

SMALL BUSINESS TRENDS IN THE OTTAWA REGION

Reported by the Entrepreneurship Centre – Fall 2007

THE ENTREPRENEURSHIP CENTRE

Established in 1992, the Entrepreneurship Centre provides a one-stop source of business information, training, and resources for business start-ups and existing businesses. The Entrepreneurship Centre is a public/private partnership with the City of Ottawa, the Ontario Ministry of Small Business and Entrepreneurship, RBC Royal Bank, Welch & Company LLP and numerous other partners and sponsors providing funding to support the activities of the Centre.

Each year the Entrepreneurship Centre conducts a survey of clients who used Centre services one year previous. The following report is based on the results of the annual survey conducted in the Summer of 2007 of clients having used services in 2006.

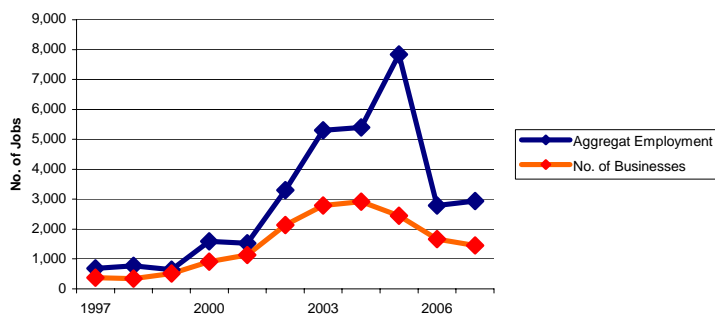
NEW BUSINESS FORMATION IN THE OTTAWA REGION

- A random survey of clients who used the services of the Entrepreneurship Centre in 2006 identified that 59% (approximately 1453) of clients had started or were still in business one year later. The Percentage of survey respondents in business for*:

< 1yr:	53%
1 - 2 yrs	31%
+ 2 yrs	16%

- Net results of these businesses included 2943 jobs: 27% of clients operating their own business had hired employees in the last year; approximately 3.8 new hires per business, plus the business owners (1490+1453.) Total sales by Centre clients were reported at an estimated \$160 million.

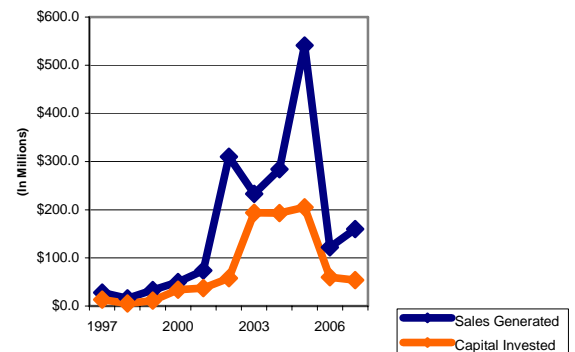
Business Employment



CAPITAL INVESTMENT

- Based on the survey data, Centre clients reported more than \$54 million in new investment in their businesses with 92% of businesses having a component of personal savings; 15% of businesses using friends and/or family financing; 7%

Capital Invested and Sales Generated



have bank loans and 23% have used personal credit; 9% have had government funding, and, 5% report having a private investor (Angel or Venture Capital.), and 4% had other types of financing arranged.

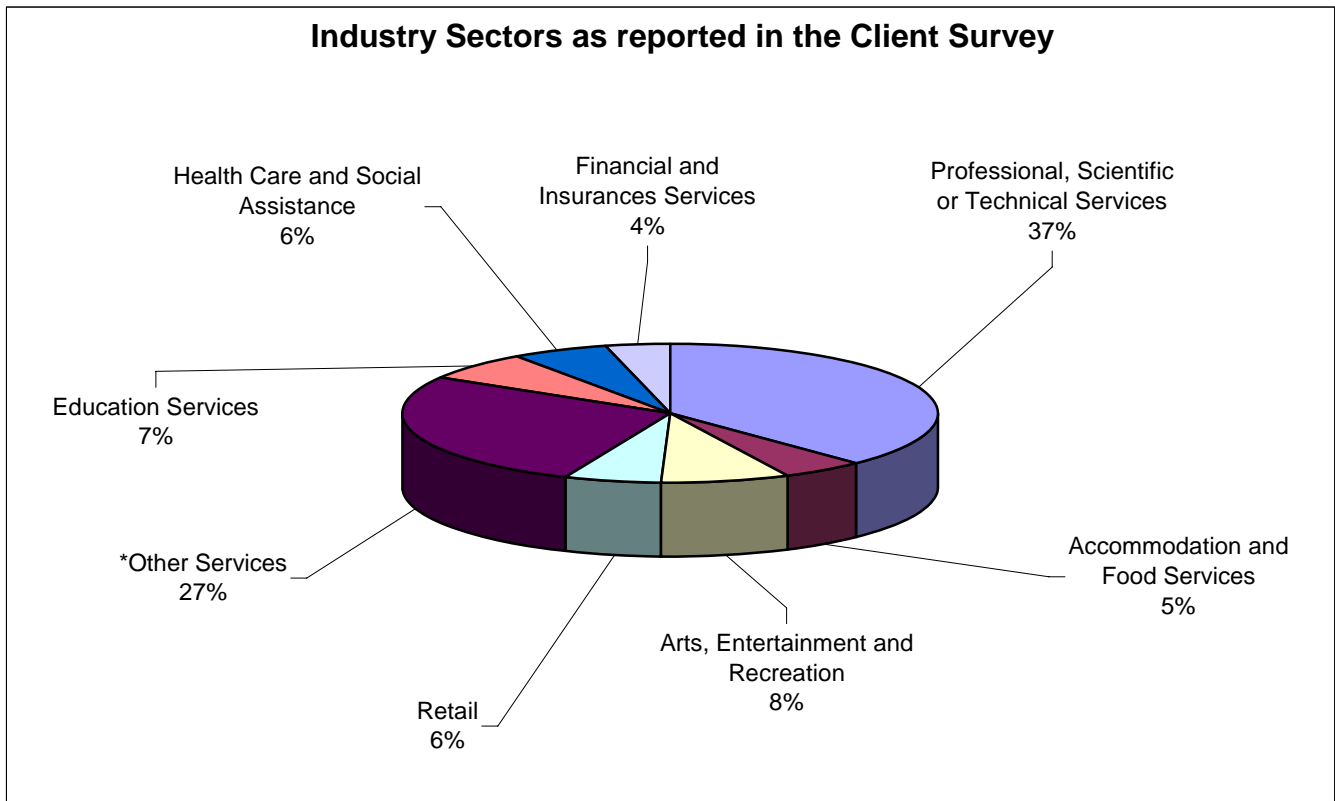
- 53% of the disclosed Venture Capital deals in 2006 were investments in Ottawa Venture and Technology Summit Alumni while 70% of disclosed deals in 2007 have gone to alumni.
- The 2007 Ottawa Venture and Technology Summit is the 11th venture forum produced by the Centre and profiled 27 (pitched and Ottawa companies) opportunities to

