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Events! News! Events!

We have lots of great business related events scheduled for you in the coming months.

Airdrie

~Drop In Business Consultations

Wednesdays from 9 to 10 am
at City Hall

~Airdrie Chamber Luncheon

CFCWest presents a Business
Plan Tune Up session
(September 15)

~Small Business Week

Chamber Kick Off Luncheon
featuring our own Patricia
Alderson (October 18)

Welcome to...

The Business Jolt Magazine

Your online source for
great business tips and information

Dear Jodie,

It's hard to believe September is just around the corner. Summer is usually an opportunity to relax a bit, work on projects around the house and take well deserved break. It's also a time when many of take stock and make plans for moving forward. In this issue we offer tips to help you move your business in the right direction by avoiding some common mistakes.

Our guest expert, **Mikeal Abramoff**, is the newest addition to our team here at Community Futures. Mikeal will be working two days a week with our Self Employment clients to help them with business planning. He brings a wealth of knowledge and information gained during his studies at Mount Royal University and is already making an impact with our entrepreneurs. If you are a current or past Self Employment client and would like some extra help with your business plan, call Mikeal!

In **Money Matters**, consider **Noreen Hoskin's** advice about the risk of using personal credit cards to boost your business. As our inhouse financing expert, Noreen has helped many clients to stay on the right path. **Tomer Cohen**, Business Development Associate and co-op student from the Haskayne School of Business at the University of Calgary, will be working with Noreen until December to meet your lending needs.

Our newest column, **In the Trenches**, features the expertise of our clients. This month, **Matthew Ashton** of White Rose Renovations Consultants

Entrepreneurial Edge Evening
(October 19)
Social Media Workshop
(October 20)
Think Airdrie Open House
(October 21)
Winning Edge Awards
(October 22 - [nominate](#) a
business today!)

Canmore

~ **Build a Better Business
Learn at Lunch**
(September 28)

Cochrane

~ **Weekly Brown Bag
Sessions and Business
Seminars**
(via videoconference - starts
in September)

~ **Business Resource Expo**
(October 21)

Check out our [Events](#) page for
more information, registration
and the most up to date
listings.

Self Employment Program Now Available in Okotoks/High River and Surrounding Areas

Great news! Aspiring
entrepreneurs south of
Calgary can now access our
Self Employment Program. We
were recently awarded an
expanded contract to offer
training and support not only
in our existing communities,
but also to entrepreneurs
in several other towns. If you
know of anyone who isn't
working, plans to start a
business and would like

hits the nail on its head as he shares his advice to
avoid blunders when considering a home reno.
You still have time to complete a project or two
before the weather turns, so find out how best to
have a great experience!

Take a look at our **Events** section when you **visit
our website** for a complete listing of activities
we're sponsoring over the next three months.
We've added a **podcast** about our Self
employment Program on our home page and also
updated the look of our website to make it easier
to search.

We welcome your ideas for business topics you'd
like to explore, so [click here](#) to submit your
comments and suggestions.

We hope you enjoy this issue and find the content
helpful. Here's to your business!

Your Team at Community Futures Centre West

Ask an Expert...

**In this issue, Mikeal
Abramoff, Self Employment
Resource Coordinator,
shares advice about
targeting your market.**



Building a business is an exciting
process, and many
entrepreneurs become
fascinated with working on a superior product or
service that they hope "everyone" will want to buy.
Optimism is helpful, but it is also essential to know
and focus on the customers who will pay a
premium for your product or service.
Entrepreneurs should pursue their passion and be
true to the vision of their business, but the idea of
"doing what you love and the money will follow"
can be extremely risky.

Not long ago there was a high level of demand for
trades work in Alberta and these businesses could
survive without having to define any target market.
For those businesses, the mentality was that "as
long as we are working, we make money".
However, even if your business does survive with
this approach, your operation will be able to grow

training and guidance from the Self Employment Program, we're here to help:

New!

- * Okotoks
- * High River
- * Black Diamond
- * Turner Valley
- * Priddis
- * Millarville
- * Kananaskis

Existing:

- * Airdrie
- * Crossfield
- * Cremona
- * Cochrane
- * Bragg Creek
- * Redwood Meadows
- * Lake Louise
- * Banff
- * Canmore
- * Exshaw
- * M.D of Big Horn
- * Rocky View County

Call **Patricia Alderson, Self Employment Manager** at 1-877-603-2329 x319 for more information or check our website: www.cfcwest.com

Help Wanted:

We're looking for established entrepreneurs and business professionals willing to give back to the entrepreneurial community. If you have expert advice to share in a seminar, or can act as a mentor for an up and coming business, please [contact us](#).

Salary: None
Satisfaction: Priceless

and thrive much more if you leverage your capabilities by serving a *target* market. How do you determine who to target?

First, you need to offer a product or service people are willing to buy at a price that can provide you an acceptable profit margin. Secondly, you must sufficiently promote this product or service to attract enough paying customers to generate the desired income. Finally, it's ideal to promote the factors that make your business different compared to your competition - then focus on and advertise to this specific group of people who care about and will pay a premium for your unique value proposition. In essence, this defines your target market.

