

County of Elgin

Business Retention and Expansion Strategy

January 31, 2012



Contents

1	EXECUTIVE SUMMARY	1
2	INTRODUCTION	4
2.1	PROJECT ORGANIZATION, DATA ANALYSIS AND METHODOLOGY	5
3	SURVEY RESULTS.....	7
3.1	COMPANY INFORMATION	7
3.2	BUSINESS CLIMATE	9
3.3	FUTURE PLANS	11
3.3.1	EXPANSION AND RENOVATION	12
3.3.2	DOWNSIZING	14
3.4	BUSINESS DEVELOPMENT	14
3.5	MARKETS	16
3.6	FINANCIAL PLANNING	19
3.7	WORKFORCE DEVELOPMENT	19
3.7.1	TRAINING	21
3.8	LOCAL COMMUNITY	23
4	SUMMARY OF KEY THEMES	24
5	RECOMMENDATIONS.....	27



1 Executive Summary

A BR+E program is designed to improve communications and foster better and deeper relationships with the local business community. A successful BR+E program can directly contribute to the overall goals stated in the strategy through:

- Gaining a better understanding of the challenges and opportunities for local businesses in order to support the retention and expansion of local businesses
- Identifying and networking with key business leaders to tell Elgin's Story
- Developing opportunities to connect existing businesses with youth and entrepreneurs to support entrepreneurial development
- Better transition to the new economy through an understanding of the true depth and nature of the county's rural creative economy and their unique needs and opportunities

Ultimately, improvements in the local business environment can lead to increased local employment, a more satisfied business community, better government-business relations and a more diversified economy. Understanding the needs of growing businesses will also inform the Employment Lands Strategy being undertaken by the County. Over the long term, the BR+E program will provide an understanding as to the land and property needed by these businesses and will answer questions related to the size of parcels needed, level and type of infrastructure and proximity or access to other goods and services. In developing the County's BR+ E program, consideration has been given to the tools and resources that have been developed by the Province of Ontario.

This report summarizes the results of interviews with 11 businesses across the County of Elgin. Recognizing the diversity of businesses and timeframe for this the initiation of the BR+E project, it was decided to focus on businesses from one of the Elgin County's four target sectors. The Energy and Environment Sector was selected due to the high profile of the sector.

The survey was structured to identify issues in key areas such as: company information; business climate; future plans (downsize, relocate, expand/renovate, close); business development; markets; finances; workforce development; training; and local community.

Survey Results

The key survey results that surfaced during the project include the following:

- There is a high degree of local decision making over Elgin's Energy and Environment sector businesses.



- There is a business divide (i.e. mature versus emerging business) in terms of the amount of years operating.
- The most significant barriers to expansion are in availability of skilled labour and information technology capacity.
- Additional investments into technology and equipment and additional workforce were the top expected results from anticipated business expansion.
- High-speed and Internet Ready Devices were essentials for the development of their business.
- Most businesses that were surveyed claimed that they would be interested in buying more local products to enhance their business. Business owners are purchasing specialized products from other markets.
- There is a positive sales growth future for businesses in the energy and environment sector.
- Most businesses preferred the Internet, brochures, business cards and wholesaler/distributor networks for marketing their products and services.
- Energy and environment businesses do not require financial planning assistance.
- A sizable portion of the businesses project an increase in their workforce over the next 3 years. Factors that were reported as being responsible for that change included improvements in technological changes, expansion of businesses and increases in market shares.
- While the WHMIS training is standard for most businesses it is important to focus on the increasing need for computer software training as technology continues to assume a more important role in today's competing economy.
- In house training is the main method of training within the surveyed businesses.

Key Themes and Recommendations

From the survey results, the key themes that lend themselves to recommended actions that could be taken by the County are as follows:

- **Positive Local Business Environment** - Elgin is a positive local business environment. This theme suggests that there are stories to gather for use in the County's marketing campaigns.
- **Succession Planning** - Many businesses are locally owned and operated. Additional support could be provided to ensure the continued operation of the business in Elgin County.
- **Networking and Mentoring** - The divide in business longevity suggests there may be opportunities for increase networking of businesses within the County in the Energy and Environment sector. The networking could serve as a mentoring forum whereby more established business owners provide advice and ideas to newer businesses and businesses along the value chain have an opportunity to share ideas regarding product/service development. There may be opportunities to share resources and develop local supply chains in bringing new products/services to market.
- **Workforce Planning and Skills Development** – Further workforce planning and skills development needs to take place. It was suggested that business expansion will lead to the need for additional hiring and demand for skills training.



The County is recommended to work with local partners in the delivery of the workforce development strategy with particular focus on skills training in information technology and software applications and marketing local employment opportunities to area youth.

- **Infrastructure** – The County may be well served to seek alternative solutions to extending water/sewer services throughout the County. Telecommunications is an important aspect of business success and the County should continue efforts to work with partners in extending broadband services.
- **Building the Local Supply Chain** - While generic inputs are seen as being locally available, more specialized inputs are not. It might be worthwhile to further explore local needs and gain more information regarding what goods and services are needed by local businesses.
- **External Support for Research and Financing** - Access to financing was a barrier to expansion and product research and development was critical to business development. The County of Elgin can assist in gaining and dispersing knowledge and awareness of these programs.



2 Introduction

The County of Elgin has recently completed an Economic Development Strategy for the period 2011 – 2014. The strategy considers the structural changes taking place in the broader provincial, national and global context and prepares Elgin County for a new approach to economic development. While traditional manufacturing and the automotive sector have been on the decline, creative industries – those where people and knowledge are the factors of production, are on the rise. Within this context, the strategy provides a fresh look at the county's traditional industries identifying four target sectors - agriculture, energy, tourism and culture. These sectors acknowledge the importance of manufacturing and agriculture and recast them with perspectives in the new economy. The strategy identified four broad goals for economic development in the county these being:

- Build social capital
- Enhance the built environment
- Develop talent and entrepreneurs
- Tell the Elgin Story

One of the key recommendations in the strategy was the development of a Business Retention and Expansion (BR+E) program. A BR+E program is designed to improve communications and foster better and deeper relationships with the local business community. A successful BR+E program can directly contribute to the overall goals stated in the strategy through:

- Gaining a better understanding of the challenges and opportunities for local businesses in order to support the retention and expansion of local businesses
- Identifying and networking with key business leaders to tell Elgin's Story
- Developing opportunities to connect existing businesses with youth and entrepreneurs to support entrepreneurial development
- Better transition to the new economy through an understanding of the true depth and nature of the county's rural creative economy and their unique needs and opportunities

Ultimately, improvements in the local business environment can lead to increased local employment, a more satisfied business community, better government-business relations and a more diversified economy. Understanding the needs of growing businesses will also inform the Employment Lands Strategy being undertaken by the County. Over the long term,



the BR+E program will provide an understanding as to the land and property needed by these businesses and will answer questions related to the size of parcels needed, level and type of infrastructure and proximity or access to other goods and services. In developing the County's BR+ E program, consideration has been given to the tools and resources that have been developed by the Province of Ontario.

