

Annual Review 2007-08



April 1 - March 31

Newfoundland & Labrador
Association of Community
Business Development
Corporations



For more information on our
programs and services
please call us at:

1-800-303-CBDC(2232)

Visit our Website at:

www.cbdc.ca



Building Stronger Communities



The Atlantic Canada Opportunities Agency is pleased
to provide financing to CBDCs in Atlantic Canada

Mandate

With the aid of our key contributor, the Atlantic Canada Opportunities Agency (ACOA), the Community Business Development Corporations (CBDCs) of Newfoundland and Labrador are a network of independent, not-for-profit corporations that have as their mandate the development of small business throughout rural Newfoundland and Labrador. The 15 corporations are part of the Community Futures network of 268 CBDCs/CFDCs across Canada that work in partnership with all levels of government to ensure that the financing and advisory needs of small and medium size businesses are met to the greatest extent possible. The rural economy of Newfoundland and Labrador is largely dependent upon the development and growth of small businesses. As CBDCs, we are dedicated to the revitalization of the economy and job creation through small business development.

Where to Find Us


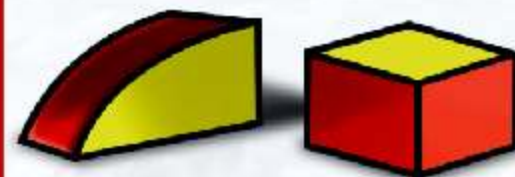
-  CBDC Avalon West
Placentia, NL
-  CBDC Eastern Initiatives
Clareville, NL
-  CBDC Burin Peninsula
Marystown, NL
-  CBDC Central
Grand Falls-Windsor, NL
-  CBDC Emerald
Baie Verte, NL
-  CBDC Celtic
Ferryland, NL
-  CBDC Gander & Area
Gander, NL
-  CBDC Gateway
Port aux Basques, NL
-  CBDC Humber
Corner Brook, NL
-  CBDC Labrador
Happy Valley-Goose Bay, NL
-  CBDC Long Range
Stephenville, NL
-  CBDC Cabot
Conception Bay South, NL
-  CBDC Nortip
Plum Point, NL
-  CBDC South Coast
St. Alban's, NL
-  CBDC Trinity Conception
Carbonear, NL



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In 2006, the Marketing Committee of the Provincial Association created the CBDC Business Award of Distinction to highlight the outstanding contributions our clients make to revitalizing our economy. In 2007, the 2nd Annual Award went to Genoa Design International Ltd., of Conception Bay South. During the 2007 Annual General Meeting,

the 2nd Annual Award was presented to Genoa Design. This company has demonstrated great skill in growing its core competencies and being a strong competitor in its international markets. The CBDCs were proud to honor Genoa Design International at their AGM held in St. John's June 2007.

Genoa Design International Ltd.

Creative, innovative and opportunistic would best describe Genoa Design International Ltd. This company was started in 1995 by Leonard Pecore. After ten years of naval experience and a Diploma of Technology in Naval Architecture, he decided to become his own boss.

Markets and expansion soon pressured this small company to grow beyond its home in Conception Bay South. In 2000, partner Darren Letto came on board. Darren brought years of experience in naval architecture and strong management skills. Darren had worked previously with many international marine companies and he brought that experience to the company.

With help and support from federal and provincial agencies including CBDC Cabot, Genoa Design International Ltd started to make its market, both nationally and internationally. Genoa has been awarded contracts throughout the world, including locations in the United States and more recently Europe. Genoa Design International's projects have included New

York City Staten Island



Ferries, an ice breaker for the U.S. Coastguard and a Littoral Combat Ship for the U.S. Military. Throughout the world, Genoa Design International is becoming known for its quality detail production design, drafting and 3D modeling.



Community Economic Development (CED) is action taken locally by a community to provide economic opportunities and improve the way of life of a community in a sustainable way. CED is an evolving, ongoing process. CBDCs take pride in their role in economic development and in their ability to evolve their services and programs to better meet the needs of changing rural communities. Doing business in a different way ensures that CBDCs continue to build stronger communities.

