

Northwestern Ontario Business Expansion Study



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Executive Summary

In March of 2013, the Northwestern Ontario Innovation Centre with financial support from IRAP, conducted interviews with 63 companies in the region of NWO. These interviews focused on companies in the ICT and Digital Media, Niche Manufacturing, Engineering and Technology Services, Health and Bio Technologies, Value-added Wood Products and Metal Fabrication sectors. Business owners were asked detailed questions about the current state of their business and future opportunities for growth and constraints to growth.

It was evident from this research that all sectors have growth potential and that the ICT and Digital Media as well as Niche Manufacturers hold the highest potential for short-term growth. Approximately Ninety percent of all business owners interviewed indicated that they were planning to develop a new product or service in the next 18 to 24 months. These development plans will drive the need for sales and marketing support, funding and technical skills.

The interviews also captured a gap in skills and talent resources in the sales and marketing area. With this gap identified, many of those interviewed often were not planning to hire sales and marketing personnel but technical staff or general labour. This disconnect needs to be explored further. It could be due to the difficulty in sourcing sales and marketing talent in our region or the attitudes of business owners when it comes to investing in sales and marketing. Having the right human resources is a key issue for many of these businesses. Supporting companies as they plan for their talent requirements, assisting with recruitment, training, and funding will be important in the next few years.

Business owners also indicated that they need access to timely funding, capital equipment and further development of management capacity. The need for support in exporting, expanding market reach and developing market partners and channels was apparent from this research.

The Innovation Centre plans to use this research to refine and develop programs and support services for the innovative companies within our region. We will also share this information with other stakeholders who provide business support so that together we can accelerate the growth of Northwestern Ontario companies.

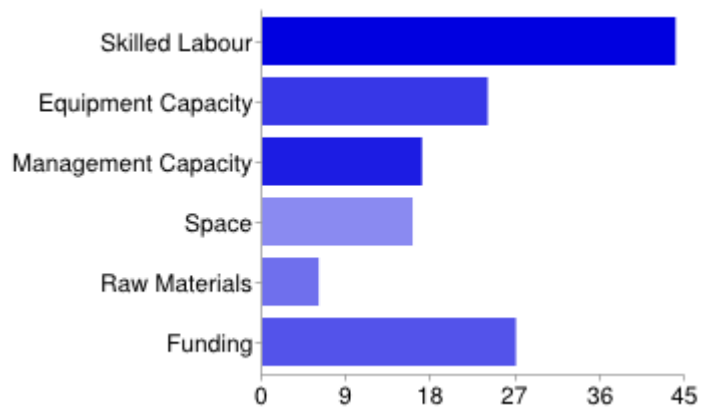
Methodology

This research was conducted by Innovation Centre staff, our Executives in Residence and professional contractors. The interviews were guided by the survey contained in Appendix A. Companies were not selected randomly and were chosen as those with the potential for innovation and growth. This is a qualitative study that was completed to generate themes and insights. It has no statistical relevance. The results were analyzed by the Innovation Centre to determine key trends, issues and opportunities.

Overview of All Sectors

Northwestern Ontario appears poised for significant employment growth as 80% or 51 firms are anticipating on hiring at least one new employee next year. The majority of these positions are to come from a technical or sales/marketing background. Sixty four percent of firms in the region surveyed are profitable with 62% reporting that profitability is increasing. This is predominantly as a result of increased volumes effecting their value chain pricing (38%) and elevated sales levels (29%). Sixty three firms representing 609 employees were surveyed, the notable trends from the sectors covered above are highlighted below:

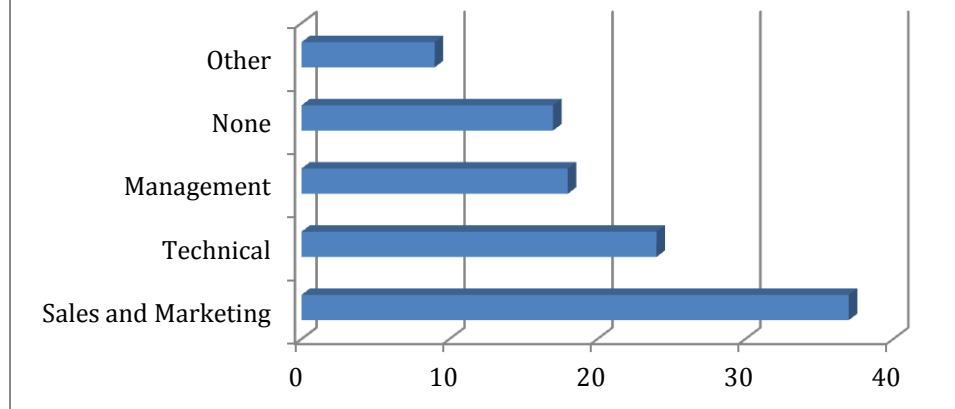
All Sectors 6 Month Order Challenges



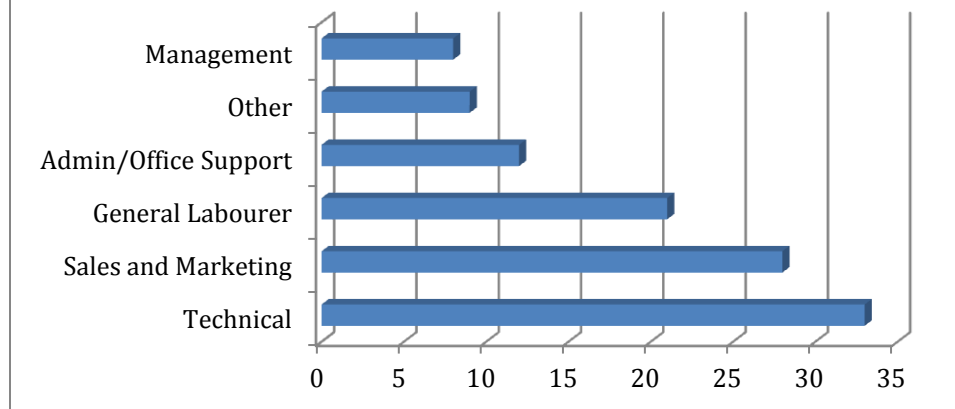
Sales and Marketing Personnel Shortage

In order for Northwestern Ontario SMEs to expand, they need to either develop their existing capacity in house or partner with organizations who specialize in sales or marketing. Many firms have identified that they have sales and marketing challenges with their existing personnel and communicating additional value beyond their existing product or service in the form of relationships is required to grow, in particular beyond the borders of Northwestern Ontario.

All Sector Gaps in Employee Skill Set



All Sectors Type of Employee to Hire Next Year



Although 42% of firms recognize this sales and marketing challenge within their organization only 25% anticipate on addressing the resource shortage to overcome growth. Further investigation as to why Northwestern Ontario businesses do not hire sales and marketing staff is required, but potential reasons as to why include:

- Travel costs of sales personnel operating from remote location to large markets.
- Lack of experienced sales and marketing staff available to hire in Northwestern Ontario market.
- No sales or marketing focus in organization able to mentor an intern to develop into a role.
- Government funding programs are not friendly towards the hiring of sales and marketing personnel that may lead to a short fall of experienced

marketing & sales professionals available on the market and to a risk averse company.

Quick Access to Funding

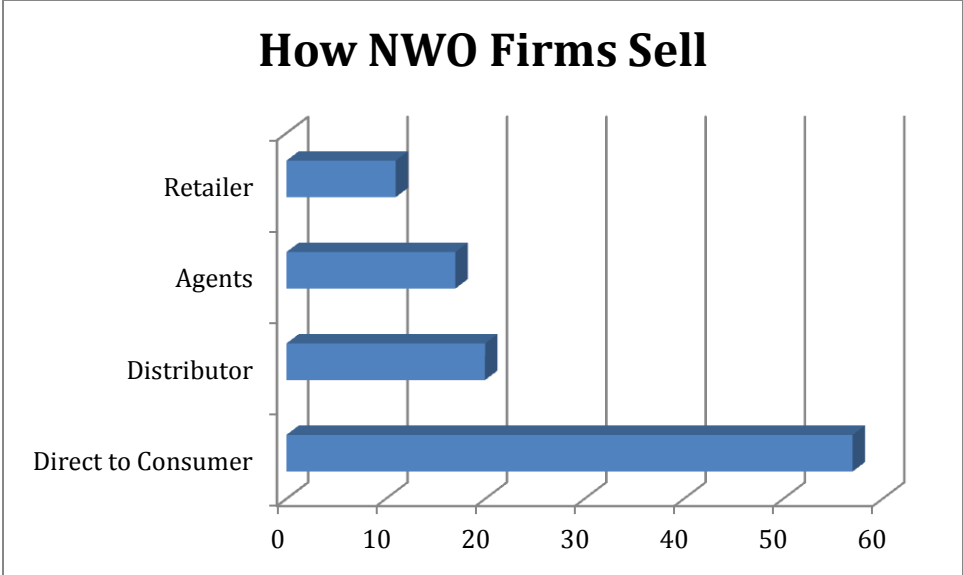
Twenty percent of firms indicated that funding an order that represented half a year's worth of revenue would provide significant challenges. Business owners mentioned they would use these funds to acquire skilled labour, capital equipment, and increase management capacity. Unfortunately it takes time to scale operations, especially when integrating new employees and many firms in Northwestern Ontario would fail as they do not have quick access to funding or capital. In addition, many businesses we interviewed lack the financial literacy to obtain the funds to scale their respective businesses.