2.1 Project Organization, Data Analysis and Methodology

This report summarizes the results of interviews with 11 businesses across the County of Elgin. Recognizing the diversity of businesses and timeframe for this the initiation of the BR+E project, it was decided to focus on businesses from one of the Elgin County's four target sectors. The Energy and Environment Sector was selected due to the high profile of the sector.

The County's 2007 Economic Development Strategy and the 2011 update to the strategy recognized the importance of this sector of the economy in part because of the relevance of the area's natural resources and attributes (biomass, water, wind, solar hours) and the strong roots in the manufacturing sector which will be essential to embracing new technology in renewable energy sources. Indeed, a cluster of innovative energy and environmental companies have already emerging in Elgin.

Elgin's 2009 Energy and Environment Sector Profile defined the sector to include renewable energy activities as well as construction, water and waste water treatment activities. In Elgin's Economy Development Strategy Update (July 2011) the Energy and Environment sector was further refined to include renewable energy and agricultural linkage to renewable energy, including on farm renewable energy production. Interview participants for the BR+E initiative were selected from these activities.

Business community interviews were conducted by municipal staff with initial training provided by the BR+E consulting team to ensure that data collection was optimal.

The Business Visitation Survey is a tool used to gather information from businesses in the county of Elgin with the intention of discerning the critical issues relevant to business retention and expansion.

The survey was structured to identify issues in key areas such as:

- Company Information;
- Business Climate;
- Future Plans (downsize, relocate, expand/renovate, close);



- Business Development;
- Markets;
- Finances;
- Workforce Development;
- Training; and
- Local Community.

Within these key areas there are 77 detailed questions that are summarized in the next section and cross-tabulated¹ to better understand survey responses. The survey tool used for analysis was Microsoft Excel. The survey tool was designed by the consulting team to be an easy to use template that would facilitate data entry as well as data analysis. Questions included were both closed and open ended allowing for both quantitative and qualitative results to be collected.

¹ Cross-tabulation refers to the investigation of one question based on the response of another question.



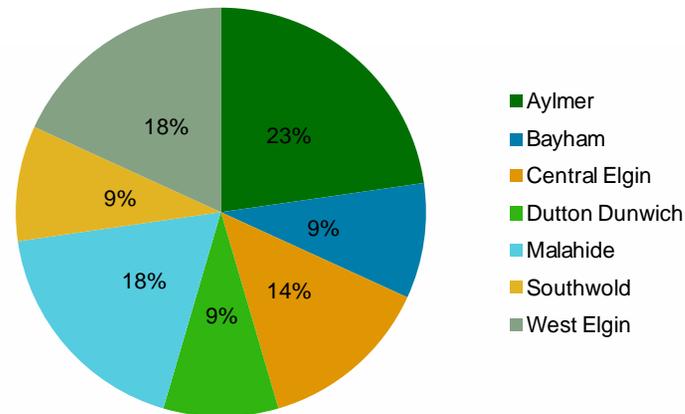
3 Survey Results

A summary of survey results is presented in this chapter. The analysis is focused on questions where significant results were identified. It should be noted that not all businesses responded to all questions, and some questions received multiple responses (both quantitative and a qualitative), or no responses.

3.1 Company Information

This section presents responses to questions asked in the Company Information portion of the survey. Efforts were made to gain results from across the county. Figure 1, illustrates the total percentage of businesses surveyed by location. Most businesses surveyed were located in the Town of Aylmer, Municipality of West Elgin and Township of Malahide indicating these areas may be the focus for Energy and Environment activities in the county. However, the survey sample is too small to draw conclusions regarding geographic concentrations of businesses.

FIGURE 1: TOTAL PERCENTAGE OF BUSINESSES BY LOCATION



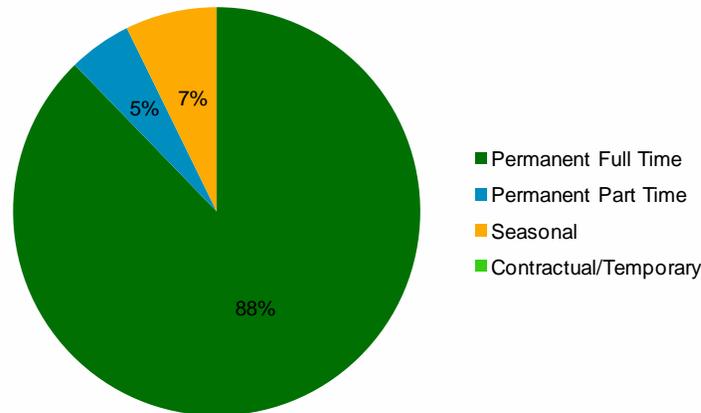
Within the Energy and Environment sector, Power Generation and Biodiesel/Ethanol Production were the predominant activities with 5 businesses selecting these sub-sectors as their primary area of business activity. Other activities that were listed include Construction, Environmental Consulting, Bulk Liquid Fuel Transportation, and Waste Management.



The surveyed businesses provide products and services in solar energy, ethanol and biodiesel conversion, geo-thermal heating construction, energy audits, waste and recycling, sales of bulk liquid fuel and electrical services. This indicates that the County of Elgin has businesses in every aspect of the Energy and Environment value chain of activities.

Out of 11 businesses, 8 owners reside in Elgin County, with all businesses headquartered in Elgin County. This suggests a high degree of local influence over these businesses. Business decisions are made in Elgin County increasing the ability of the County to work with these businesses to achieve their goals. More than half of the businesses surveyed (7 of 11) are family owned. However, only 5 of the businesses are prepared with a succession plan. This may be an area where the County can provide assistance to local businesses.

