers relative to other places and Gina said that her businesses saw only a fraction of these people, yet her profits were up by 30%. This confirms that she and Adrian are providing a product that discerning travellers are looking for.

> research

Gina's experience validates her market research. She regularly surveys her customers to see how her businesses are meeting their needs. As well, she has benefited from on-going research done by the provincial Department of Tourism, Culture and Recreation and the Canadian Tourism Commission. This has enabled her to spot trends in consumer demand and to provide services accordingly. For example, the research has highlighted the growing demand for culinary tourism.

Sometimes research involves trying a venture to see if there is a profitable market and to determine whether it is the right fit for the business. Gina and Adrian tried this with dinner theatre several years ago. Although they enjoyed the experiment, they found that it required that the business carry too many staff. It also put restrictions on what type

of food could be served and when. They were also limited in how much they could charge for the total dining and entertainment experience. Overall they decided there was not sufficient profit margin in the dinner theatre experience to justify the hours and resources expended.

Another method of market research that Gina and Adrian particularly enjoy in the off season is their own travel. When they are not busy ordering, marketing and booking for the next season, they frequent tourist properties, restaurants and gift shop galleries in Canada and abroad. They observe and compare products and services and share experiences with the proprietors. During this time they also attend trade shows and conferences. This is an advantage of a seasonal business. It gives the flexibility to travel in the off season. This is a luxury that they do not have from May to October for Gina says that one thing she has learned in business is that "You've got to be there."

Gina and Adrian are there to serve their customers. For the most part these customers are world travellers. They come from Ontario, Western Canada, the United States and Europe. They are seeking unique travel experiences and they are willing to pay for quality. Gina credits the colourful and captivating Newfoundland and Labrador tourism ads for attracting many of these sophisticated tourists. She also applauds the accessible and inviting websites for Tourism

They created a casual fine dining establishment with high quality gourmet food and professional and personable service that rivals the best in the country.



Tourism NL and Hospitality NL.

➤ giving back

Sophisticated travellers do their research. Gina is ready for them. She has designed an attractive and informative website for their restaurant, gallery, rental properties and her mother's business, the Valhalla Lodge. She also has links to attractions in the area.

One of these attractions is a pet project of Gina's. It is Norstead, a community based nonprofit organization. Norstead is a replica Viking village originally built with government support to mark the 1000 year anniversary of Viking settlement. Gina is on the Board of Directors and assists with ideas and proposal writing to ensure the continued viability of the infrastructure. In the summer re-enactors are hired to display aspects of Viking life. Gina's own experience in dinner

theatre showed her that there was a demand for evening entertainment; this niche is now filled by Norstead.

Professional theatrical productions are mounted in the village. Recently Norstead purchased a kiln to make and sell Viking style pottery on site. Gina spends many hours volunteering with Norstead year round. She says that a business person has a social responsibility to make a contribution to her community. Norstead provides more jobs for the local economy and it provides tourists with another activity.

➤ staffing

Life in the tourism business is hectic. Gina and Adrian work together all day, every day, throughout the tourist season. Gina manages restaurant tables, the gallery and the rental properties as well as assisting her mother with the Valhalla Lodge. As chef, Adrian takes charge of the kitchen. This does not simply involve cooking. In between there is planning, ordering, preparation and, of course, cleaning. They have a small staff to assist with all of the chores.

When hiring staff, Gina and Adrian look for people who have initiative and who are able to work with minimal or even no supervision. Of course, because they are in the tourism business, they need people who are pleasant, articulate and engaging. Unfortunately, Gina says that it is becoming increasingly difficult to hire staff because fewer young people are returning to live in the more remote

They look to the future with optimism as they anticipate the continued growth of their business ventures.

live in the more remote rural communities of the province. For Gina, her mother is a model, a mentor and in many ways a partner. Gina maintains an active role in running Valhalla Lodge Bed and Breakfast. Between them they shared the honour of the Newfoundland and Labrador Organization of Women Entrepreneurs (NLOWE) Entrepreneur of the Year Award for the western region.

final thoughts

The Viking spirit of adventure lives on today in Gina and Adrian in L'Anse aux Meadows. They look to the future with optimism as they anticipate the continued growth of their business ventures. They have established themselves in a remote but beautiful place. Unlike the Vikings, however, they plan a long and successful stay.

did you know

518,500 tourists visited the province in 2010. That is more than the number of people who live here!

> questions | the norseman restaurant

Gina and Adrian's formal education does not relate directly to their careers. What benefit is that to them?

Gina and Adrian demonstrate the value of acquiring a skill set through on-the-job experience. How is this so?