Management Capacity Building

Management's capacity to understand complex business issues and learn new tactics is the fourth biggest concern as identified by 13% of firms for business expansion in Northwestern Ontario. Although highlighted on the report, capacity building is not mutually exclusive as this impacts all aspects of the business. Of significant note mentioned by firms to expand capacity is the ability to craft funding applications, develop a sound value proposition to differentiate a company from competitors, financial literacy to know if the revenue or resources are available to expand, exporting, and marketing knowledge are all areas that need to be addressed with education and/or funds to hire and retain the knowledge in-house.

Business to Consumer Heavy

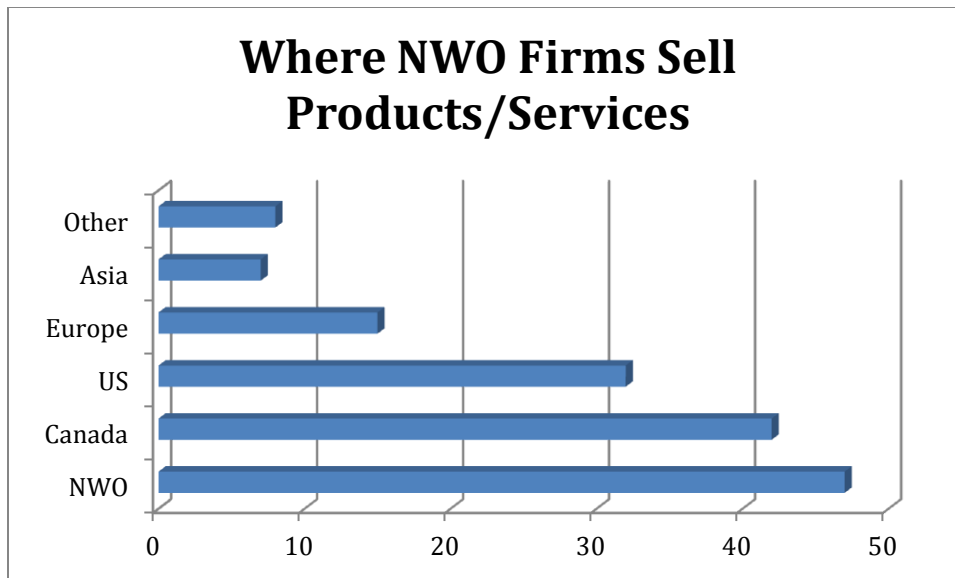
A surprising result is how many firms surveyed sell direct to customer with their product/services. Fifty four percent of firms surveyed sell Business to Consumer (B2C) with very few selling via agents (16%) or distributors/wholesalers (19%). In an area such as Northwestern Ontario that is a 6.5 hour drive to the closest major metropolitan city firms in this region should be selling more via partners, especially if they lack the resources in-house to perform these activities to gain access to larger markets such as sales and marketing.



Educating firms on how various players the distribution system participate may make Northwestern Ontario Firms more comfortable in seeking out a partnership with a reseller, agent, or distributor to accelerate growth.

Market Expansion Required

The vast majority of businesses surveyed live within close proximity to the World's largest economy, the United States, and only 21% of firms are capitalizing on the opportunity. Emerging economies such as Brazil, Russia, China, and India are also playing an increasingly important role to businesses globally and as shown below less than 10% of Northwestern Ontario firms are exporting outside of North America which represents a tremendous growth opportunity. Geographically the top markets our firms would like to expand into in order is the United States, Europe, Asia, and finally Latin America.



Key Sectors in Northwestern Ontario

ICT Digital

There is a positive general trend in the Thunder Bay and Northwestern Ontario ICT industry. The companies surveyed ranged in size from 1 employee to 18 and all of them are planning to hire in the next 12 months for various positions.

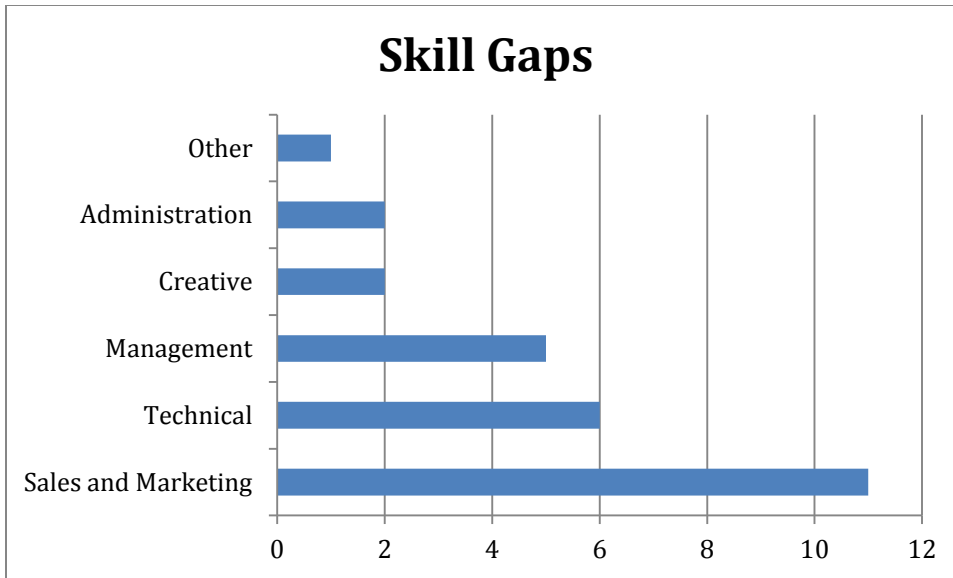
Based on our survey, there is a disconnect between positions that companies have identified as gaps and hiring plans. While the largest self-identified skill gap is Sales and Marketing with over 73% of companies stating it as a need, only 47% of the organizations are expecting to hire someone to fill this gap.

In addition, all of the companies surveyed indicated they are selling direct to their customers and not through a reseller or other channels. There may be an opportunity for these companies to utilize and form partnerships that can assist them in generating new sales leads and increased revenue.

The general forecast for both revenue and profitability amongst ICT companies is positive, with 73% of companies identified as being profitable with profitability increasing and almost all projecting an increase in revenue in the next 12 months.

Identified Skill Gaps

Of the companies surveyed in Northwestern Ontario, the most prevalent gap in current employee skills was Sales and Marketing, followed by technical positions and management.



Of the 15 companies surveyed, 11 of them identified Sales and Marketing as a gap in their skill set. Those companies identified 53% of their employees as Technical employees and only 9% as Sales and Marketing employees on average. However, a closer look at the data shows that only 4 of the companies had existing in-house marketing and sales positions.

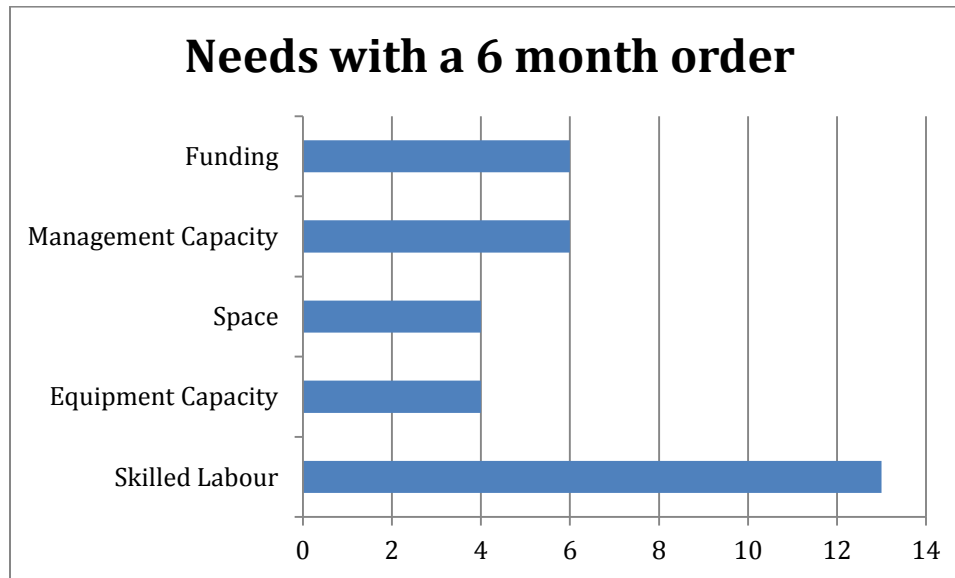
Hiring in 12 months

All of the companies surveyed indicated that they would be hiring within the next 12 months. The companies surveyed indicated that they were primarily focused on hiring technical employees in the next 12 months, followed by sales and marketing and then administration and management.



Needs with a 6-month order

Of those surveyed, 87% stated they would require skilled labour, followed by funding and management capacity and then space and equipment capacity.