FIGURE 2: PERCENTAGE OF EMPLOYEE STATUS



Most of the businesses surveyed

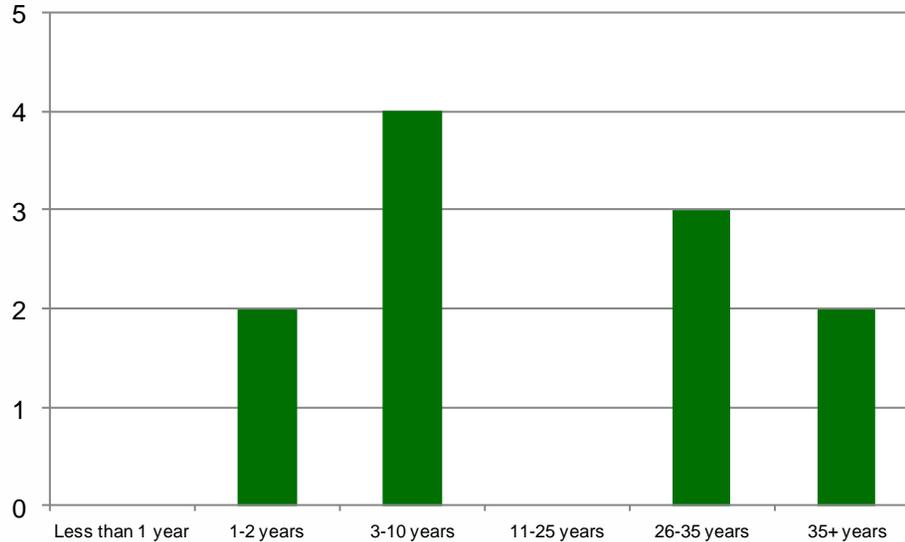
are small businesses. Results showed that 8 of 11 businesses have fewer than 20 employees. The largest business, with over 100 employees, has offices set up within all municipalities in Elgin County. The businesses provide stable employment with 88% of all employees being full time (figure 2). Part-time and seasonal positions represent the remaining 12%. Only one business reported that they were unionized.



3.2 Business Climate

This section presents responses to questions regarding the business climate in Elgin County. There is a clear divide between the surveyed businesses in the amount of years they have been operating (Figure 3). With 5 (45%) of businesses surveyed in operation over 26 years the Energy and Environment sector is mature in Elgin County. However, with 6 (55%) of the businesses in operation for less than 10 years the sector is still emerging in Elgin County. There may be the potential to increase the collaboration between mature and emerging businesses to discover untapped potential in the sector in Elgin County. This could be accomplished through networking or mentorship programs.

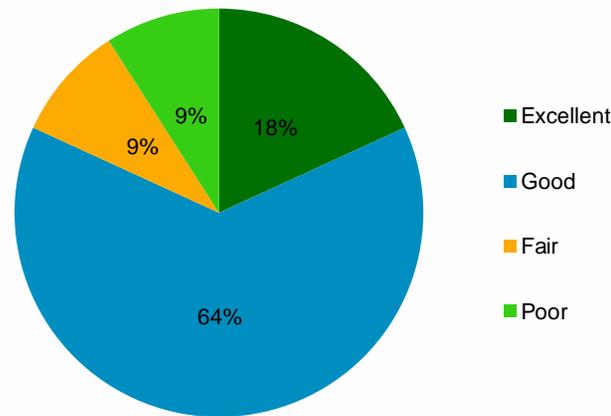
FIGURE 3: YEARS SURVEYED BUSINESSES HAVE BEEN IN OPERATION





An overwhelming 82% (figure 4) of the respondents found Elgin County a good or excellent place in which to do business in. One respondent compared their experience in Oxford County, stating that the speed of service and communication received from Elgin County was both appreciative and accommodating.

FIGURE 4: PERCENTAGE OF SURVEY RESPONDENT'S GENERAL IMPRESSION OF ELGIN COUNTY



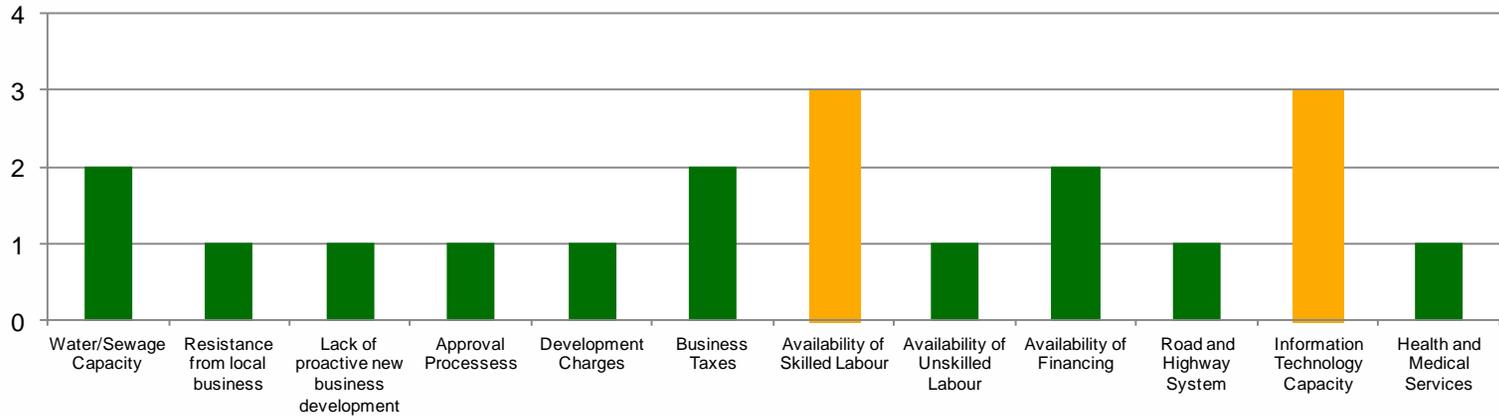
When comparing to Tillsonburg (Oxford County) Elgin County was much more helpful and accommodating. I called and got answers right away from Elgin County.

Survey Respondent

All the businesses responded that within the past 3 years their attitude towards Elgin County has not changed. The positive view places Elgin County in an excellent position to enact positive changes to its business climate so these businesses may continue to thrive and expand within Elgin County. Areas of focus for the County are shown in Figure 5. Most businesses indicated the most significant barriers to expansion are in availability of skilled labour and information technology capacity. While businesses indicated that to some extent there are a number of barriers to expansion the other most selected barriers included water/sewage capacity, business taxes and availability of financing. All of these are areas where the County can provide assistance.