We are extremely pleased, then, to have had another outstanding year. During the 2007-08 fiscal year, CBDCs helped strengthen their communities by assisting 376 businesses. These businesses are creating jobs and giving residents of rural Newfoundland and Labrador a mechanism to provide for their families in a sustainable manner.

Even though the CBDCs are the most cost effective and efficient delivery mechanisms, the communities we serve also benefit from the partnership we have with other economic serving organizations.

This past year was a testament to such collaborative efforts as the Provincial Association signed a memorandum of understanding with the Newfoundland and Labrador Association of Regional Economic Development Association (NLREDA). We also worked closely with Municipalities Newfoundland and Labrador (MNL) to present funding opportunities to their members. As always, ACOA has been and continues to be our key contributor, and we work closely with them to improve the opportunities available to rural Newfoundland and Labrador.

Also, the Departments of Human Resources, Labour and Employment, and Innovation, Trade and Rural Development are working with us to further the enhancement of youth entrepreneurship and economic development. CBDCs value our partners and truly believe that together we can attract new markets and present new opportunities to our rural population.

As Chairperson, I congratulate the CBDCs and our associate member, Metro Business Opportunities, for being the driving force behind our successful year. To my Executive and Committee members who have worked so hard to carry out the mandate of our Association, my sincerest thanks. Also, to the staff of our Association, our gratitude for your continued support and professionalism in ensuring our members' needs are met.

Throughout the covers of this annual review, we share with you a few of the outstanding accomplishments of our clients and the statistical information on our successes over the past fiscal year. Please join with us in acknowledging the work of the CBDCs in rural Newfoundland and Labrador.

Sylvia Alexander
Chairperson
Newfoundland and Labrador
Association of CBDCs

As a member-based organization, the main duty of the Provincial Association is to make sure that its members' needs are met. To keep current with changes in our macro environment, the Board of Directors completed a review of the policies and procedures of the corporation and conducted an extensive evaluation of the operations of the Association. This activity resulted in a stronger communications plan that allows for even greater interaction with our members. One example is the newly implemented "Association Activity Report" which details all actions that the Provincial Association undergoes on behalf of its members.

The new direction for the Association has lead to strong working relationships with like organizations that resulted in common outcomes. The Executive and Staff of the Association have worked thoroughly on behalf of its Members during the past fiscal year. In order to meet our yearly objectives we,

- Attended Atlantic and Pan Canadian meetings with our counterparts to enhance common goals
- Consulted with many agencies regarding the download of federal programs that our members deliver

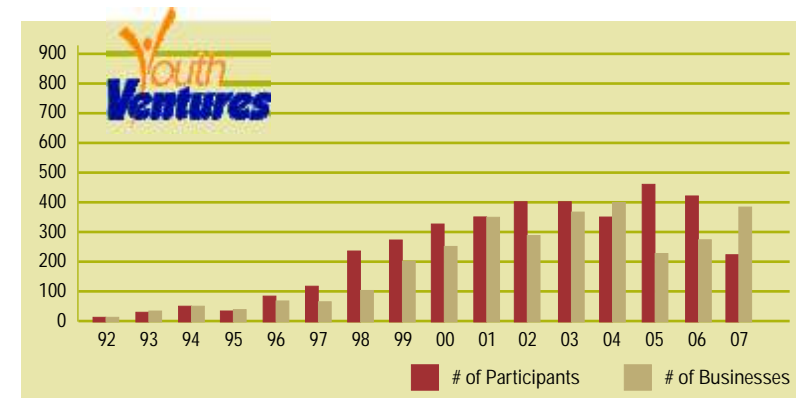
- Liaised with Provincial Government officials with the aim of developing our programs and solidifying joint projects
- Cooperated with NLREDA and MNL during many of their meetings to further economic development in rural NL

With the guidance of its members, the Association will continue to further the goals and objectives of the CBDCs. The Association has challenged itself to develop new markets for CBDCs in areas of interest.



The Provincial Association of CBDCs has been proud to deliver Youth Ventures to the entrepreneurial youth of Newfoundland and Labrador. Each year numerous students are exposed to the viability of entrepreneurship as a career option and as a part time job to help generate some pocket change. During the 2007 summer, there were

more than 200 youth businesses started. Each year, YV recognizes the efforts of many youth business owners with provincial awards. During the 10th Annual Awards Luncheon, eight businesses were recognized for their business savvy skills. Scott Oldford, owner of Essential Coding was named the Venture of the Year.