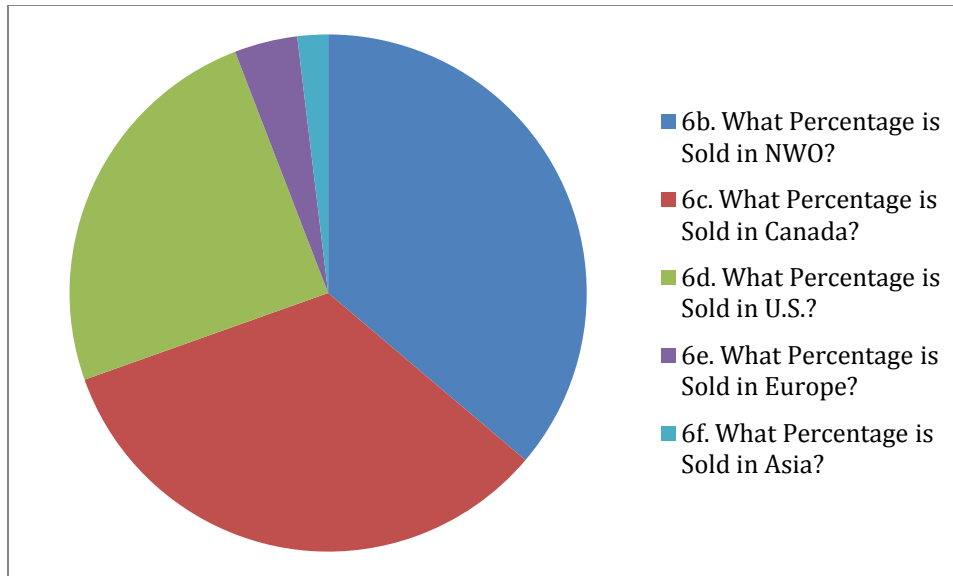
While these questions were not focused on the ICT sector, the required increase in skilled labour accurately represents the fact that most of the companies surveyed are service companies or enterprise software companies (with a high degree of customization required per client) and are not oriented around a specific product or service. Of those that are product or service based, the identified need was primarily customer service or fulfillment staff.

Analysis

Overall, we believe the ICT sector in Thunder Bay is poised for growth, but it is limited by the availability of skilled and experienced candidates in areas such as management and sales and marketing. The disconnect between the self-identified skill gaps and the positions for which firms intend to hire, sales and marketing appears to be a key challenge.

The ICT service sector is growing and healthy, while product and repeatable service developments are relatively new and unproven and represent most of the companies surveyed with revenues under \$250k, but which represent the most significant values in forecasted revenue potential.

In terms of reach, over 94% of ICT products or services are sold in Canada or the United States, with over 37% sold in Northwestern Ontario. This leaves potential for growth outside of traditional markets, but may be limited by the types of services available.



The largest opportunity for growth within the ICT sector will be with new product and repeatable service based companies as well as with existing companies forming new partnerships for greater expansion.

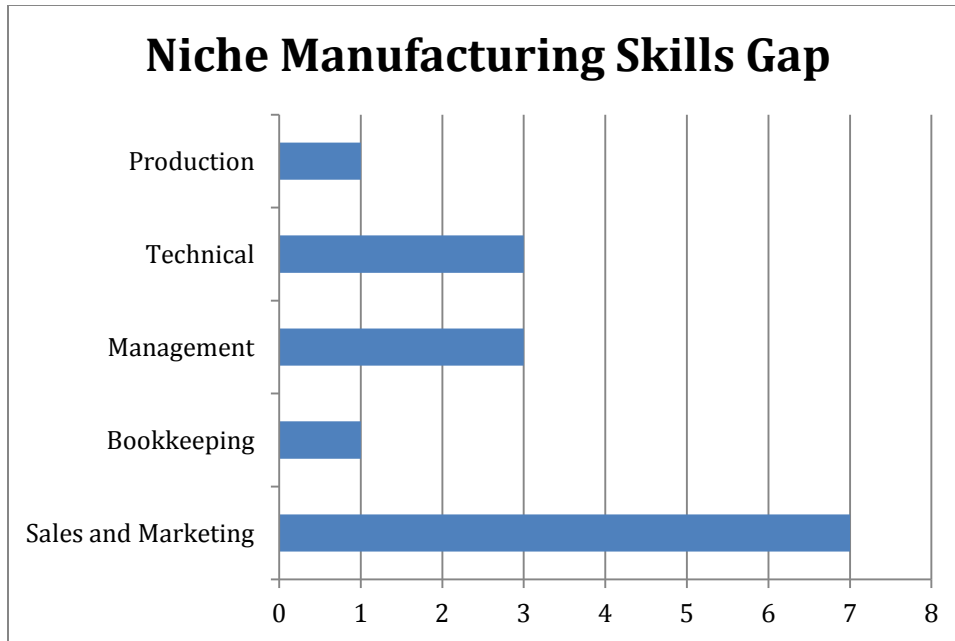
The Innovation Centre can expect to play a larger role in sales and marketing mentorship, both from the position of education about the potential of hiring sales and marketing staff as well as facilitating introductions to new potential candidates.

Niche Manufacturing

The surveyed portion of the niche manufacturing study consists of 13 firms that employ 75 people in Northwestern Ontario. The average firm has 5.7 people with the largest organization consisting of an 18 person firm. Only 7.5% of employees in this sector perform sales related activity and of considerable note is that the larger firms have fewer people dedicated to sales in their organization suggesting they service relatively few customers and their growth is contingent on their existing customer base as opposed to finding new sources of revenue. Of the 13 firms surveyed 5 had revenues under \$250,000. There is optimism among Northwestern Ontario manufacturing firms as 54% anticipate hiring next year and 77% of firms claim to be profitable. Firms in this category claim to have a competitive advantage by producing quality products with great customer service.

Identified Skill Gaps

Of the manufacturing companies surveyed in Northwestern Ontario, the most prevalent gap in current employee skills was Sales and Marketing, followed by technical positions and management.

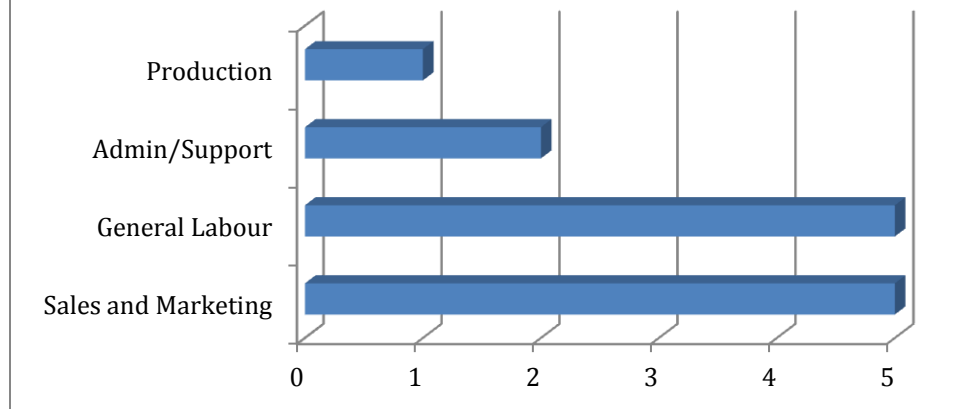


Fifty four percent of manufacturing firms believe they have a shortage of sales and marketing personnel within their current staff to fully exploit their existing capabilities and expand their business. Technical staff and management abilities also are of note suggesting a need for funding to temporarily hire contractors or Executive in Residence (EIR) to overcome technical and management hurdles that cannot be performed internally. In addition, continued management education to broaden the knowledge of existing staff is required.

Hiring in 12 months

Most firms in the niche manufacturing sector are addressing their internal skill shortage concerns by considering hiring sales and marketing personnel. In addition a sign of growth is the addition of general labourers to satisfy increasing demand.