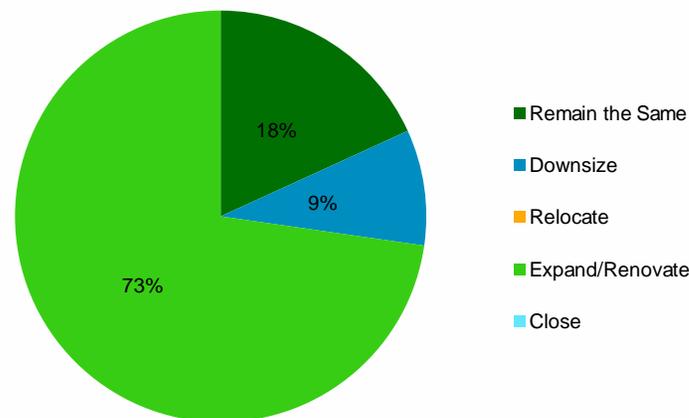
FIGURE 5: BARRIERS TO THE EXPANSION OF BUSINESSES IN ELGIN COUNTY



3.3 Future Plans

This section presents responses to questions regarding the surveyed businesses and their development plans in the next 3 years. Businesses surveyed are very positive of their future with 8 businesses (73%) planning expansion or renovation. Only 2 businesses (18%) reported that they intend to stay the same and only one business reported that they intend to downsize from their current facility. No businesses indicated they would be closing or relocating their business.

FIGURE 6: BUSINESS OUTLOOK IN THE NEXT 3 YEARS

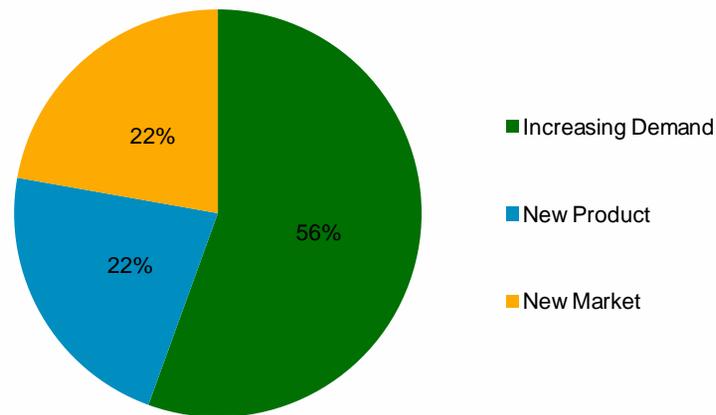




3.3.1 Expansion and Renovation

When survey respondents were asked what their primary reason for expanding and renovating their business, 5 (56%) of respondents indicated demand for their services/products was increasing (Figure 7). Many of these businesses suggested that the expansion needed to occur within the next 36 months if they wanted to match the market's demand.

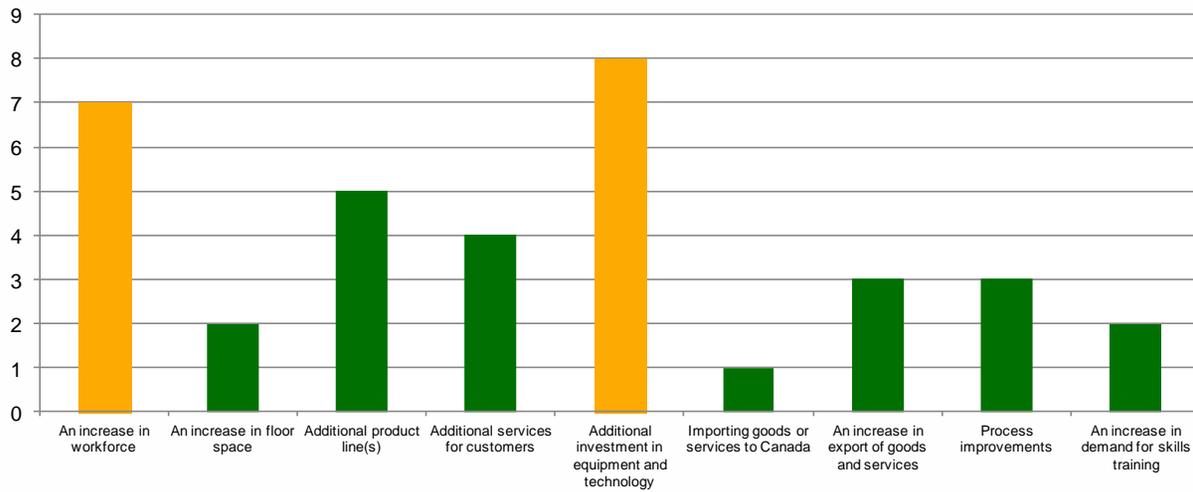
FIGURE 7: PRIMARY REASON FOR EXPANSION/RENOVATION



Additional investments into technology and equipment and additional workforce were the top expected results from anticipated business expansion. (Figure 8).



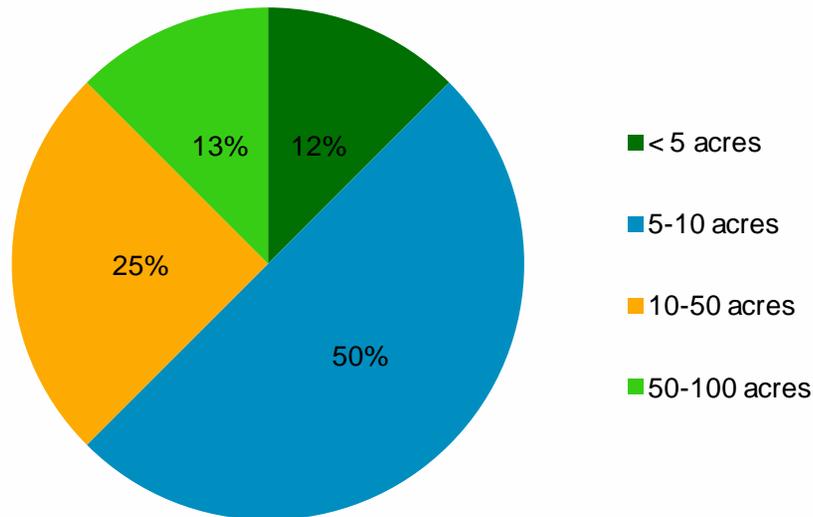
FIGURE 8: TOP EXPECTATIONS OF BUSINESS EXPANSION/RENOVATION



Survey respondents relayed concerns on their current expansion plans due to possible conflicts at the provincial level and government funding towards green energy.



FIGURE 9: PROPERTY SIZE BY ACRES



Several of the business respondents acknowledged that their current acreage of their business property was sufficient to proceed with any of their expansion plans. Only 2 businesses suggested that they would require a small (0-25%) increase in their lot size. Currently, the majority of these businesses are located on 5-10 acreage lots (Figure 9).

3.3.2 Downsizing

It is unclear as to why the one business is preparing to downsize. Comments suggested that the business is reliant on provincial and federal government programs and funding, however, it is unclear if funding is required for investment in equipment, export or market development or commercialization of technology. In order to assist the business in any capacity, it will necessary to gather more information before any interventions can be undertaken.