Essential Coding

While many other nine year olds were focused on perfecting their skills at their latest video game, Scott Oldford was learning HTML. Scott has been involved in commerce since he was eleven, but formally started Essential Coding in Grand Falls-Windsor in 2007. Essential Coding offers a unique service to companies that want to establish a powerful presence on the web. Through the combination of both innovative web

development and breathtaking design, the focus is upon the end user that will be viewing and using the site.

Growth is very demanding upon Scott and his company. He has worked with a variety of companies throughout the world. Being able to manage all of these different projects at one time, has forced Scott to contract experts in the United States and Europe. Essential Coding now has worked with over three hundred national and international clients.

His role has certainly changed to meet this demand from primarily programming to now mostly project management, usability and analytic analysis. Scott looks forward to providing world-class professional web development and design to all his clients, no matter if it's an organization or full corporate business, his company can do it all.



"Another CBDC Success Story... one that is essentially a success"

Seed Capital Loans Program

The Seed Capital Loans Program has been delivered by our members since 1997. Introduced as a youth loans' program, Seed has grown to provide loans to help start,

expand or improve a small business. One of the most attractive components of the program is the availability of financial support for business skills training.

	2008	Since Inception
Number of Loans Approved	83	1,081
Total Value of Loans	1,206,300	12,126,797
Average Size of Loans	15,079	14,090
Number of Jobs Created and/or Maintained	169	1,637

Strickland's Diving

Diving under the ocean to most people is a leisure activity and a dream for others. Michael Strickland ignited his passion for diving and his entrepreneurial spirit to create Strickland's Diving.

This company started in 2000 after Michael worked many years within a local aquaculture company. His reputation for being a very skilled diver and the opportunity for contract work combined to help him dive into this business venture. The location of this company is in St. Alban's which is very strategic, due to the great number of fishing and aquaculture demands. Traveling and working throughout the entire Coast of Bays Region is a delight.

CBDC South Coast is very proud to work with Strickland's Diving to reach its potential. Michael found the staff "very good and helpful" especially with his business plan. When looking back at his business plan, he is very proud to state his projections have "tripled" within three years.



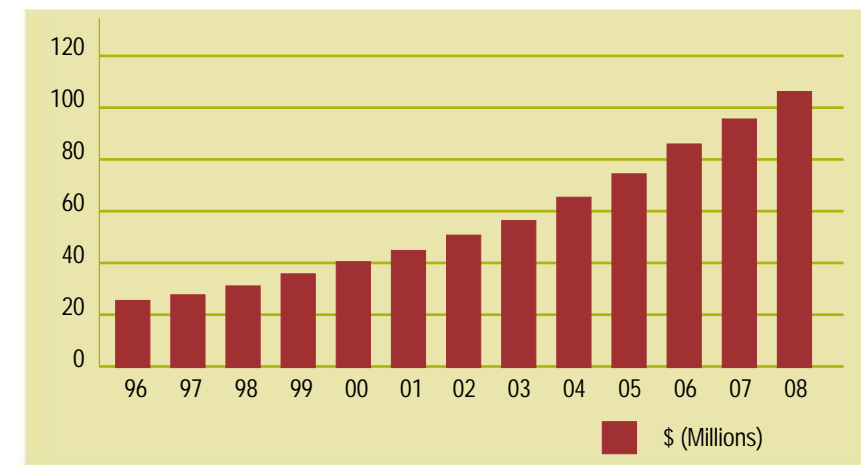
"Another CBDC Success Story... one that is diving to new depths"

Strickland's Diving offers many diving services to meet any demand. These services include net inspections, repairs and he also provides professional career opportunities for those interested in this field. The biggest obstacle for his company now is hiring more staff to meet the demands within the region. The aquaculture industry in Newfoundland and Labrador is growing and Strickland's Diving is riding this wave.

