

SelfEMPLOYMENT PROGRAM

Where successful entrepreneurs begin

entrepreneurs

SPRING 2008

SE Graduate Profile

DEREK SMITH

Intake #42 (April, 1999)

Like most employees, Derek dreamed of owning his own business—he just didn't know at the time that one day he would own the business he worked for. Armed with a Masters Degree in Structural Engineering, Derek trained for four years as a staff engineer under John Rockingham of Rockingham Engineering, which was on Granville Island and provided structural engineering services for buildings as well as consulting for residential and commercial swimming pools.

Derek then worked at two other engineering firms and was laid off. He joined the Self Employment Program in 1999 and started working out of his home accepting engineering contracts with several consulting firms. One of these contracts was with Rockingham Engineering, when the owner suddenly passed away in October 1999. Other than the owner, the company had no other engineer on staff so Derek stepped in as relief engineer and bought the structural engineering portion of the company five months later. Colette Morin, who was a long-term employee, bought the pool consulting business from the estate and started Rockingham Pool Consulting. The estate sold the Granville Island building and, after a temporary relocation to West 4th Avenue in Vancouver with Ms. Morin, the company was permanently moved to Marine Drive in West Vancouver—about a five minute drive from Derek's residence. By October 2000, Derek won the Consulting Entrepreneur of the Year Award for the Self Employment program.

Rockingham Engineering provides structural engineering consulting for a wide variety

of structures including signs, residential buildings and pools. Working on 40 to 60 projects a month with as many as 20 to 30 site inspections, there is no shortage of work. Sign projects include structures such as the 2010 Winter Olympics Countdown Clock, illuminated fascia



signs and pylon signs for car dealerships. Rockingham Engineering's core residential business is structural design of high end custom homes in West Vancouver and Whistler. Rockingham Engineering partners with Rockingham Pool Consulting, who is an SE Graduate and winner of the 2001 Entrepreneur of the Year Award, to certify and engineer concrete pools.

Derek has much appreciation for the Self Employment program and the support it gave him. He believes that had he not gone through the program he would not have had the confidence to take over the company he once worked for. He best remembers that it provided him with common sense business skills, a comprehensive business plan and a Quick Books "financial education". The team at the Self Employment Program applauds Derek's success and thanks him for giving back to the program by being a Visions of Excellence sponsor for the Entrepreneur of the Year Awards every year since 2000.



PHOTOPRESS/Kim Stalknecht
Rockingham Engineering designed the internal structural steel framework behind the glass clock and wood tower as well as the concrete base.

Graduates in the News!

ANNOUNCEMENT:

Anne-Marie Godfrey, Commercial Photographer has been honored with an award from Applied Arts Magazine. Now an award-winning photographer, Anne-Marie is excited to see what will happen in May when the Photography and Illustration Awards Annual 2008 hits the desks of Art Directors and Art Buyers across North America. The three winning photographs (a series) will each receive a certificate of excellence and be shown at an exhibition later this year in Toronto.



Anne-Marie is the owner/photographer of www.ishoot.ca

Anne-Marie also teaches a workshop for Small Business and Artisans, to show them how to use their own cameras (point and shoot) for product shots. She also does wedding photography.



www.ishoot.ca/weddingphotography.html

If your company is in the news please email us at shoulakm@douglas.bc.ca or fax us at 604-777-6040.

Originals can be mailed to:
The Self Employment program
David Lam Campus
A1410 – 1250 Pinetree Way
Coquitlam, BC, V3B 7X3



Suite 220 -1555 Marine Drive
West Vancouver

DOUGLAS COLLEGE SELF EMPLOYMENT PROGRAM *entrepreneurs*

Where Are They Now?

Get Inspired with David Eastbury

DAVID EASTBURY
Intake #18 (December, 1997)
Originally Alpine Marketing
Now www.natamate.com

"I completed the SE program in the spring of 1997. It was always my intention to remain a one man business. SE gave me the tools to avoid mistakes I'd made in the past. In 1997 I was known at Douglas as "The Dog Boot Guy". Our primary target market was the United States veterinary business. Our secondary market was Canada based on sheer numbers of clinics. We enjoyed a linear growth from the beginning and acquired several major US warehouse distributors in our first few months. The Canadian vet business also showed excellent growth. I also started selling a line of US manufactured stain and odor removal products to Canadian veterinarians.

I traveled every three weeks around BC meeting the clinic people, showing surgical dog boots and giving samples of stain removal products. I traveled many miles, ate fast food and stayed in the cheapest motels to conserve cash.

As our sales grew, I eyed Alberta and then followed exactly the same plan to gain a foot hold across that province. The following year I traveled to Ontario and again put our plan in motion. By now the quality of restaurants and hotels we could afford had improved considerably.

The stain and odor business was doing well and the dog boots were growing. I reached an exclusive distribution agreement for Canada based on our previous performance with the stain and odor products manufacturer in California.