When looking at building the profile of your target market, it's helpful to break down your broad market into a narrower target market, based on various factors. Here's a list of important characteristics experts recommend you consider when identifying your target group:

Demographics

Age
Gender
Religion
Ethnicity
Family type

Socio-Economic

Income
Occupation
Education
Social class

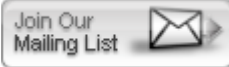
Geographic Location

Geographic Region
Type of urban area (city/town)
Type of housing (affluent suburbs/ city core)

Customer Behaviour

Consumption behaviour (heavy/light user)
Consumer Personality
Benefits sought
Lifestyles and attitudes

It's often very difficult - but necessary - for the small business owner to say "No" to business that's not in his or her target market area. Just because you can do particular work doesn't mean you should, if it distracts you from the work you do best. Conducting adequate market research allows you



On the Lighter Side...

Some people are born entrepreneurs:

Buddy slinks up and asks, "Grandpa, I've been a good boy, will you give me \$50?"

Grandpa says, "I think you would be a lot more successful if you asked for \$1."

Buddy answers, "Look, Grandpa, give me a dollar or give me \$50, but don't tell me how to run my business."

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Is Going Into Business Right for Me?

What does it take to start up a new business? Do I have what it takes? Where do I start?

Where do I find our information about my industry? What resources are available? Is it true you can get a grant to start your business?

Ask Patricia Alderson, our Self Employment Program Manager and she'll be happy to answer you! We've developed a highly informative seminar called Is going Into Business Right For Me? - now available upon request in your community. Here's what's covered in this 2 hour session, designed for groups of 5 or more:

The session covers the basics of starting a business - including information about entrepreneurial traits, how to research your idea, identify

to say "No" confidently to those jobs that will take much longer and will not pay as well.

From my experience, it's very common for new businesses owners to have the attitude of "I'll take whatever I can to get started." Although this may work to some degree, it is not optimal compared to focusing your efforts toward the smaller group of people who actually care about the value you are offering and are willing to pay more for it. In this way you build on your strengths and serve your most valuable clients.

In summary, finding your target market is capitalizing on the 80/20 rule which states 20% of your customers tend to provide 80% of your profits. Simply put, if you can put your resources to work serving the 20% of your customers that make your business the most money (your target market,) you will see much greater success.

Mikeal can be reached at mabramoff@cfcwest.com or 1-877-603-2329.

From the Trenches

All Decked Out - How to Ensure Your Renovation Doesn't leave You Floored

Everyone has a reason for wanting to renovate and after ten years in the construction and renovation industry, I've seen and heard most of them - from "baby on the way" to "basement flooding." At some point most of us will consider a renovation and a brave few will push forward.

The fact is that renovations or new construction can be an overwhelming and daunting experience. No one wants to be the next feature family on the local DIY network or have to pay for work to be fixed. Be *proactive* instead of reactive with your projects is the best thing you can do for yourself. Here are a few basic tips and some of my favourite advice:

The Basics:

1. Get pricing from at least three contractors - for fair value and realistic costs
2. Call references - We all want quality for our money and people are usually happy to share their experiences

your target customer and finance your enterprise. A list of local resources and tips on how to know if your idea is a good one, rounds off the seminar.

If know someone considering Self Employment, have them contact Patricia for a free package of information on key strategies and steps to take to make the most of an escape from Cubicle Nation.

We are available to speak at your organization or association on what it takes to become an entrepreneur and start your own business.

Call 1-877-603-2329

For more information about our Self Employment Program, [click here](#).

Where to Go When the Bank Says No

Did you know Community Futures Centre West has a variety of loan products designed to meet your business needs? If your bank can't help you, give us a call and let's talk.

Will one of these popular products give your business the boost it needs?

* **ReadyCash** - Quick turnaround short-term loans of up to \$10,000 - so you can react to a great opportunity

* **FlexLine** - Flexible line of credit loans from \$10,000 to \$50,000 - money that's there when you need it

3. Check insurance/WCB - This is especially important from a liability standpoint when someone is working in your home

4. Get it in writing - A formal quote or contract shows commitment from the contractor

These tips only touch the surface of ensuring a successful project, so if you're considering a project here are two more key considerations:

1. **Expectations Versus Budget**

A friend of mine asked me "how much does it cost to do a basement development?" and my response was "how long is a piece of string?" All projects are different and people's expectations vary and most importantly, we all have different amounts to spend when it comes to home/business improvements. How can you fine tune what your dream improvements will cost? Try these suggestions:

* Do some **online research** for average renovation costs similar to what you have in mind. The prices will vary from region to region but will help set your expectations at a level that is achievable.

* Speak to contractors and ask for a **budget estimate** regarding your project. This differs from a formal quotation: a budget estimate makes a number of assumptions based on a limited scope of work.

Be realistic - prices will vary with each trade but by doing some research and setting your expectations you'll be prepared for formal quotations and have some ideas on how you may have to adapt to stay on budget.