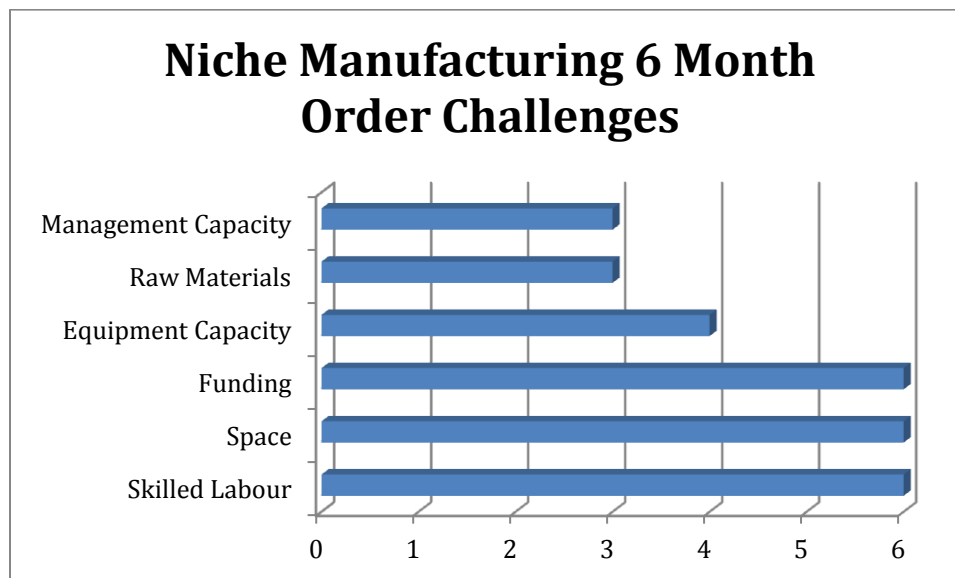
Niche Manufacturing Hiring Expectations in next 12 months



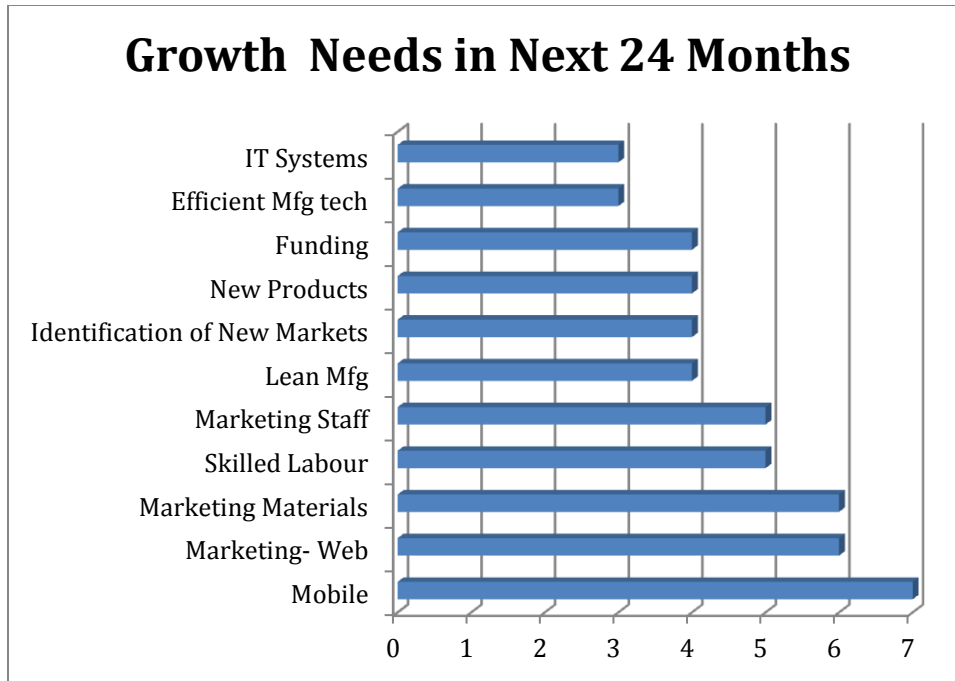
Needs with a 6-month order

The primary driver for manufacturing to expand its capacity is skilled labour, space, and funding. Specifically with the funds manufacturers are seeking to spend on capital equipment, inventory, and marketing support.

Niche Manufacturing 6 Month Order Challenges



Most companies mentioned the need for marketing support to include mobile, web or digital content creation, and general marketing materials. The introduction of new products to serve existing customers and connecting Northwestern Ontario firms with new markets continues to be a priority over the next two years.

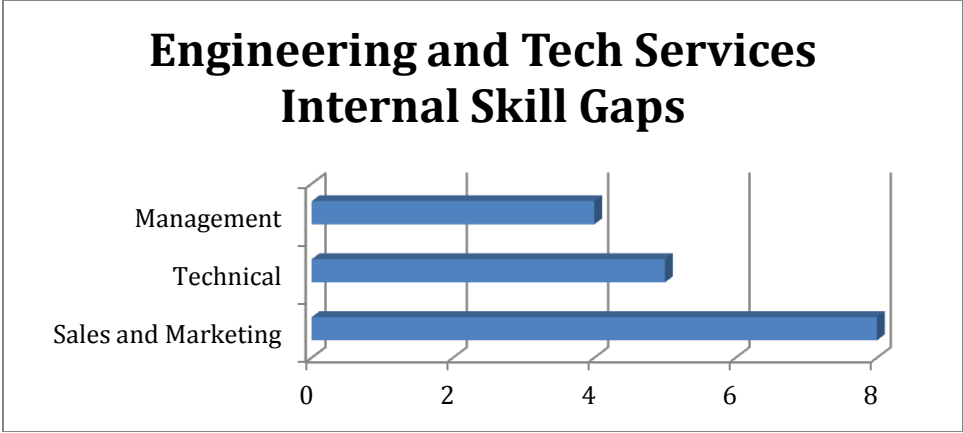


Engineering and Technology Services

The engineering and technology sector survey consists of 11 firms that employ 176 people in Northwestern Ontario. The average firm has 16 people with the largest organization consisting of an 80 person firm. Only 2.8% of employees in this sector perform sales related activity suggesting a lack of differentiation between firms with respect to the services they provide. Of the 11 firms surveyed 4 had revenues under \$250,000. 82% of engineering and technology services companies anticipate hiring next year and only 55% of firms claim to be profitable. Nearly all firms in this category claim to have a similar competitive advantage with end-to-end integrated engineering services.

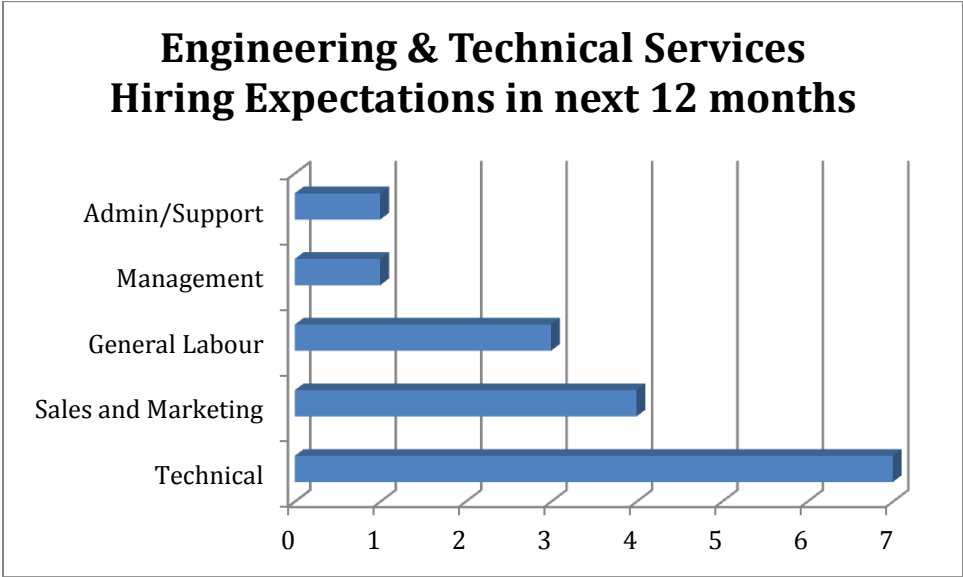
Identified Skill Gaps

Of the engineering and technology services companies surveyed in Northwestern Ontario, the most prevalent gap in current employee skills was Sales and Marketing, followed by technical knowledge and finally management.



Hiring in 12 months

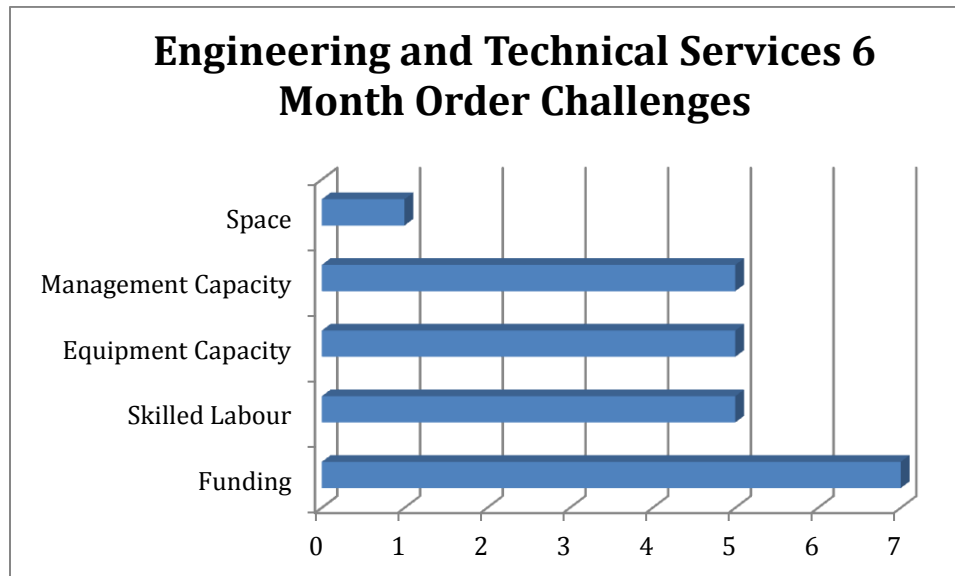
Although engineering and technical firms have a need to hire sales and marketing staff, this does not translate into what the firm is actually going to hire. According to the data below, most firms from this sector anticipate on hiring additional technical resources to handle growth challenges. Additional insight as to why this sector does not plan to address their most pressing need is required.