Then disaster struck. The manufacturer of the Dog Boots had a crisis and stopped production immediately. That week we had received orders for \$10,000.00 of dog boots. It was a big blow.

Luckily the stain and odor business across Canada continued to grow and we focused our efforts there. We moved into the pet store chains and by 2003 we had over \$500,000.00 yearly sales in pet stores and vet clinics across Canada, with excellent margins.

I was a finalist for Entrepreneur of the year in 2002.

Since those heady days manufacturers changed hands and contracts were cancelled and we lost 850 pet stores in Canada. The bright side of all this? We continue to be a strong supplier to the Canadian veterinary industry.

We estimate today we supply over 800 vet clinics in Canada.

Our timing was perfect, in the early days we had little effective competition. Starting today in this arena would be quite difficult.

We moved to Osoyoos because our main business tool had become the fax machine to receive orders and it doesn't rain.

Two years ago I was bored with things going well, so we started a motor scooter rental business in Osoyoos, BC. With all the business tools already in place we purchased 12 Yamaha scooters (\$38,000.00) and set up shop on Main St in Osoyoos. We had a two year plan and promoted heavily for the 12 weeks of business with tourists here. The past September holiday weekend saw the completion of our plan and we sold all the scooters and achieved our financial goals with our summer job. This was a mom and pop business and we worked 10 hour days, seven days a week for 12 weeks. We weren't bored.

The moral of the story? In the words of US President Calvin Coolidge:

*"Nothing in the world can take the place of persistence.
Talent will not; nothing is more common than unsuccessful people with talent.
Genius will not; unrewarded genius is almost a proverb.
Education will not; the world is full of educated derelicts.
PERSISTENCE AND DETERMINATION ARE OMNIPOTENT."*

This hangs on my office wall over my desk."

DAVID EASTBURY
www.natamate.com

Self-Employment Program Staff List

All of us can be reached by phone at 604-777-6012 or by the email addresses below.

Bromley, Kathy	Program Assistant	bromleyk@douglas.bc.ca	Ricard, Chris	Business Advisor	ricardc@douglas.bc.ca
Hill, Graham	Program Manager	hillg@douglas.bc.ca	Shoulak, Mari-Lou	Marketing Manager	shoulakm@douglas.bc.ca
Indseth, Wayne	Business Advisor	indsethw@douglas.bc.ca	Sieber, Rita	Program Assistant	sieberr@douglas.bc.ca
Kenny, Sue	Assistant Program Manager	kennys@douglas.bc.ca	Sim, Alex	Business Advisor	sima@douglas.bc.ca
Peterson, Ray	Business Advisor	petersonr@douglas.bc.ca			

Get Your Hands on the Corporation's Income

by FLORENCE HUI, CGA
Intake #95 (September, 2004)

If you have an unincorporated business, you may be considering incorporation to save on taxes. The combined federal and provincial corporate tax rate for small "Canadian controlled private corporations" is about 16% for 2008 on the first \$400,000 of active business income, and about 32% for income over \$400,000. Compared to the 43% top personal marginal rate, these rates represent significant tax savings.

However, before you make your decision to incorporate, you should consult a professional accountant to help you determine if you should incorporate. Generally, if you rely on all of your business profits to support your personal cash flow needs, incorporation may not be a good idea. The cost of setting up and maintaining the corporation could outweigh the tax benefits. Only if you can leave some of your profits in the corporation to be reinvested, you may be able to take advantage of the tax savings.

After you incorporate, the income you earn through a corporation is no longer your "personal income". It is the corporation's income. Generally, you have two ways to take income out of a corporation, either as a salary or as dividends. If you just take money out of the corporation's bank account without reporting it either as a salary or dividends, the money withdrawn has to be treated as a loan owed by you. This withdrawal has to be paid back to the corporation to avoid potential tax consequences.

Salary: When a corporation pays you a salary, the corporation can deduct the amount paid as an expense. You need to report the salary as employment income in your personal tax return. However, if the corporation pays all of its profits to you as salary, you are in much the same position as if you earned the income without having a corporation.

Dividends: When you leave the profits in the corporation, the income is first taxed at the corporation level. After taxes are paid and the corporation distributes the after-tax income to you as a shareholder, the amount is called dividends. You need to report the dividends on your personal tax return. Dividends are not expenses and are not deductible to the corporation.

To decide whether taking money out as a salary or dividends depends on each person's specific situation, with many factors to consider. Therefore, you should ask a professional tax adviser to help you compare the total corporate and personal income tax you will pay if you earn income through a corporation.

Florence Hui is a CGA with her own accounting firm specializing in tax and accounting services for small businesses, individuals, and not-for-profit organizations.
604-451-1366 florence.hui@telus.net
www.florencehuicga.com

One Successful Success Circle!