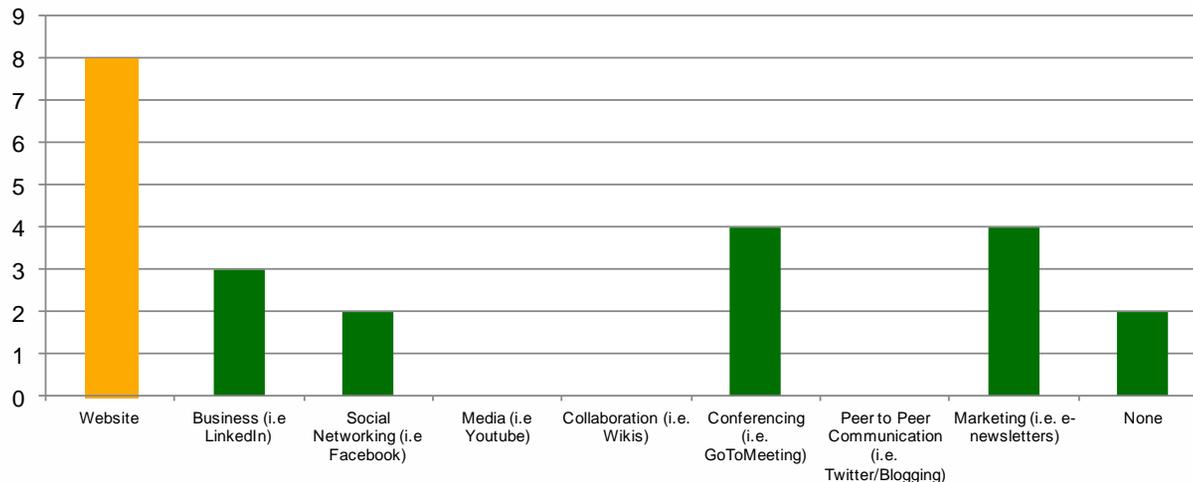
3.4 Business Development

This section presents responses to questions regarding the surveyed businesses and the factors that enhance their business. When asked about their satisfaction with their current location of business in Elgin County, nearly all respondents replied that they were completely satisfied.



When respondents were asked about the type of online connection they use for their business, respondents acknowledged that High Speed and Internet Ready Devices were essentials for the development of their business. These are important tools for a business that looks to market or develop its products using several online tools. Figure 10, illustrates that the primary tool businesses use online is to develop their own website where online sales and information gathering can occur to improve the business' presence on the market both online and on ground.

FIGURE 10: TOTAL NUMBER OF BUSINESSES BY ONLINE TOOLS



Looking forward to the next 3 years, businesses were asked to rank how important each factor listed in Figure 11 was to ensuring that their business would remain competitive. The pattern that emerged from the top ranked factors was to build on their workforce development through improved standards and labour availability, continue having business plans that would influence their product development and research, as well as where they can increase their marketing initiatives. Least important to businesses was accessing international markets and the availability of land suggesting that most businesses were focused on local or regional markets and not a move to larger locations.

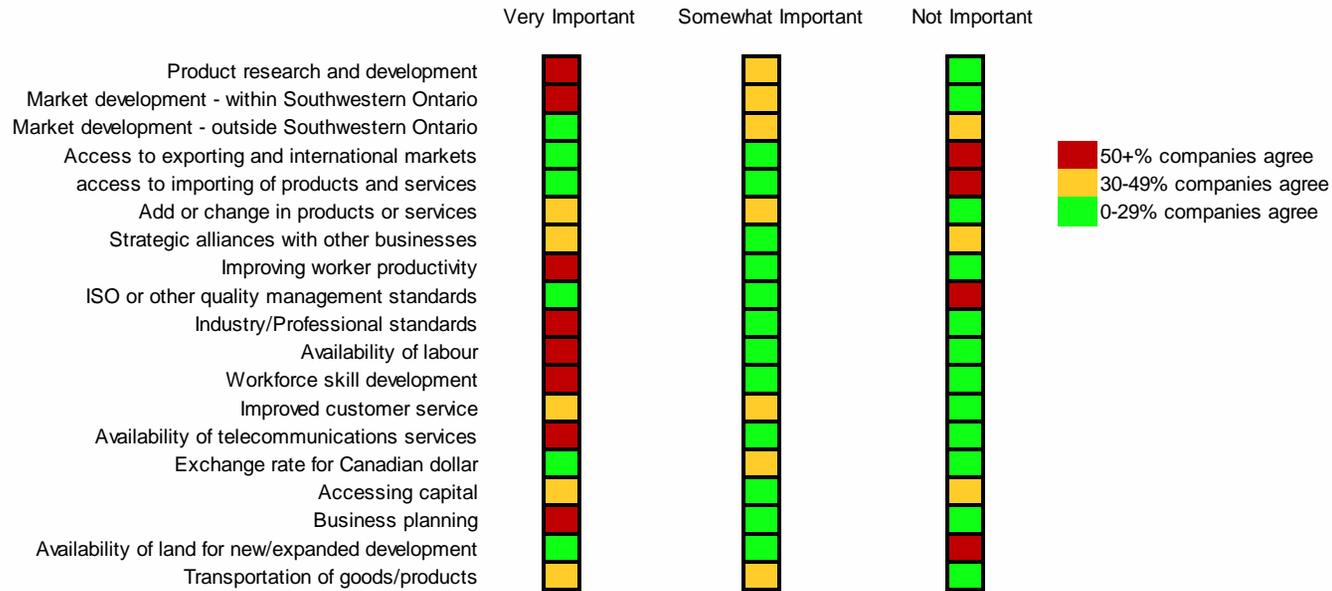
Most businesses that were surveyed claimed that they would be interested in buying more local products to enhance their business. One short outcome of this was they expressed that they could purchase several general supplies but were left importing specialized products from other markets. This could be an area of focus for the investment attraction efforts of the County.

This whole industry is all components. This has a real impact on shipping charges. Would really like to purchase locally, but nobody in St. Thomas and London is manufacturing modules and racking systems. Most of it comes from Toronto.

Survey Respondent



FIGURE 11: IMPORTANT FACTORS IN BUSINESS DEVELOPMENT



3.5 Markets

This section presents responses to questions regarding markets in which local businesses currently operate in and where they would like to see themselves in 3 years. Figure 12 illustrates the sales performance from the past year of the businesses surveyed. Most businesses (60%) reported an increase in sales. Over the next 3 years almost all businesses expect to have an increase in sales performance with a quarter of those businesses believing they will see a 26-50% jump in sales. Clearly there is a positive future for businesses in the Energy and Environment sector.