Needs with a 6-month order

Firms within the engineering and technical services sector surveyed state that funding will be their biggest challenge to address large orders that could substantially increase their business. In a follow-up, most firms in this sector claimed that they would use the funds to hire skilled labour, of a technical nature, and acquire equipment to cope with the increased strain on existing resources.

Aside from the funds to pursue economic growth skilled labour, management capacity, and equipment capacity are the secondary factors that would limit their commitment to a large contract.



Health

Presently, only one of the nine businesses surveyed in the health sector is profitable. However, within the next two years all of the companies predict a growth rate of 10% or greater. To respond to this predicted growth 67% of companies plan to hire in the next 12 months, with emphasis placed on technical staff. This aligns with the reported gaps that currently exist in employee skill sets.

This lack of profitability can be partly attributed to the fact that innovation and commercialization of health related products and services is often a lengthy process and it is difficult to find either private or public financing that has the patience to participate.

Identified Skill Gaps

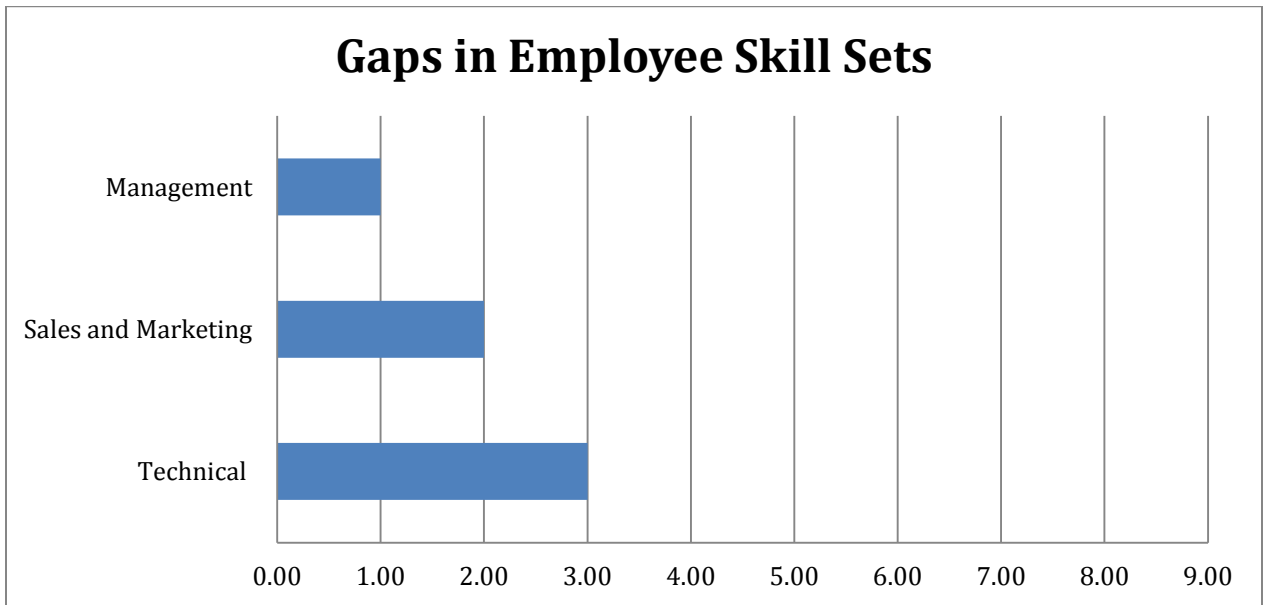
It seems more difficult to get financing for commercialization, than for R&D. Especially to fund marketing campaigns and sales staff that may take 2 years or more to see a return. Most rely on sales being done by scientists, and this is where the commercialization process breaks down.

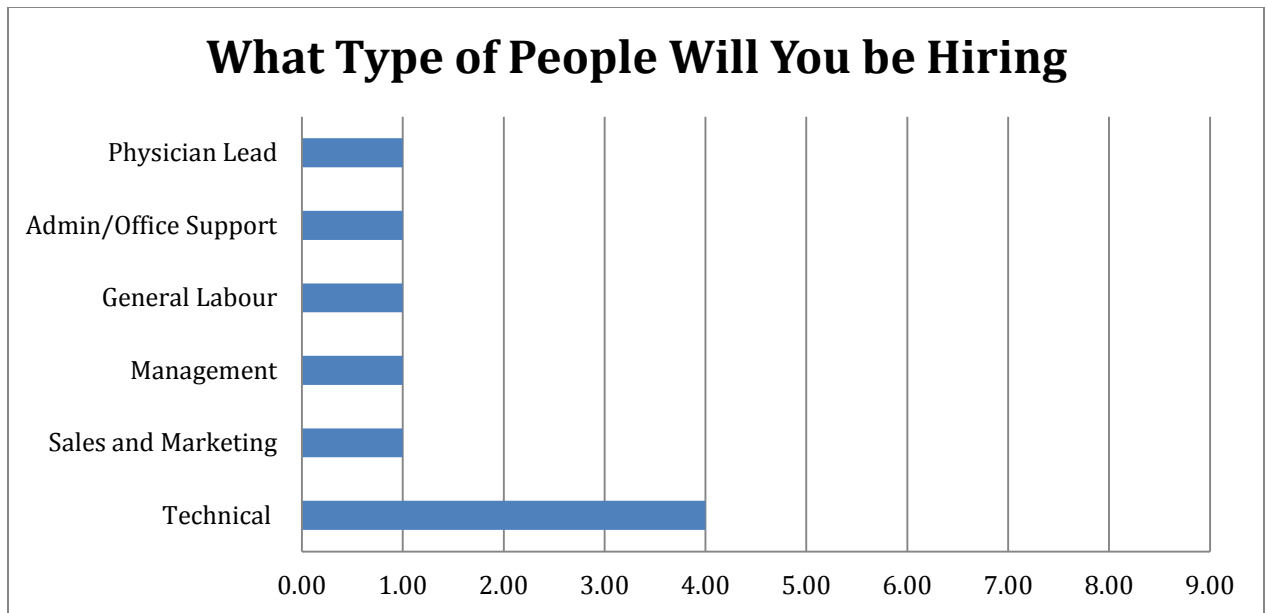
Success seems to come when a business partner and science partner can come together. However, often the science partner does not have the financial or legal backing to feel comfortable in negotiation of a joint venture. The lack of sales and marketing personnel in the health sector often lead to poor value proposition

development and the inability for scientists to communicate how a prospective buyer of their technology would benefit from product adoption.

Those small companies that have struggled, but become successful enough to be bought by larger operations, are seeing some success. One new start-up that was interviewed even acknowledged that being bought within 10 years was their exit strategy. Helping scientists find business partners with selling skills or licensing intellectual property to a large corporation seems to be a key factor in successful commercialization for the health sector.

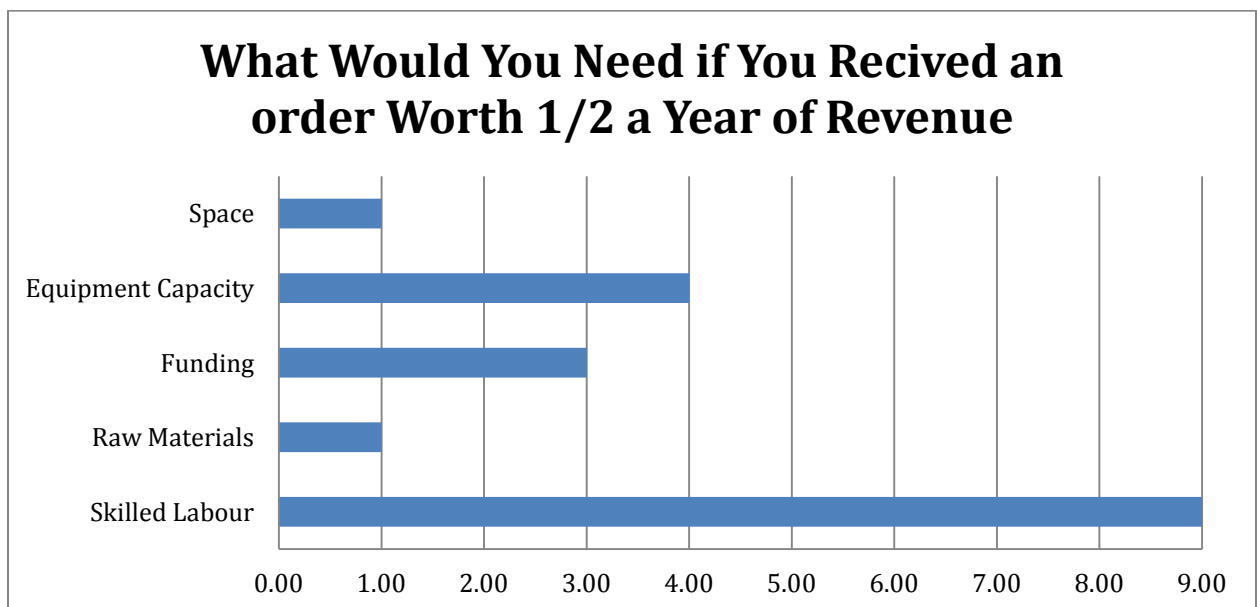
As a result many companies are choosing to export. While the primary market for health companies in Thunder Bay is still Northwestern Ontario, 44% also operate in Canada and the United States.