Gina says that a business person has a responsibility to make a contribution to their community. How are Gina and Adrian doing this?

Write a job ad for a general summer staff position for Gina and Adrian.

Gina says attracting and retaining staff is a challenge. What suggestions do you have for Gina?



> subc control ltd. | chad collett

Most businesses do not want to be “underwater” but that is exactly where SubC Control Ltd. excels. SubC Control makes specialized underwater camera and video equipment for hazardous deep ocean environments. SubC Control is an innovative high technology company founded by a young entrepreneur.

> the entrepreneur

Chad Collett's education, work experience and even hobbies, combined with a deep entrepreneurial desire, equipped him to begin his own business. Chad says that as a youth he was always taking things apart and putting them back together. He was inventive and he was ever fascinated by the ocean. He joined the Naval Reserves where he received certifications in a number of areas, including diving and naval environmental training. The navy gave him discipline, opportunity, and extensive underwater experience.

Chad also attended the College of the North Atlantic. There he completed a program in electrical engineering with a specialty in computers and information technology. As a student he was privileged to have work placements with the National Research Council and with the Institute for Ocean Technology. Upon graduation he landed a position as an ROV Pilot Technician and from there moved on to take a position co-coordinating various off-shore based projects.

His natural inventiveness and his passion for the ocean led him to more thinking and tinkering in his shed at home. His hobby soon resulted in a marketable invention, a specialized

underwater camera.

Chad knew he had a product that businesses operating in the hazardous depths of the world's oceans would want. He knew he wanted to go into business. He wanted to be his own boss.

He wanted to be able to take his idea as far as it could go. But he did not know how to go about doing that. He had taken a few economics courses in college but had no real foundation or knowledge of the intricacies of business. No one in his immediate family had entrepreneurial experience.

> getting started

Luckily, Chad found that in Newfoundland and Labrador there were many organizations available to assist in accessing practical business information and skills development and with accessing funding. Chad was particularly fortunate to be accepted to receive the services of the Genesis Centre at Memorial University of Newfoundland. The Genesis Centre assists with office space and financial and practical support



Chad Collett's education, work experience and even hobbies, combined with a deep entrepreneurial desire, equipped him to begin his own business.

for technology based businesses.

Chad found that he had a marketable product. He had businesses - big businesses - interested in his product. It was time to incorporate and time to prepare a business plan. Chad invested his own money and SubC Control was formally launched in February 2010. This was a big step that came with a big drop in income. Chad went from having a good salary to having no money coming in. It was a leap of faith but the time was right. SubC Control is still in its infancy but it is progressing rapidly.

Chad says every step in the business process has been a challenge: dealing with HST, formulating accounting practices, drafting and redrafting the business plan, marketing his product and accessing investor funding. Fortunately, he has the Genesis Centre expertise guiding him on all of these.

Being accepted by the Genesis Centre gives credibility to the business. This opens up access to more funding options and angel investors. Angel investors are business people with funds they are willing to invest in promising new companies. Chad says a business can go slowly and play it safe or it can try to access these funding options. In a high tech industry with high stakes and big players, a business has to be careful not to be left behind. Chad says, "Just

as you are watching the competition, the competition is watching you."

Chad's customers are large multi-national corporations who operate in the deep ocean. He boasts British Petroleum, Husky Energy, Suncor, Geo Oceans and SKM (Sinclair Knight Merz) among them. His product can be found in the Gulf of Mexico, Norway, and Australia. This is impressive as it is only early days yet for SubC Control.

But how does a new business owner who is still operating from home attract the attention of these companies?

> marketing

Chad says he has built his customer base with cold calls and emails. SubC Control's product is so specialized that in any company there will be only 1 or 2 "right" people to talk to. These are the people who understand the unique technology and the special requirements of hazardous underwater environments. It is important to talk to these people. Fortunately, Chad made a network of contacts in his professional career. Even with contacts he says that it is still difficult to reach the right people. "Persistence", he says, "is the key".

Sometimes the emails and calls result in access to the right people, but the company does not need the product. But

now at least they know about it and down the road when the boss asks the “techie” for a certain capacity, they know they can find it at SubC Control.

Chad may be marketing by using a modified version of knocking on doors but he is also availing of social media such as Twitter and Facebook. He says, “You have to be on the net.” This is where the young people in the workforce are communicating; this is where the students are. These students will soon be in the workforce. Some are already there on work terms. These young employees may be the ones who recommend SubC Control to their superiors. SubC is also revamping its website and is now accessing LinkedIn, a social media site for business professionals.