FIGURE 12: SALES PERFORMANCE IN THE PAST YEAR

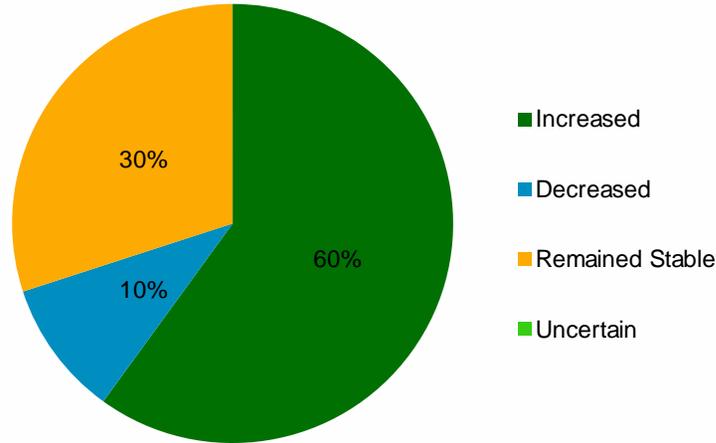


Figure 13 illustrates the approximate percentage of business revenues in the markets of Elgin County, Ontario, Canada, US and others. While the rows indicate the geographic market, the columns indicate the percentage of revenues earned from that geographic market. As the table shows, most businesses focus on the local markets of Elgin County and Ontario.

FIGURE 13: PRIMARY MARKET FOR LOCAL ENERGY AND ENVIRONMENT BUSINESSES

	0-10%	11-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	91-100%
Within Elgin County	4						3	1		
Within Ontario		2		3			1		1	3
Within Canada			1							
Within the U.S		1		1						
Other										



Figure 14 illustrates a similar table but with projected 3 year revenues. A similar story is told here with most businesses expecting to remain focused on developing their markets in Elgin County and Ontario.

FIGURE 14: ANTICIPATED MARKETS FOR LOCAL ENERGY AND ENVIRONMENT BUSINESSES

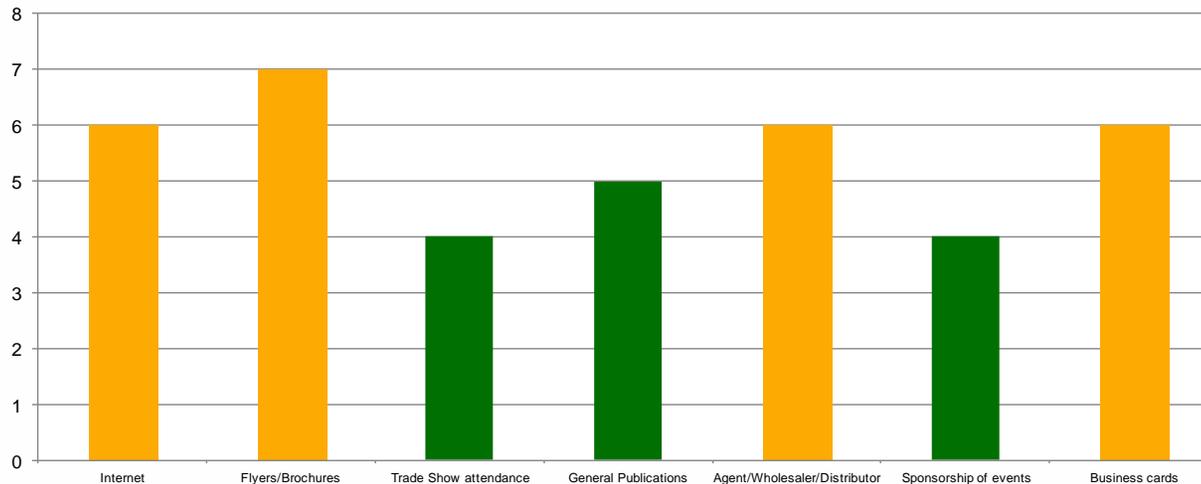
	0-10%	11-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	91-100%
Within Elgin County	5						3	1		
Within Ontario		2		2	1		1	1	1	2
Within Canada		1	1							
Within the U.S		1		1						
Other										

There is always potential to go outside of Ontario, but it would probably be specific to selling expertise, than product.

Survey Respondent

When asked about how they go about marketing their products and services, most businesses preferred the internet, flyers/brochures, business cards and wholesaler/distributor networks (Figure 15). The marketing channels selected are aligned with the local geographic market indicated in the previous question.

FIGURE 15: PRIMARY MARKETING CHANNEL

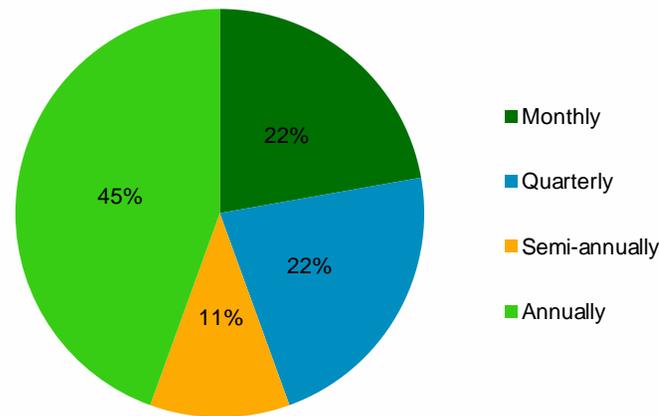




3.6 Financial Planning

This section presents surveyed businesses responses to questions regarding financial planning. Financial plans are essential to adequately plan for and successfully implement business expansion plans. Most businesses surveyed (81%) reported that they had some kind of financial plan. Of these, 45% updated their plan annually with almost 50% updating it either monthly or quarterly (Figure 15). This indicates the Energy and Environment businesses in Elgin do not require financial planning assistance.

FIGURE 15: FREQUENCY OF FINANCIAL PLAN REVIEWS



3.7 Workforce Development

This section presents responses to questions regarding workforce development and training within the surveyed businesses. Most businesses indicated that their workforce has not changed in the last 3 years. The few that indicated that their workforce increased acknowledged that the increase occurred because of less subcontracting and increase in



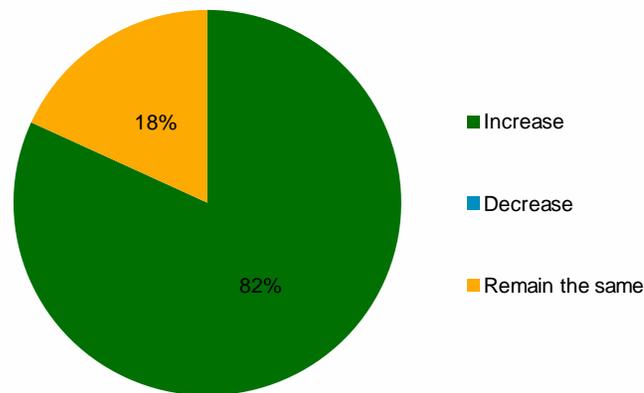
market competition and increase in sales. Additional reasons for workforce increases included improved management effectiveness and decisions to enter new markets.