2. **Planning**

One of the main aspects of the service I provide concentrates on the pre-construction stage. Before the first nail is hammered, the success of a project can be determined by the level of detail identified in the planning process. The old adage 'measure twice, cut once' means doublecheck everything before taking action

* **Designs** are a key part in any renovation. How can a trade person price your project without knowing the layout and exactly what you're looking for? Take the time to get proper plans drawn up to avoid misunderstandings later on. Designs are also

* **TrailBlazer** - Loans for value-adding, innovation, enhancing productivity and developing new products and markets

* **BizBuyout** - Loans to assist with the purchase of an existing and successful rural business

* **NewBiz** - Loans for entrepreneurs who want to start a business in a community served by community Futures

* **NextGen** - Loans for young entrepreneurs ages 18 to 29 with a great business idea

* **BusinessAble** - Loans for persons with a disability seeking to start or expand a business

Call **Noreen Hoskins** at **1-877-603-2329** to find out how we can help.
More Details at:

www.roadahead.biz

Business Resources in Your Neighbourhood

In each issue we feature business resources available in a local community. This time we focus on **Crossfield**.

The Town of Crossfield municipal office is ready to help you. CFCWest recently partnered with the Town and with assistance from grant funding, was able to place an economic development intern with the Town. Adena Cheverie started on July 15 and over the next 18 months she will be working

essential for the permit application - existing and proposed drawings are a must before you can get the okay to proceed.

* **Specifications** detail everything from the paint you've chosen to whether you want round or square corners on your drywall. The more detail you provide, the more realistic the price quote you'll receive. Your contractor won't need to make assumptions if you specify exactly what you prefer and in turn, there will be less chance of additional costs once work starts.

* **Provide identical information** packages to each contractor bidding on your job and notify them accordingly if changes are made. Your pricing will vary greatly if you give different information to each contractor, so keep it fair and competitive to ensure you are comparing apples to apples.

* **Get those permits!** Whether it's a development permit for a change of use or a building permit for a basement development, proper permission is necessary to ensure compliance with Alberta Building Codes. The key here is your safety plus permitted work is inspected by professionals to make sure it's been done correctly. The last thing you want are unexpected issues when selling your home later on because of non-compliant work, or worse - a house fire due to faulty wiring. Contractors that want to proceed without permits should be avoided - any cost saving isn't worth it, if it means putting your family in jeopardy.

If you're considering (or even currently carrying out) a renovation or new build project and are concerned about moving forward or want to minimize your cost and stay on budget, send me an e-mail or give me a call. I'm more than happy to provide a free consultation to Community Futures Centre West's clients and partners.



Matthew Ashton BSc (Hons)
White Rose Renovation

Consultants
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Money Matters

with local businesses via initiatives involving partnership development and business training opportunities. In addition, she'll be working on future business development, creating an Economic Development Framework and helping to form an Economic Development Committee. You can reach Adena at adenac@crossfieldalberta.com

Another good resource in Crossfield is the [Crossfield Chamber of Commerce](#). Don't forget to add the [Business Link](#) to your favorites for a variety of online support services and a 'speak to an expert' program. Of course, [Community Futures Centre West](#) is always ready to help!

Keep Those Cards and Letters Coming In!

Help make this magazine your own - what kind of advice and information will help make your business a success? Send us an email with your ideas.

Here's to your continued business success!

Your Community Futures Centre West Team

Our Business Development Advisor, Noreen Hoskins, gives frank advice about a not-so-hot financing option:

Why Using Personal Credit Cards to Prop Up Your Business is a Bad Idea

Reporting an owner's/shareholder's use of personal credit cards on company balance sheets can wreak havoc on bookkeeping and generate extra accounting costs. Chasing down receipts and reconciling statements on personal credit cards can be a nightmare - for you and your accountant. This angst is worsened if the business reimburses your personal credit card use sporadically, and in varying amounts. Just don't do it!

Some business owners think that by "investing" in their company in this manner, they are demonstrating a commitment to the business. Although the spirit behind the intention is honourable, it still does not change the fact that if it's done incorrectly, the use of personal credit cards is not an astute business decision. In fact, from a lender's perspective it's a good reason to decline financing.

In summary: Using personal credit cards to finance your small business improperly will erode the value in your company and could affect your ability to seek financing in the future.

If you must use personal credit cards to finance your business, think of yourself as a lender to your business. Create a tidy arrangement that demonstrates you are indeed putting more skin into the game: What are the terms and conditions for financing? How much are you going to lend to your company? Here are some additional tips:

- 1) Define what you are going to use your credit cards to pay for. Identify the intended use or project clearly and determine how much your business needs to make it happen. Don't forget to calculate the interest cost, too.
- 2) Assign a cap of the amount you will lend to the company and stick to it.
- 3) Don't count on being repaid: If you are using personal credit cards to bail out your company, it's likely that there won't be enough cash in the company to repay your shareholder loan for some

time. Treat the amount you intend to lend to your company as a long-term loan.

4) Don't be afraid to seek out a banker or a trusted lender for an opinion. When you visit the bank always be prepared - whether you're asking for advice or credit, bring the executive summary of your business plan, recent financial statements and know your numbers by heart.

Noreen is happy to meet you in your community to discuss your financing needs. Contact her at 403-932-5220x318 or nhoskins@cfcwest.com



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