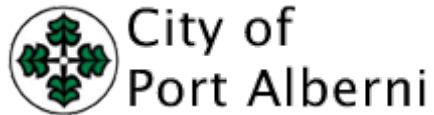


Business Pulse

Business Retention and Expansion Survey Results

2013



Survey Goals

Immediate:

- * Determine how the Business Community in Port Alberni was doing
- * Identify specific business difficulties & opportunities
- * Demonstrate commitment to address immediate concerns, within our mandate and resources

Longer Term:

- * Determine effective strategies to complement the business community
- * Strengthen Port Alberni as a “Place to do Business”
- * Work with the Chamber of Commerce and Community Futures to improve the business environment

Background

- * 721 licensed businesses in Port Alberni
- * 175 businesses (24%) interviewed between January and July, 2013
- * Interviews predominantly conducted in Lower Johnston and Uptown business areas
- * Merchant time and insight is recognized, important and appreciated

Business Life Cycle

- * 38% indicated primary product/service in growing, 35 % in maturing stage
- * 43% in operation for over 20 years, 16% at 10 – 19 years, 7% less than a year
- * 87% had no change in ownership in the past five years
- * 84% had no change in management in the last five years
- * 77% indicated no ownership change pending
- * 39% have current business plan
- * 87% had not identified a successor for their business
- * 75% had no formal succession plan

Workforce

- * Average hourly wage for skilled/professionals - \$23.69; semi-skilled \$15.22 and entry level employees \$11.44
- * 90% have no problems retaining employees
- * 75% not experiencing any recruitment problems
- * Skills sought by 25% experiencing recruitment problems were diverse ~ professionals, food/beverage and sales/retail workers
- * Workforce quality noted as 39% good, 23% fair and 25% poor
- * Workforce stability as good (62%)
- * Workforce availability 44% good, 21% fair and 22% poor

Sales Information

- * Annual sales for businesses that responded = \$117,776,000
- * 43% noted market for their product as stable, 38% increasing, 18% decreasing
- * 46% indicated market share was stable, 38% increasing and 14% decreasing
- * Next 3 – 5 years - 44% projected sales growth at 1 – 9%, 21% at 0% growth, 18% between 10 – 24%
- * 45% indicated historical sales trends had been increasing, 27% staying the same and 21% said declining
- * Total sales generated by top 3 customers, 15% noted 1 – 9%, 15% at 10 – 25%

Facility Data

- * 48% of the interviewees owned their facilities, 52% leased
- * 21% of leasing respondents had terms remaining of over five years, 26% at 3 – 5 years, 24% at 1- 2 years and 29% less than a year
- * 70% of the business owner/operators indicated that they were planning on renewing current lease
- * 50% rated condition of facilities as excellent, 36% rated as good
- * 85% rated the condition of their equipment as excellent or good
- * 41% of businesses said there was room for expansion at their site, 29% said there was no room for expansion

Expansions Plans

- * 35% have plans to expand in the next three years
- * 85% of those planning to expand said it would be in Port Alberni
- * 57% said current site was adequate for proposed expansion
- * Projected total investment in expansion plans is \$1,045,000
- * 49% of (the 35% who plan on expanding) were planning to expand in 1 – 3 years, an equal amount plan to expand in less than a year

Expansions Plans Con't

Major expansion constraints:

- Identifying and accessing new markets (29%)
- Finance (22%)
- Lack of stable premises (21%)
- Lack of skilled staff (13%)

84% had not approached local / provincial / federal government or business development organizations to discuss plans

Government Services

Inspection & Licensing

- * 73% rated the service as good, 10% excellent

Development Approval Process

- * 69% said the development process was good, 11% rated the process fair

Building Availability

- * 60% said availability of buildings for lease / purchase was good, 14% as fair

Appropriately Zoned Land

- * 68% rated it as good, 12% rated it as fair or poor

Government & Taxes

- * Almost evenly split between good (30%), fair (32%) and poor (28%)
- * 22% rated the local tax structure as good, 33% fair and 34% poor

Economic Development

- * 55% rated economic development as fair, good or excellent, 41% poor

Community Amenities

Cultural / Recreation and Housing

- * 41% rated the cultural/recreational amenities of the community as excellent while 44% rated them good
- * When it came to housing, 53% rated the subject as good, 29% rated excellent