SubC has a global market and global competition. The primary competitors are Kongsberg, a Norwegian company, and Tritech, a company originating in the United Kingdom. Chad says SubC looks at the competition and thinks, “How can we do it better - better quality, better features and better price?” Chad proudly says, “And we do it better. We have superior products”.

The challenge is getting potential customers to move from the large known brand name products to his superior but new and, as of yet, largely unknown product.

> potential

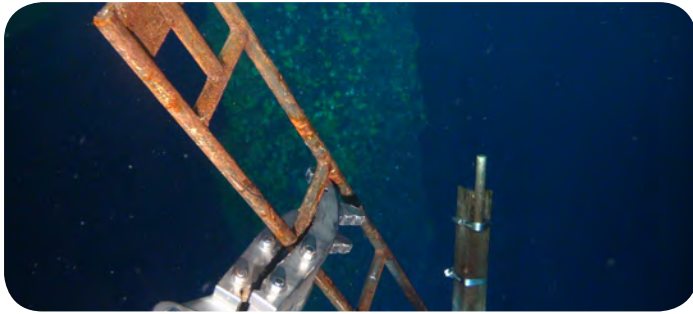
Chad speaks enthusiastically about his experience starting up a new business in Newfoundland and Labrador. The business climate is favourable and supportive. “Nobody says, ‘You are too small’”. Chad believes that there is more support for ocean technology in the province than anywhere else in Canada. There is unlimited potential for growth in his business and for growth in offshore industries in general. He says that there is still more development to take place and there is enough money and enough room for more players in the industry.

“Newfoundland and Labrador is the place to be for ocean industries”, Chad says, “and when clients are global you can live anywhere.” Chad operates out of Clarenville where he can enjoy the outdoors, including skiing on weekends in the winter.

Chad has big dreams for his company. In the future he would like to expand into equipment for other hazardous applications such as high temperature environments or even outer space. For that he will need radiation tolerant equipment.

Chad sees unlimited potential for SubC Control. Right now he operates from home where he employs one full-time

“ Newfoundland and Labrador is the place to be for ocean industries and when clients are global you can live anywhere. ”



Most businesses do not want to be “underwater” but that is exactly where SubC Control Ltd. excels.

technical person and one engineering work term student but that is soon changing. He needs a sales manager. With more orders will come more employees – a business manager and an accountant, and more people with engineering backgrounds. Chad does not anticipate any difficulties in finding people with the requisite expertise for his company. The business and engineering programs at Memorial University and the College of the North Atlantic are equipping a new generation with the necessary skills. Chad will look for the same thing in all of his employees. He wants inventive people with a real interest in the field. He wants people with initiative.

> final thoughts

For aspiring entrepreneurs with an idea, Chad advises them to do their research, to seek advice, to prepare a business plan and to not fear failure. All of these things will help your business stay “above water” - if that is what you want.

> did you know

Newfoundland and Labrador is home to more than 50 knowledge-intensive enterprises that develop innovative ocean technology products and services

> questions | subc control ltd

How did the naval reserves complement Chad's formal education

Which facilities in NL offer programs that prepare people for marine-related technical careers?

The value of off-shore oil production in the province increased by approximately 25.9% in 2010. What does this mean for the job market?

Chad is growing his business in Clarenville, just a short distance from the nickel refinery in Long Harbour. Currently the Come by Chance Oil Refinery and the Bull Arm Fabrication facility are also in the region. What impact could these businesses have on the recruitment and retention of employees?

As Chad expands his company what types of skills will his business require?



> twisted metal & silver & silk | jason holley & rosalind ford

What happens when you blend a Dungeons and Dragons™ player with a field biologist and a mutual attraction to silver? The result is one couple and two businesses - Twisted Metal owned by Jason Holley and Silver and Silk owned by Rosalind Ford. Jason and Rosalind make their living in the craft industry of Newfoundland and Labrador. Jason makes chainmaille inspired jewelry, art pieces and sometimes even lingerie. Rosalind makes jewelry out of naturally hand-dyed silk woven through fine silverware. They are artists and business people who came to their careers by very different routes.