Needs with a 6-month order

If companies in the health sector were to receive an order that represented ½ a year worth of revenue, 100% reported that they would need skilled labour, 44% would need equipment capacity, and 33% would require funding.



When asked what they were best at, the range of responses varied from quality, to customer service, to pricing. However, when asked what competitors were best at

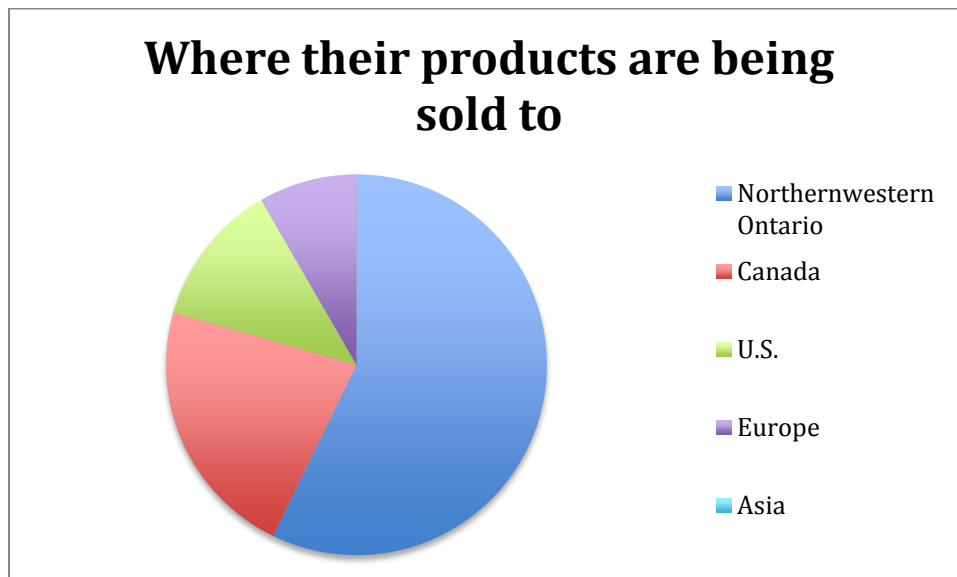
the answer was almost unanimous that competitors have been active in the market longer, and therefore have an established customer base and reputation. Some competitors also excelled in pricing and volume production.

Value-Added Wood

This sector projects a positive trend in growth over the next 12 months. The 9 companies that were approached in this study employed between 2 to 18 individuals, and eight of the nine companies plan on hiring staff in the next year to grow operations. The average firm employed 6.7 individuals with 18 being the highest surveyed. Only 9 employees were dedicated sales/marketing staff or 16% of the staff in this sector.

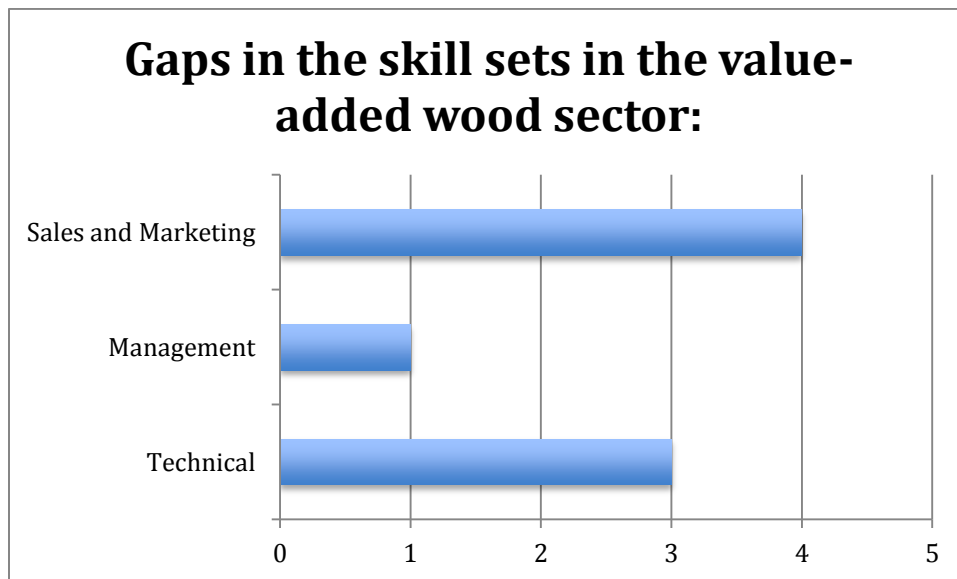
The majority of the businesses that were surveyed claimed they were currently profitable; three of which said they were not currently financially sustainable. The next 12 months will see large changes to profitability for most companies in this sector with only one remaining the same. Increases were predicted to be between 25% to 50% growth in revenue while one business anticipated a 400% increase in revenue from contracts. Note, two companies were unable to predict future profitability.

Currently, the companies in this sector are doing most of their business in Northwestern Ontario at 52.7%. Sales are more likely to occur in the rest of Canada at 22.2%, then the United States at 12.2% and the final 8.3% in Europe. As it stands, none of the companies are currently doing business in Asia or anywhere else.



Identified Skill Gaps

A closer look at this sector shows labour gaps in the sales and marketing skill sets as well as the technical skill sets. The figure below shows that 4 of the 9 companies spoken to acknowledge that sales and marketing skills are difficult to acquire. It also displays that 3 out of 9 Value-Added Wood businesses acknowledge that lacking technical skill set within the sector.



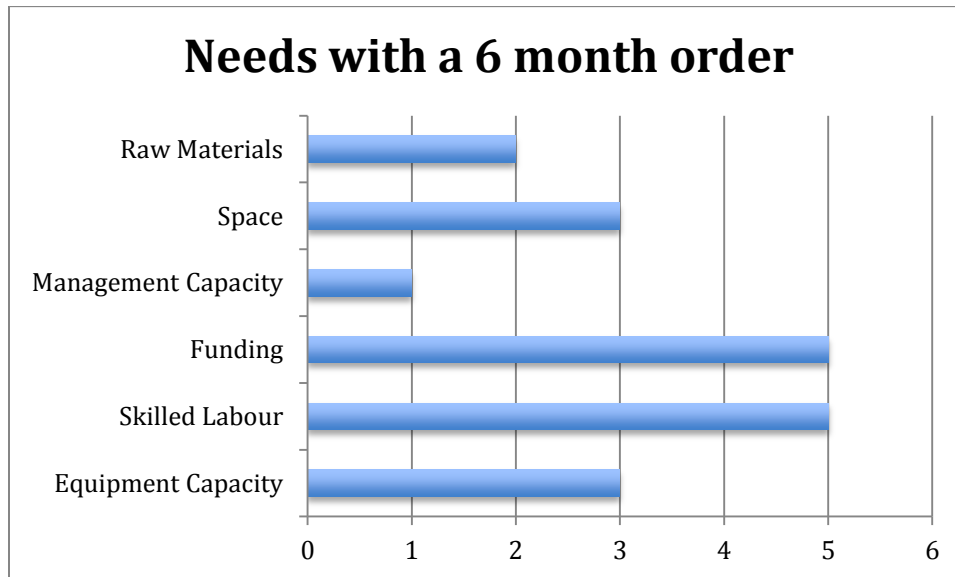
Hiring in 12 months

Eight of the 9 companies included in this study noted that they were interested in hiring new staff in the next 12 month period. General labour positions were the most sought out by the surveyed companies with 6 showing a need. Sales and marketing as well as Technical positions were the next sought out by the companies with 5 showing need of each.



Needs with a 6-month order

If the companies within the Value-Added Wood sector were faced with a large order representing 6 months of their typical work capacity more than half (56%) of the companies would require funding assistance and additional skilled labour. Other issues that would arise from such a large order would include space, equipment capacity and raw materials. Management capacity was also noted by one organization as something they would require in such an instance.



Analysis

In general, we believe this industry has great potential to move towards success after several years of turmoil. The outlook for growth by most of these companies was very positive in the next 12 months as well as the next 2 year time frame. We do see a skilled labour gap that may hinder their ability for growth. Sales and marketing as well as technical skill sets are both areas that businesses in this sector are having issues with finding quality employees. Funding may also become an issue if growth begins to accelerate rapidly. If funding programs were made accessible in shorter time frames the industry could react faster to demands.