Two Self Employment entrepreneurs have started a Success Circle that is focused specifically on ecommerce. They would like to invite new grads or existing alumni that are also pursuing this industry.

This group came about after the two met at a Douglas College networking event. They discovered that they had a tremendous amount to offer each other as they were both focusing on ecommerce activities.

This new group is specifically targeted at people that have an ecommerce site (ie: they use a shopping cart to complete orders—not just a regular website).

Discussion topics include:

- Cart software challenges (OSC, Zen-Cart, more)
- Import / Export / Shipping issues
- Email marketing and customer retention
- Cart Conversion
- Adwords Conversion
- Search Engine Optimization
- Other challenges

This group is actively helping each other succeed in business and they communicate regularly throughout the week. They would like to expand the circle to six or eight like-minded people—if you are interested please contact:

Self Employment graduate:
Todd Stephenson, MBA
Chief Executive Officer
UpStart Battery

604.612.6274
upstartbattery.com

DOUGLAS COLLEGE SELF EMPLOYMENT PROGRAM *entrepreneurs*

It's Spring! ...and despite the cold weather start, green lawns and flowering gardens should soon be the norm.

As busy entrepreneurs, many of us do not have time to mow our lawns, tend to our gardens or even water the office plant. If this is you... we have put together a list of Self Employment graduates

who have made this THEIR BUSINESS. Please consider them first when you are looking for help with your yard and garden and let them know that you too are a Self Employment grad!

Bloomsbury Designer Gardens Ltd.

(Exterior decorator [Gardens])

Friesen, Kathryn

New Westminster Phone: 604-526-1314

www.bloomsburygarden.com

Fuller Landscaping Inc.

(Landscaping/lawn maintenance)

Fuller, Seann

Maple Ridge Phone: 604-671-6524

www.fullerlandscaping.ca

Greenpath Mowing & Yard Maintenance

(Garden maintenance and rubbish removal)

Anyebuno, William

New Westminster Phone: 604-710-9670

Hirst Plant Scapes

(Interior environmental planting specialist)

Hirst, Gail

North Vancouver Phone: 604-984-6341

Lawnjockey Landscape Services

(Landscaping and maintenance services)

Hermansen, Ian

Port Moody Phone: 778-838-4455

www.lawnjockey.ca

Kert Landscaping Ltd.

(Landscaping business)

Eglsaer, Steven

Coquitlam Phone: 604-942-KERT

www.kertlandscaping.com

Pro Tropic Plant Services Management

(Indoor plant maintenance/management)

Bouzan, Marcy

Surrey Phone: 604-619-2876

Shades of Green Landscaping/Gardening

(Landscaping, lawn and garden care)

Chapotelle, Larry

Maple Ridge Phone: 604-351-5791

Greenland Landscaping

(Gardening and lawncare services)

Cruz, Douglas

Pitt Meadows Phone: 778-388-9755

The Growcery Garden Center

(Mobile greenhouse and hydroponic supply)

Smart, Brendon

Maple Ridge Phone: 604-202-0390

www.growcery.ca

van de Poll Garden Design

(Landscape design/project management)

Maple Ridge

Phone: 604-476-1907

www.vandepollgardens.com

Array Patio Gardens

(Patio and indoor plant installations)

Daigle, Norma

New Westminster Phone: 604-908-4606

S&E Landscaping & Property Maintenance

(Landscaping and property maintenance)

Nevers, Kory (Shawn)

Port Coquitlam Phone: 778-838-3005

Hedge Pro's Landscape Services

(Landscape business)

Gavran, Daniel (Dan)

New Westminster Phone: 604-537-1802

We Want Your News!

In future newsletters we would like to highlight your recent press, awards, short stories about your business experience, or a short business article that would help others in business. The focus can be either educational or inspirational.

Please contact:

Mari-Lou @ 604-781-9101 or email at shoulakm@douglas.bc.ca

Graduates, have you checked your Business Directory Listing?

Go to www.douglas.bc.ca/selfemployment and refer to the Business Directory to update or add your contact information.

If you do not see your landscaping company listed here, then you are not in the Self Employment online Business Directory. Please go to www.douglas.bc.ca/selfemployment and refer to the Business Directory to update or add your contact information.

Looking for New Entrepreneurs

The SE Program is currently recruiting for its 135th Group. If you know someone who is interested in starting a new business and would like the support and assistance offered by the Self Employment Program,

have them check out our website at www.douglas.bc.ca/selfemployment or call our information line at 604-777-6012 to determine the next information session located near them.

entrepreneurs

Editor: Mari-Lou Shoulak

Published by: The Self Employment Program

A1410 – 1250 Pinetree Way, Coquitlam, V3B 7X3

Tel 604-777-6012

sep@douglas.bc.ca

Funded by Service Canada and offered through The Training Group at Douglas College. We provide practical training, advice and income support for eligible participants. Our program has provided assistance through training to over 2,350 new business start-ups.