CBDCs Contributing to Communities

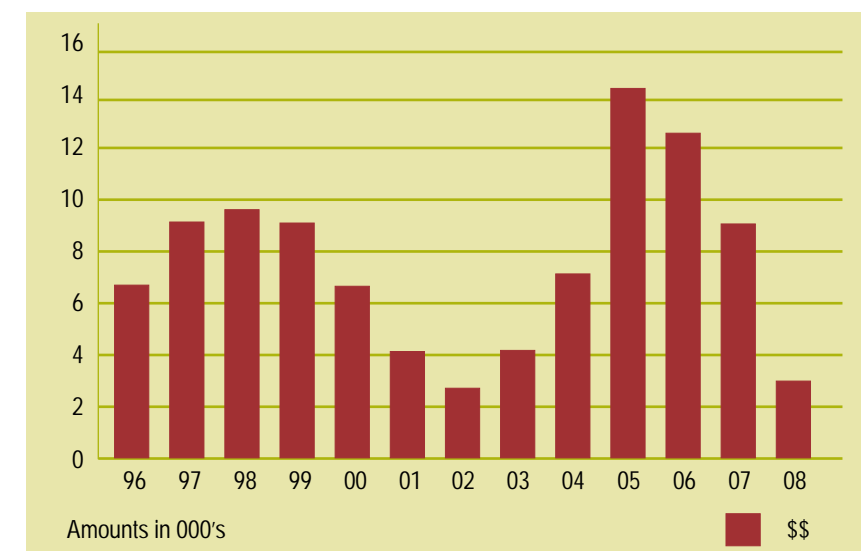
With 110 volunteers and 70 staff, CBDCs continue to be the driving force in creating sustainable communities through small business support and development. 2007-2008 surpassed our expectations with the CBDCs providing financial assistance and business guidance to 376 businesses.

CBDC Investment Portfolio



The small business loans program is available to anyone interested in investing in a small business by way of starting a new business or by purchasing an existing business.

Total Value of Levered Funds 1995-2008
\$96,872,375



Small Business Loans Programs

The CBDC Small Business Loans Program assists entrepreneurs with support they need to grow and expand their businesses. We provide financial assistance to new or existing businesses to a maximum of \$150,000 in the form of Loans, Loan

Guarantees and Equity Financing. During the past year, 282 applications were approved under this program. The average size of loan was \$39,152, with an investment of \$23,428 per job created and maintained.

CBDC Lending Activity by Sector



Agriculture	.013	Transportation & Storage	.056
Fish Harvesting	.137	Manufacturing	.061
Forestry	.018	Wholesale & Retail Trade	.272
Construction	.071	Other	.283
Tourism	.046		

April 1, 2007 - March 31, 2008

Average Size of Loan	\$ 39,152
Value of Loans	\$11,588,863
Value of Funds Leveraged	\$ 3,166,367
Total of Businesses Assisted	296
Number of Applications Approved	282



Self Employment Benefits Program (SEB)

The Self Employment Benefits Program (SEB) is an integral part of the services provided by all 16 members and is delivered on behalf of Service Canada. Individuals that are starting a business can continue to receive a personal supplement during the initial stages of the business. The SEB program compliments the regular

CBDCs' programs and services extremely well and helps many rural entrepreneurs. The SEB is a positive delivery mechanism for the CBDCs. With the added benefits of this program, the CBDCs can expand their business expertise to these potential business owners.

The following statistics demonstrates the success of the program from April 1, 2007 to March 31, 2008

Applicants Approved	146
Jobs Created and Maintained	218

Slainte School of Music

Jody Hale got the idea to start teaching music when another local business owner approached him about his musical talents. Slainte School of Music has been operation since May 2007 and is a music school teaching traditional Newfoundland and Celtic music. Being a skilled musician, Jody teaches music, performs and recently was given the opportunity to write music for a local playwright. Jody heard about CBDC Central and the SEB Program through a friend and quickly found himself deep into the development of a business plan. The marketing section really ignited his imagination. Jody wanted to name his company something that would be welcoming and centered with Irish roots. The word "Slainte" is actually an Irish word meaning "Cheers."

Slainte School of Music is planning for the future and hopes to expand upon his existing business. Jody hopes someday to open a Celtic School of Excellence that would include not only music, but also dance. He realizes that the art of performance is growing and would like to assist in the development of the musical talents within this province.



"Another CBDC Success Story... one that is noteworthy"