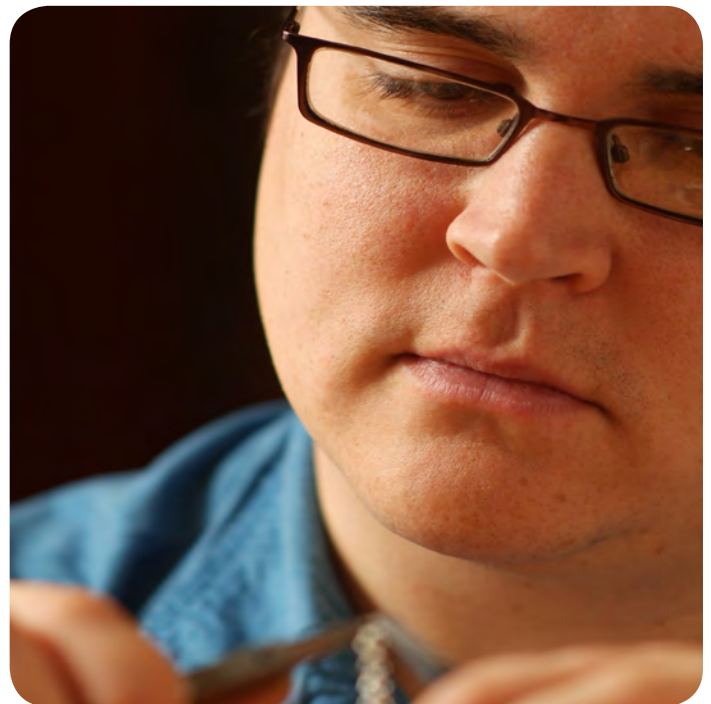
> getting started

While in university Jason made a hemp bracelet as a gift. The bracelet was a hit and friends started putting in their orders. Soon the word was out and Jason was making bracelets for strangers. By the end of the semester he had made a few thousand dollars. Instead of getting a job for the summer, Jason decided to create his own with the help of the Youth Ventures program. He sold his bracelets as a street vendor in downtown St. John's and set up a booth at the Salmon Festival in Grand Falls-Windsor. By the end of the summer he had made about \$10,000! He had tasted success in business and decided to develop his artistic and craft making skills full time.

Rosalind completed a Bachelor of Science degree in biology and worked as a field biologist for several years. This was seasonal work and she needed money. Growing up in Baie Verte, she was exposed to crafts by her mother, a quilter

and an expert at sewing and needlepoint. Rosalind was also "crafty", sewing her first doll at age eight. So she decided to take evening classes and then enrolled in a 2 year textile studies program offered by the College of the North Atlantic. Rosalind also took advantage of the opportunity to complete an apprenticeship offered by the Cultural Industries Development Program. Rosalind had never imagined that she would be self-employed and credits Jason, whom she met in a class, with the entrepreneurial influence.

Jason had taken the plunge into business after his successful summer bracelet venture. However, he was cautious and As he gained credibility and recognition, he was able to access grants from organizations such as the Newfoundland and Labrador Craft Council.



Jason and Rosalind have received accolades for their work. Jason won an award in the 2007 Arts and Letters Competition and was also commissioned to make the awards for the provincial Arts Council Awards Show. Rosalind also succeeded at the provincial Arts and Letters Competition and won the Emerging Artist Award at the Atlantic Crafts Trade Show in 2007. This was the beginning of Silver and Silk.

➤ target market

Jason and Rosalind work together as a team even though they keep their businesses separate. Rosalind laughs and says that they are in healthy competition with each other. In 2008 they moved to Amherst Cove and put off a show together. Their work differs and appeals to divergent tastes.

Jason makes necklaces, bracelets, earrings and pendants by combining small aluminum or silver rings. His jewelry ranges in price from \$15 to \$ 1500. The inexpensive \$15 pieces are popular with teens and young adults- so popular they help pay most of the bills. Jason's more expensive pieces are intricate chainmaille pieces made of silver. Rosalind's delicate silver and fabric jewelry is priced from \$35 to \$150. Her jewelry appeals to women, generally over the age of 30. Both Jason and Rosalind say that the price of silver jewelry must go up. This does not mean more money in their pockets as, unfortunately, the price of silver is rising on world markets.

➤ diversifying

Both Jason and Rosalind create products other than jewelry. Rosalind works in fabric and dye. Her natural dyes are made by her from material both local and imported. One

is a traditional Newfoundland dye made from lichen called mollyfodge which grows on the island. She sees herself as a crafty scientist making butterflies, birds and whales out of dyed fabric.

Jason has taken inspiration from his chainmaille jewelry to create lingerie for fashion shows and he also creates larger art pieces made from ceramic rings. He links the rings together while wet. Once dry, he fires them in an outdoor kiln until they look like metal. When they reach 1000 degrees, he removes them to cool in sawdust. It is hot and smoky work. This art work is taking more and more of Jason's focus and creative energy. Galleries across Canada are showing interest and he was featured on the cover of Fusion, a journal for glass and clay enthusiasts.