When asked about the next 3 years, 82% (Figure 16) of businesses suggested that they will have an increase in their workforce. Factors that were reported as being responsible for that change included improvements in technological changes, expansion of businesses, increases in market shares based on projections followed by an increase in sales, the decision to enter new markets and the increase in management effectiveness.

They are available in Elgin. There is just an industry/skilled labour shortage

Survey Respondent

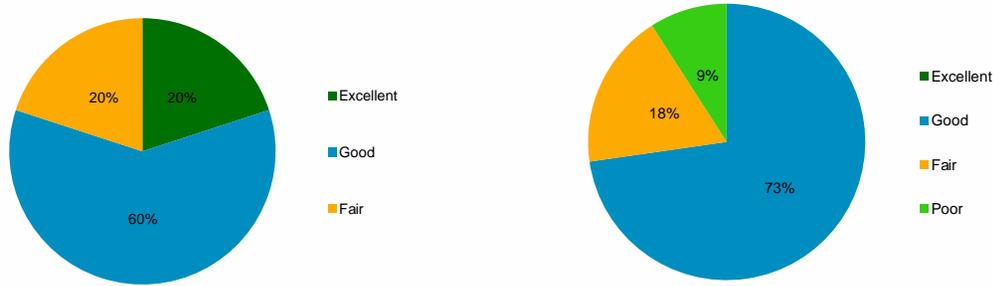
FIGURE 16: PROJECTED WORKFORCE NEEDS IN THE NEXT 3 YEARS



When asked about the source of workers many business owners reported that 70-90% of their workforce is sourced from Elgin County. They rated the availability of these workers as good (60%) but that there was a lack of younger generation of workers who were available to hire. The quality of these workers was also rated as good (73%). While there were some businesses that claimed the quality of the skilled labour was poor in Elgin County, there is an insufficient sample size to draw any significant conclusions.



FIGURE 17: AVAILABILITY (LEFT) AND QUALITY OF WORKERS (RIGHT) IN ELGIN



3.7.1 Training

When businesses were asked what accessible training they were most interested in the top responses came out as Health and Safety training as well as computer software training (Figure 18). While the WHMIS training is standard for most businesses it is important to focus on the increasing need for computer software training as technology continues to assume a more important role in today's competing economy.

FIGURE 18: TRAINING REQUIREMENTS

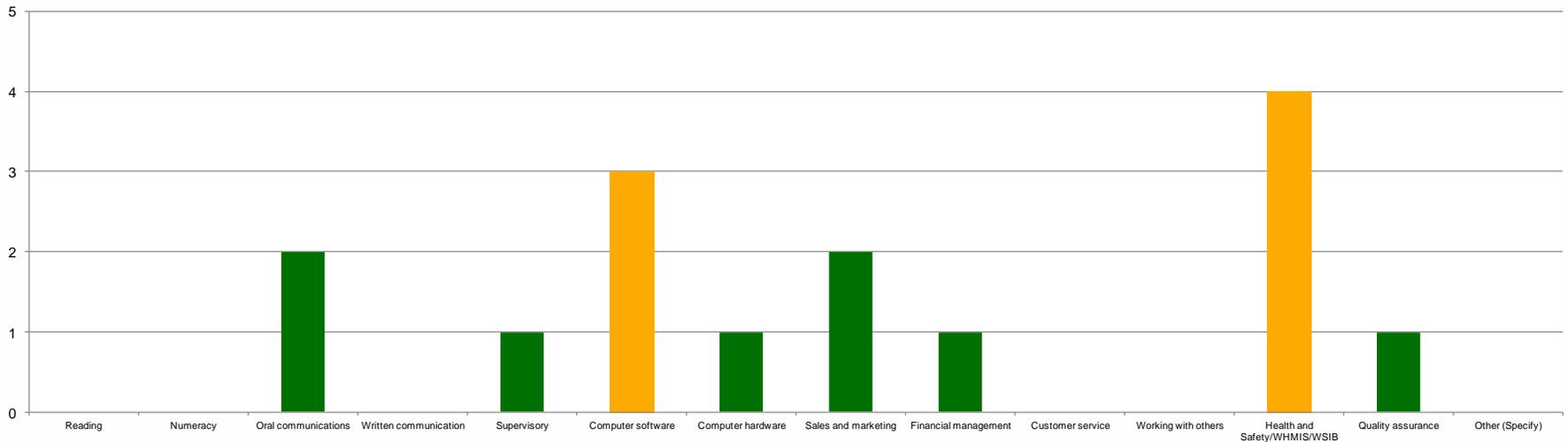




FIGURE 19: TYPE OF TRAINING ACCESSED

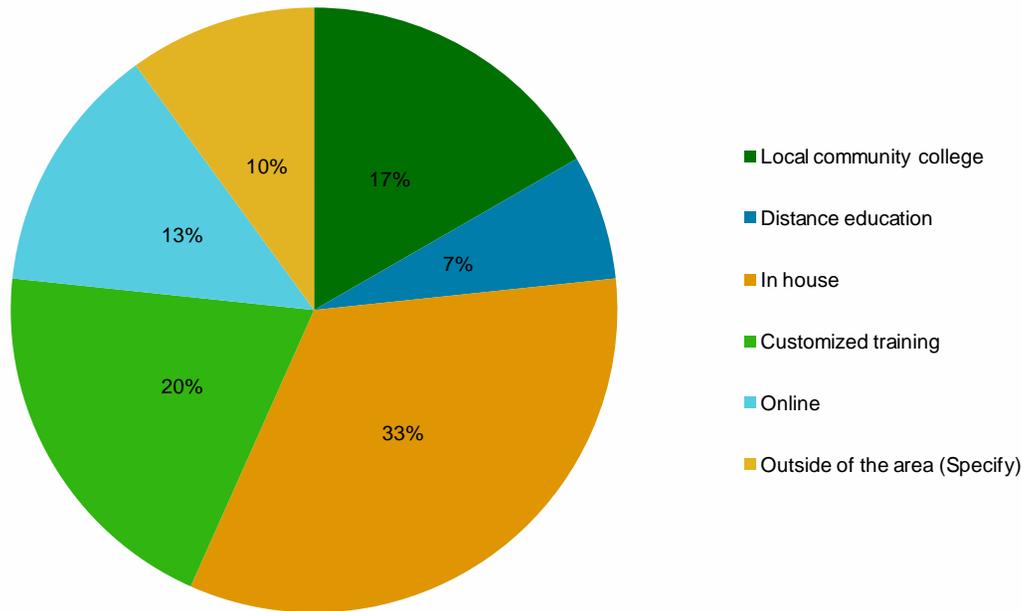


Figure 19 illustrates that in house training is the main method of training within the surveyed businesses. While in house training is still the predominant method there are several other options that employers are continuing to access. Some of the significant barriers to employees receiving the necessary training include cost, loss of productivity during the training period, the inability to release employees to training opportunities during working hours and the awareness of existing training programs available. Several businesses also expressed that the specialized training that they offer often requires them to send their employees to distant markets to gain accredited training. Management personnel were also required to obtain training typically off site at a distant education facility that offered management type courses. Several businesses acknowledged Fanshawe College and Mohawk College as typical management training locations.