Another area that could lead to market expansion for the Value-Added Wood sector is the increased sales beyond the Northwestern Ontario border. Having a majority of their revenue stream occurring in Northwestern Ontario is limiting these organizations. This limitation makes it harder for these companies to react to

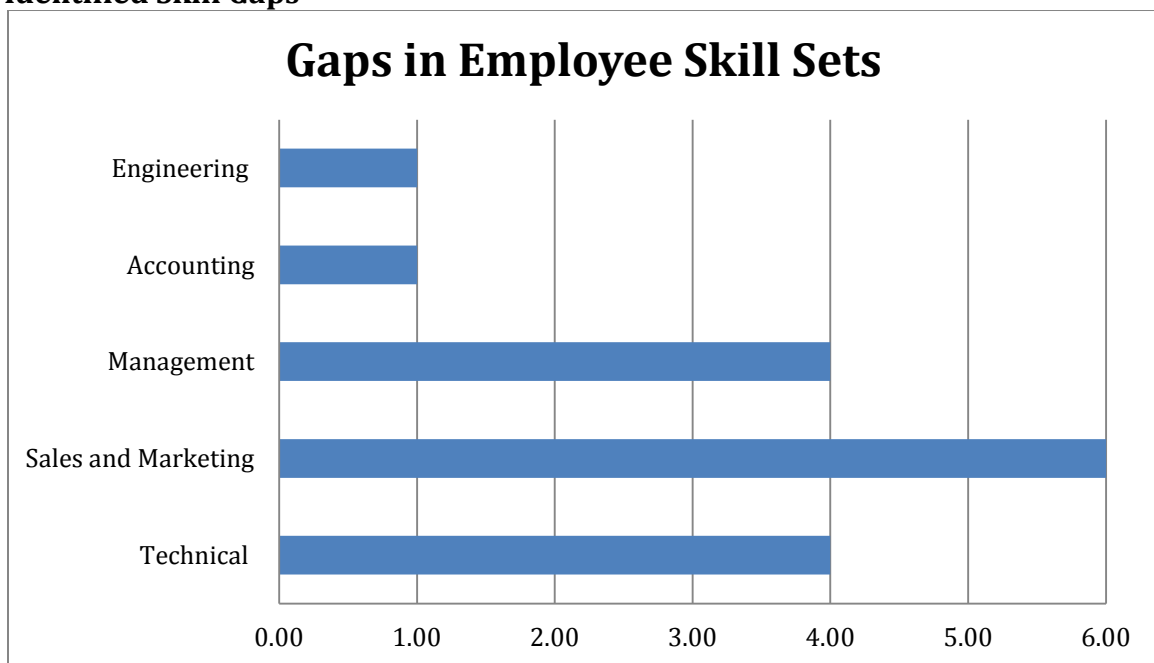
downturns in the economy and hinders their success. To bolster these sales in other parts of the country and across the globe more Sales and Marketing staff could help generate job creation and accelerate expansion. Also, appropriate training on exporting value-added wood products could be utilized by the sector to assist them with expanding their operations elsewhere.

Metal Fabrication

The survey depicted a positive outlook for the metal fabrication industry with all companies surveyed reporting profitability. On average this profitability has been increasing due to factors such as decreased overhead and increased volume. In addition, 67% of companies predicted growth of at least 10% in the next year (the remaining 33% were unable to predict revenue changes)

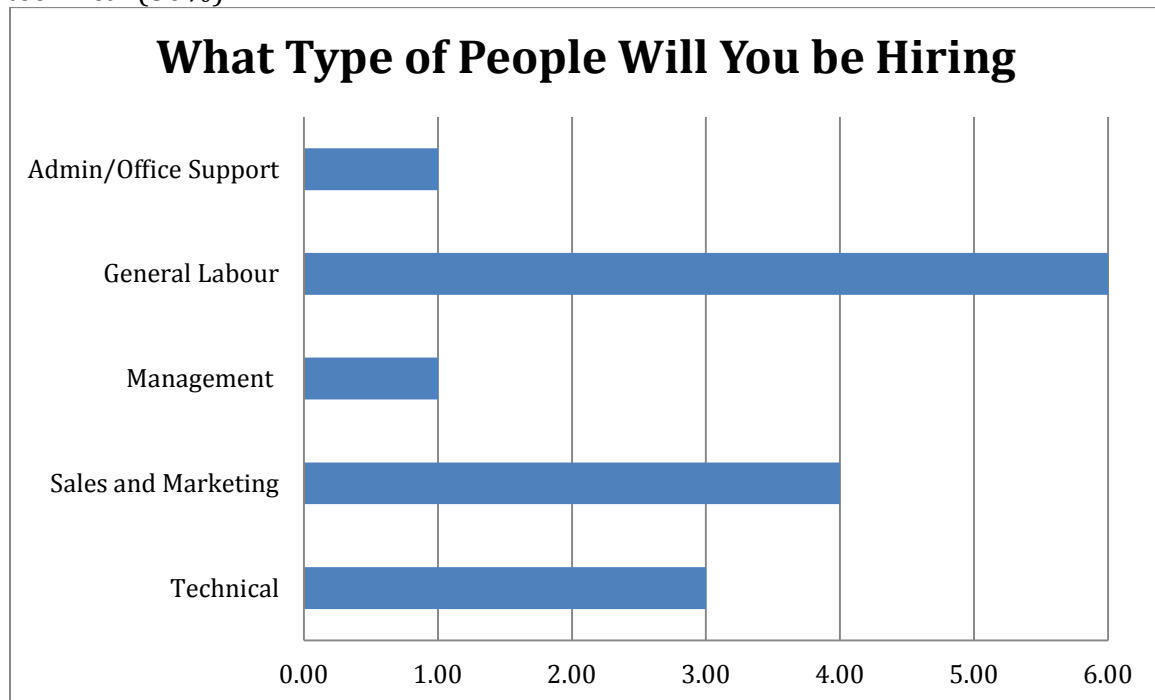
Both revenue and employment levels in the industry vary greatly with revenue ranging from \$250,000 to more than \$10 million, and employment levels ranging from 2- 50 employees. In all cases, the majority of employees are labourers representing 74% of the workforce which totals 140 employees.

Identified Skill Gaps



Hiring in 12 months

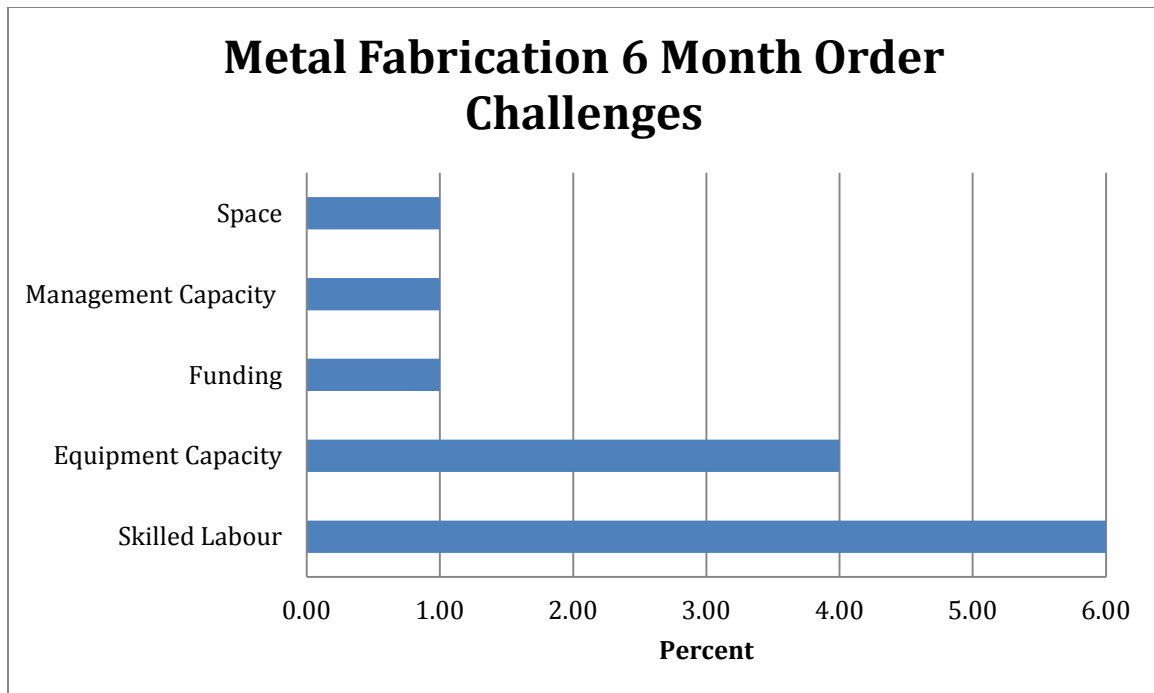
Labour appears to be one of the greatest challenges facing the metal fabrication industry with 100% of companies surveyed listing sales and marketing as a gap in the skill set of their employees. Additionally, 67% listed technical and management as a gap. All of the companies forecast hiring in the next 12 months, with the focus being on general labour (100%), followed by sales and marketing (67%), and technical (50%).



There appears to be a disconnect between where employers believe there is a gap in skill sets and their hiring plans. General labour is not mentioned as a skill set gap, yet 100% plan to hire for this position. Comparatively, whereas sales and marketing, and management are listed as major gaps, fewer employers intend to hire for these positions.