➤ giving back

Jason and Rosalind enjoy talking about the craft industry and their continuing journeys as craft artists. They are excited about being part of a community of young crafts



Jason and Rosalind work together as a team even though they keep their businesses separate.

people and have worked together to facilitate access to craft fairs for young artists. As members of the Craft Council, they organized a youth committee. They realized that the fees charged for a booth at the Craft Council Fair were out of the range for most young people. So Jason and Rosalind, as the "Crafty Privateers", organized the Fresh Fish Craft Fair in 2007. From there a number of young participants went on to get involved with the Craft Council.

> research

Although Jason is naturally entrepreneurial, neither Jason nor Rosalind had a background in business, nor did either have a natural inclination to accounting and other administrative details. But to be successful in business this is a necessity. To them it's just paperwork but they are getting better at it.

When asked about how they conduct market research, Rosalind says that they do it all the time, sometimes without realizing. They go to craft fairs and stores and look at what is for sale, how it is made, the materials used and the pricing. Most crafts people are also happy to share information about how well particular products are selling. Rosalind says that the best way for a crafts person to determine if there is a market for a new product is to make a few and put them out there to gauge the public's reaction before investing much time and material into several pieces.

A crafts person, like any business person, has to be able

to withstand disappointment, and even failure, and be prepared to adapt. The first time Rosalind entered a craft fair, she paid \$350 to rent the booth, in addition to the money she had invested in her product (dolls), and only sold one for \$36. But, she learned from this. She realized her dolls had too many small buttons making them inappropriate for children but they were not artsy enough for collectors. So she modified the dolls and three weeks later went to a different craft fair and took home \$500.00.

Rosalind and Jason both have goals for their respective arts careers. Jason is interested in further developing his ceramic pieces. Rosalind is interested in sharing her talents through workshops and teaching. She has particularly enjoyed her work in the province's Arts Smarts program and with the Labrador Creative Arts Festival. She has also recently had two gallery shows - one in St. John's and one in Grand Falls-Windsor.

> growing

Together they plan to open a shop in Amherst Cove where they currently live and work. There, they will be able to showcase their products as well as products of other young artists and crafts people. Amherst Cove is on the less developed side of the Bonavista Peninsula in terms of tourist traffic. But it is only 15 minutes from Bonavista and more tourists are making the journey down that side. She also notes that the tourist season in the Bonavista/Trinity area extends from May to October.

The store will also stock art supplies and Rosalind hopes to teach art classes in the space. Rosalind says that the tourism growth potential for this peninsula has not yet reached its maximum.

Expansion takes capital. The Craft Council has a program of matching grants up to \$5000 per person. This will assist with the purchase of materials and equipment. Their original business plan was developed with the assistance of the Y-Enterprise Bureau. A business plan is a work in progress and as a person's goals and circumstances change so must the plan adapt. They are now in the process of revisiting their business plan.

Twisted Metal and Silver and Silk are both sole proprietorships. One of the things the owners will have to get advice on is how to structure their businesses once they have a store. There are taxes and other implications that they will need to consider.

Jason and Rosalind say that Newfoundland and Labrador has been a good place for young crafts people such as themselves to start businesses. The crafts community is supportive and the work of the Craft Council is invaluable. The provincial government even has a Craft Industries Development

Program! On the business end, there are agencies such as the Y-Enterprise Centre to provide advice and direction. Although the population of the province is small, Rosalind says the economy is good so people are spending more.

➤ final thoughts

There are many aspects of their expansion to work out, but they do have an idea for a name for their shop. The projects they have done together, they have done as the "Crafty Privateers", an appropriate name in a place where the ghosts of pirates haunt the shores, and where chests full of silver may be hidden in caverns along the coast.

Jason and Rosalind are pleased with their success so far. In the early days Jason enjoyed being an entrepreneur because he liked the flexibility and freedom to pursue his outdoor hobbies. These days they both still enjoy the flexibility; however, the freedom has become more about choosing how to work and what to work on. One thing is for certain, these two crafty privateers will be busy as they continue to forge their careers from silver and ceramic and silk.

➤ did you know

Over half of craft producers in the province sell to customers outside the province.

> questions | twisted metal & silver & silk

Rosalind says she is a “crafty scientist”. How does a biology degree complement her craft-making?

Jason left university to become an entrepreneur but did he halt his education?

Jason and Rosalind each have career goals. Are their different goals compatible?

Jason and Rosalind are community minded volunteers. How has their volunteer work been mutually beneficial to them and to the community?

Jason's ceramic art work is “hot and smoky”. What advice would you have for Jason to ensure that he works safely?