3.8 Local Community

This section presents responses to questions regarding the community within which these businesses operate. The respondents were asked to list the advantages that the county provided for doing business. The top answers focused around these traits:

- Property Taxes
- Lack of Competition
- Location and Access to Transportation
- Friendly Environment
- Weather Conditions
- Pro-business
- Availability of Labour

The respondents were also asked to weigh in on the disadvantages of doing business in the county. The top answers focused around these traits:

- Lack of Connection Services
- Post Secondary Institutions
- No real growth
- Lack of training opportunities
- Local Suppliers are sparse

When asked what type of initiatives could mitigate the disadvantages that were identified many businesses responded that the attraction of related supply and services business and workforce planning with training opportunities would help continue the development of their business as well as the business environment overall across the county.



4 Summary of Key Themes

While the survey sample was small, participating businesses are positive about Elgin as a place to do business and are satisfied with their current location. Many of the businesses were locally owned and operated or headquartered in Elgin County and focused on the local or regional market. Businesses are positive of the future anticipating growth and expansion and the recruiting of additional employees to meet market demand or enter new markets. From the survey, it is possible to draw on a few key themes that lend themselves to recommended actions that could be taken by the County.

Positive Local Business Environment

Businesses are very positive in referring to their interactions with the County and as a place to do business. They feel that the County is quick and responsive to business needs and requests. Additionally, those surveyed receive most of their revenues from clients in Elgin or Ontario with little reliance on export/external markets. These local markets are strong with many businesses anticipating growth in sales revenue and planning expansions to their operations. All of this confirms that for the Energy and Environment sector, Elgin is an excellent place to locate and grow your business. While this doesn't necessarily inform additional services Elgin County would provide to local businesses but it does suggest there are stories and accolades to gather for use in the County's marketing campaigns.

Succession Planning

Many of the businesses interviewed are locally owned and operated family run businesses. Ensuring these businesses have succession plans is an important aspect of business retention with local, family run businesses. The survey indicated that 5 of the 11 businesses interviewed had succession plans. This suggests that additional support could be provided to ensure the continued operation of the business in Elgin County.

Networking and Mentoring

The businesses surveyed are an interesting mix with approximately half comprising businesses that have been in operation more than 25 years while the other half has been in business less than 10 years. In addition, firms were found along the Energy and Environment value chain and some firms indicated that expansion will bring new products and services to market. These realizations suggest there may be opportunities for increased networking of businesses within the County in the Energy and Environment sector. The networking could serve as a mentoring forum whereby more established business owners provide advice and ideas to newer businesses and businesses along the value chain have an opportunity to share ideas regarding product/service development. There may be opportunities to share resources and develop local supply chains in bringing new products/services to market.



Workforce Planning and Skills Development

While most businesses are currently satisfied with the availability and quality of the local workforce, there is a recurring theme throughout the survey that further workforce planning and skills development needs to take place. It was suggested that business expansion will lead to the need for additionally hiring and demand for skills training. At the same time availability of skilled labour was highlighted as a primary barrier to expansion. Workforce related issues such as productivity, workplace standards, availability of skilled workers and skills development all were seen as critical to business development. Suggestions were also given to the nature of training required including information technology capacity and computer software. Finally, while much training is done in house most employers access outside, online or customized training. The cost, distance and time lost for employees to attend this training are a barrier to accessing training opportunities. The County of Elgin along with local stakeholders and partners are already focused on workforce development and have completed a workforce development strategy. Clearly continued efforts in this area are critical to the success of local businesses.

Infrastructure

While the county is viewed as a good place for business, survey participants suggested additional infrastructure in areas such as water/sewer capacity and telecommunications would be helpful to businesses in the Energy and Environment sector. Extending water/sewer services throughout the county may be difficult and costly to implement and it might be worthwhile to seek alternative solutions to this infrastructure need. Telecommunications is an important aspect of business success in today's economy and the county should continue efforts to work with partners in extending broadband services throughout the county

Building the Local Supply Chain

Businesses surveyed are locally operated with local markets, yet many suggested the need to import input goods and services. While generic inputs are seen as being locally available, more specialized inputs are not. While the size of the local market might prohibit suppliers from locating in Elgin County, as more business visitations are conducted it might be worthwhile to further explore local needs and gain more information regarding what goods and services are needed by local businesses. This information could assist the County in their business attraction strategy. This aligns with the existing strategy to attract businesses to the county that will fill out the value chain of activities occurring within Elgin.

External Support for Research and Financing

Businesses surveyed also suggested access to financing was a barrier to expansion and product research and development was critical to business development. While there government programs available to assist firms in these



areas, local businesses may not be aware of these programs. The County of Elgin can assist in gaining and dispersing knowledge and awareness of these programs.



5 Recommendations

In line with the themes identified from the business visitation process, the following recommendations/actions are suggested for Elgin County:

- Continue to gather stories from local businesses for use in the County's marketing materials
- Work with other business service providers such as the Elgin CFDC to expand and promote succession planning programs in the county
- Further develop networking and business mentoring opportunities for businesses in the Energy and Environment sector to share ideas and resources along the value chain of activities
- Continue working with local partners in the delivery of the workforce development strategy with particular focus on skills training in information technology and software applications and marketing local employment opportunities to area youth
- Work with businesses in the Energy and Environment sector to develop new and alternative ways to provide access to water and sewer services
- Continue working with local area partners in extending broadband services throughout the county
- Seek opportunities for new business investment to complete the local supply chain, realizing import substitution opportunities and further developing the value chain of activities in Elgin
- Develop a database of government programs and offices that offer support to product research and development and market access and share this database with local area businesses
- Continue the business visitation program including other sectors and making efforts to draw correlations/alignment of themes across industry sectors