Education

- * 42% rated K to grade 12 education system as good while 14% said it was excellent and 13% fair
- * 48% rated the colleges/universities in the community as good, 24% had no opinion
- * 43% rated technical training in the community as good, 31% had no opinion

Business Climate

- * 42% rated the local business climate as fair, 29% as good and 26% as poor
- * 41% said the local business climate today is worse than 5 years ago, 28% said better, 23% reported no change
- * 75% forecast the local business climate 5 years from today will be better, 17% thought no change

Community Strengths

As a Place to do Business

1. Affordability
2. Location, lifestyle, environment and recreational opportunities
3. Friendly, loyal, small community committed to supporting business community

Other Supporting Strengths

- * Determined business community
- * Good base of products and services
- * Safe community
- * Limited competition / captive audience
- * Good access to labour
- * Personal customer service provided by many merchants

“Everything is here and we are on the verge of greatness”

“Why wouldn’t someone want to live here?”

Community Weaknesses

As a Place to do Business

- * Negative attitudes, poor reputation outside community, old time thinkers and change resisters
- * Proximity to other markets and out of town shopping
- * Appearance of community / lack of beautification strategy
- * Too many economic / business areas
- * Low population / lack of customers
- * Derelict and empty buildings
- * Economics, few high income earners, unemployment / limited job opportunities
- * Municipal taxes / no tax incentives, city hall closed to ideas, slow in application processes, red tape and regulations
- * Lack of specialty businesses and / or diversity creating need for shopping elsewhere
- * Transportation and access to support inbound shoppers

Port Alberni Waterfront

Survey Addendum

“What barriers exist that stop people from taking advantage of the Waterfront?”

“What activities or amenities could be added to the Waterfront to encourage more business from the travelling public?”

Trends emerged:

- * Signage and awareness / Image and location / Closeness to mill / Aesthetics ‘en route’

On site:

- * Lack of parking / RV parking / Stores need to keep consistent hours / More and better retail shops / Safety / “Clean it up”

Chamber of Commerce

Survey Addendum

“What can the Alberni Valley Chamber of Commerce do to improve your business?”

- * Market and Promote the community
- * Beyond tourism attraction, merchants seeking a holistic approach to marketing to support all elements of the business community
- * Education and communication on business support services in the area of Chamber benefits and the value / importance of shopping locally
- * Maintain the Ambassador Program

Theme and Direction

Themes resonated from our merchants ~ these themes
have created a

Top 10 to Tackle List

Top 10 to Tackle

In Alphabetical Order ~

1. **Attitudes:** Potentially the most significant obstacle to growth, attitudes within the community topped the list of barriers
2. **Beautification:** Dedication to beautification from the entrance of the community and throughout is high on the list. Look good, feel good, be proud
3. **Business Succession:** Many business owners are nearing the end of their working careers yet have no plans to exit
4. **Business Training:** Electronic Media and Customer Service to compete with competitors and attract / retain customers
5. **Employee Attraction:** Many professional services have identified a recruitment problem and this issue is expected to continue

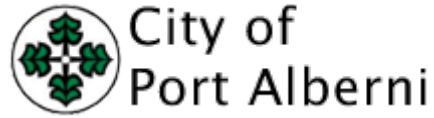
Top 10 to Tackle

6. **Quay Improvements:** Parking, retail / event offerings, aesthetics, consistent hours of merchant operations and signage to get there
7. **Marketing and Promotion of our Community:** Tell the world how great Port Alberni is – Improve Port Alberni's Brand
8. **North Port / South Port:** All areas of community to be considered equally
9. **Second Highway:** Top of the shopping list is a second highway to help all aspects of the economy
10. **Taxation / Tax Incentives:** Monitor and use them to support business

Our Commitment

- * Identify what we can do, within our respective mandates and resources, to address each of the Top 10 to Tackle
- * Engage individuals and agencies in creating an environment for success of the business community
- * Report out monthly on our progress

Thank you



Most especially, to the Merchants of the Community...
your time & insight is greatly appreciated

For full survey results and to follow our progress please visit:
www.portalberni.ca