Needs with a 6-month order

The primary business expansion opportunities for the metal fabrication sector is in finding skilled labour to operate the equipment. The companies in this sector have traditionally serviced the forestry sector and have diversified their customer portfolios as equipment capacity is also a concern to service increased sales volumes.



Analysis

Only one firm is actively selling outside of Canada and the vast majority of the business from this industry sector sells locally in Northwestern Ontario as 71% of firm’s revenues come from the region. These firms require education on how to perform sales to acquire business from other geographic locations and markets as all firms signaled they predominately still serve two industries; mining and forestry with a small percentage of the business coming from manufacturing. Without the skill set of marketing and selling the firms capabilities elsewhere the sector will only grow as fast as Thunder Bay’s economy. A growth opportunity for firms in this industry is to develop their own products but again require someone to market and sell unless the product serves their existing client base.

Key Areas for Support

Education

As indicated, several businesses believe management capacity is an important element to their organization expanding. Existing business processes are often not sustainable with scaled revenue growth and require a skill set that adapts with change. Part of this change is continuous learning and applying new technologies to existing businesses to accelerate growth. Labour shortage is an obvious issue in our region and if the talent cannot be acquired, the knowledge must be obtained using training techniques on existing staff and inexperienced new hires. A program

geared towards professionals, taught by industry veterans is required for firms to develop MBA talent at a fraction of the cost to train on relevant and timely topics so employees are job ready quickly to capitalize on market opportunities.

Peer Groups & Resource Sharing

To hedge the risk of hiring a new employee and/or venturing into a new area, many of our companies are inexperienced with such as sales and marketing, peer groups of similar companies should be established. This will allow management teams to collaborate on best practices to grow the talent locally that will make their firm competitive globally. In addition, top talent costs money and many of our firms do not have the propensity to pay these talented sales and marketing professionals to accelerate growth. Sharing a high-end professional can often net better results than an inexperienced intern that has no access to mentorship in a relevant field.

Exporting

Many firms in Northwestern Ontario are hesitant to export or consider investing in establishing distribution channels to larger markets. In conjunction with education, we need our peer groups to tackle exporting challenges such as distribution, finding the right partner/channel, commission/sales structures, analyzing data to determine markets of interest, etc. Further relationships with Export Development Canada and Trade Commissioners should be made with Northwestern Ontario firms to maximize the Government support available to our region. Northwestern Ontario is also isolated and has expensive shipping costs to distribute direct to customer as many of our firms currently do as demonstrated in the survey data. A shipping co-op should be investigated to obtain bulk shipping rates with increased volumes from major suppliers that all companies can contribute to in order to lower everyone's shipping rate and make our firms more competitive.

Funding

Funding and economic development offices should be working closer together to identify programs that are easily accessible and allow companies to build a track record of successful grant money leveraged to increasingly scale their business. Quick access to funding programs will allow our firms to quickly act on a market opportunity they otherwise would be undercapitalized to take advantage of.

Recommendations

Focus on IT and Digital Media Companies as well as Niche Manufacturers

The areas of interest that can quickly scale in our region are the ICT/Digital Media companies and niche manufacturers as they are the most export ready to larger

urban markets. The major shortcoming is the lack of skilled talent to take their firm to the next level from a sales and marketing perspective. To focus on these firms trade missions to larger urban centre tradeshows that focus on either of these topics should be considered to facilitate relationships with prospective talent, agents, distributors, customers, and partnerships to facilitate growth and productivity gains. With respect to Health the lifecycle to obtain revenue is too long and often results in exhaustion of funds diluting the company. Metal fabrication and Engineering/Technical services are too focused on servicing the local market and are tied to their geographic location more than the target firms mentioned.

Sales and Marketing Personnel Shortage

- Attracting experienced talent to Thunder Bay
- Funding sales and marketing
- Mentoring sales and marketing interns
- Further insight as to why firms do not hire sales and marketing professionals should be investigated: where does money to hire come from?
- Thunder Bay Reconnect
- Forced education institution collaboration with industry to create work ready graduates
- Industry professional led development courses for firms to identify top talent and provide relevant industry content in courses to be job ready

Quick Access to Funding

- Low grants to obtain capital equipment required, will seed productivity gains that can be re-invested into business
- Funding sales and marketing, not just interns
- We should be investing more in people than assets
- Mentoring sales and marketing interns
- Closer connection between government funding agencies, non-profits, and companies to foresee upcoming financial road bumps

Management Capacity Building

- The importance of a well-rounded team and complimenting skill sets in the form of management education may be considered for our region.

Business to Consumer Heavy

- Education of various sales channels
- Hiring of EIR with access to particular channels if enough interest is found

Market Expansion Required

- Peer to Peer network on exporting
- Closer aligned relationships between funding agencies, economic development, and Export Canada
- Lived it seminar from entrepreneur who excelled at exporting and grew business
- Industry specific trade commissioner introductions
- Trade missions to Toronto, Minneapolis, and Winnipeg
- Potentially hire someone in these Cities to act as an agent for client companies

Appendix A: Northwestern Ontario Business Expansion Survey

NWO BUSINESS EXPANSION STUDY

The NWO Innovation Centre in cooperation with IRAP are interviewing businesses in key sectors to determine the areas of strength, opportunities for growth, and supports needed to achieve growth. We hope to use this information to formulate strategies, programs and assistance to facilitate expansion in areas of strength. Individual answers will be kept confidential.

Company Name: _____

Contact Info: _____

1. What are your current employment levels? (Please indicate #'s in each category)
 - a. Total..... _____
 - b. Technical..... _____
 - c. Administrative _____
 - d. Sales..... _____
 - e. Labour _____
 - f. Management _____

2. Are there gaps in the skill sets of you or your employees? (multiple choice)
 - a. Technical.....
 - b. Sales and Marketing.....
 - c. Management.....
 - d. If other please comment below:

3. Will you be hiring in the next 12 months? Yes No

4. What type of people? (multiple choice)
 - a. - sales and marketing.....
 - b. - general labour.....
 - c. - admin/office support.....
 - d. - management.....
 - e. - technical
 - f. If other please comment below:

5. What products or services do you make?

6. Where do you sell your products or services? (multiple choice)

- a. NWO Estimate %
- b. Canada Estimate %
- c. U.S. Estimate %
- d. Europe Estimate %
- e. Asia Estimate %
- f. If other please comment below:

7. What sectors do you target? (multiple choice)

- 11 Agriculture, Forestry, Fishing and Hunting
- 21 Mining
- 22 Utilities
- 23 Construction
- 31-33 ... Manufacturing
- 42 Wholesale Trade
- 44-45 ... Retail Trade
- 48-49... Transportation and Warehousing
- 51 Information
- 52 Finance and Insurance
- 53 Real Estate and Rental and Leasing
- 54 Professional, Scientific, and Technical Services
- 55 Management of Companies and Enterprises
- 56 Administrative and Support and Waste Management and Remediation Services
- 61 Educational Services
- 62 Health Care and Social Assistance
- 71 Arts, Entertainment, and Recreation
- 72 Accommodation and Food Services
- 81 Other Services (except Public Administration)

- 92..... Public Administration
- Direct to Customer

8. What are your channels to market? (multiple choice)

- a. Direct to customer
- b. Sales to retailers
- c. Distributors/wholesalers
- d. Agents

9. Who are your main competitors?

10. What are you best at?

11. What are they best at?

12. What new product or services would you like to develop within the next 18 to 24 months?

13. What new markets would you like to enter within the next 18 to 24 months?

14. What would you do if you suddenly received an order that represented 1/2 a year of revenue (6 months)? What would the challenges be?

(multiple choice)

- a. Skilled labour
- b. Equipment Capacity
- c. Management Capacity
- d. Space
- e. Raw Materials
- f. Funding

15. What does your business need to help it grow within 24 months?

(multiple choice)

- a. Skilled Labour.....
- b. Marketing - web, marketing materials, mobile.....
- c. Marketing staff.....
- d. More efficient manufacturing technology
- e. IT systems and support for efficiencies and customer relationships (mrp/erp).....
- f. lean manufacturing
- g. new products
- h. Identification of new markets
- i. Funding

If you have answered yes to funding what is it needed for?

16. What range does your current revenue fall into?

- a. < \$250k.....
- b. \$250k - \$500k.....
- c. \$500k - \$1M.....
- d. \$1M - \$2M.....
- e. \$2M - \$5M.....
- f. \$5M - \$10M.....
- g. > \$10M.....

17. In the next 12 months what % change do you forecast for your revenue?

18. In the next 24 months what % change do you forecast for your revenue?

19. Are you profitable? Yes No

20. Are you satisfied with your current level of profitability? Yes No

21. Has your profitability been increasing or decreasing in the past year?
increasing/decreasing/same

22. Why has your profitability been increasing or decreasing? (multiple choice)

- a. competitive price pressures
- b. changes to overhead costs increasing or decreasing
- c. cost of goods increasing/decreasing
- d. labour costs increasing/decreasing.....
- e. sales/market increasing/decreasing.....
- f. volume increasing/decreasing

23. Is there follow-up required from the Innovation Centre? Yes No

24. Other comments/notes?