investors from Canada and the US. The Summit also showcased 55 keynote speakers and panelists.

HOME-BASED/SERVICE BUSINESSES DOMINATE SMALL BUSINESS SECTOR

- From the survey, Business owners operating from home account for 67% of businesses; 10% operate from leased premises. The remainder operate from owned or other locations.

- The majority of businesses in the survey (48%) are Sole-proprietorships. Incorporated Businesses account for 31% of those surveyed and 10% are in partnerships, the remaining 8% had not yet registered their business.
- Industry type remains diverse with the Professional, Scientific and Technical Services leading new business creation.



*Types of Other Services include: Pet services, carpentry, grocery services, hairstyling, video production, photography, massage therapy, research for museums/production companies, Public Administration, Transportation and Warehousing, Utilities, Agriculture, Forestry, Fishing and Hunting, Real Estate, Rental and Leasing Services, Manufacturing, Management of Companies, Construction, Administrative and Support Services, Finance and Insurance Services.

THE ENTREPRENEURSHIP CENTRE CLIENT

- The demographic mix from the Client Survey includes 55% men and 45% women. In addition, 25% are under 30 years of age; 52% are between 30-49 years of age; and the remaining 22% are over the age of 50.

BUSINESS START-UPS BETTER PREPARED

- Clients tended to use multiple Entrepreneurship Centre programs and services for planning their business start-up and business growth. On average, each client used the services of the Centre approximately 3.5 times in 2006.

ENTREPRENEURSHIP CENTRE ACTIVITY

- Activity in 2006 remained strong with 8,620 client contacts. Based on average rates of service usage of 3.5 times per client, approximately 2462 individual clients were served in 2006.
- Of the 8,620 client contacts reported in 2006, clients visited the Centre approximately 4,450 times to obtain business information and/or conduct research. Centre staff also responded to more than 2,600 telephone enquires and more than 550 email enquires and online consultations. In addition, 3,200 business

answers were provided through our on-line virtual assistant.

- The Centre hosted 256 people in 39 seminars and facilitated 648 business and professional consultations. In addition, Centre staff touched more than 1250 individuals through tradeshows and outreach activity.

OTTAWA BUSINESS COMMUNITY INVOLVEMENT

- Volunteer support from the business community represents more than 1,200 hours of service donated to the Centre annually. These professionals and experienced business owners assist with the delivery of seminars, events, professional advisory programs and contribute to the planning and direction of the Centre. In addition to business mentors and volunteers, representatives from 45 legal and accounting firms provide pro bono advice to clients of the Entrepreneurship Centre each year.
- The Centre is supported by 5 major partners: City of Ottawa, Ministry of Small Business and Entrepreneurship, RBC Royal Bank, Welch & Company LLP, and Mediaplus Advertising. In addition, 12 sponsors provided financial support for the annual Ottawa Venture and Technology Summit.

OCRI's **Entrepreneurship Centre** provides a one-stop source of business information and planning services. Services include:

- Walk-in business Resource Centre
- Free printed material on start-up issues and frequently asked questions
- Business consultations
- Professional legal and accounting advisory services
- Technology business advisory services
- Financial advisory and risk capital services
- Financing options for young entrepreneurs
- On-line training programs
- Business seminars covering a wide range of topics
- Delivery agent for FITT – Forum for International Trade Training

The **Entrepreneurship Centre** is located at:

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