



SMALL BUSINESS BEAT

**Helps Build
a Strong
Ontario**

IMMIGRATION

Each year, Ontario welcomes up to 140,000 newcomers—more than half of all immigrants to Canada. They arrive from every corner of the world; setting down roots, contributing to communities, raising families, building businesses and careers. They play key roles in the development of Ontario's economy, culture and society. And they stand in the footsteps of millions of immigrants who have gone before them and who helped shape this province and this country.

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Build a Strong Ontario**

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FAST FACTS: Immigration

→ **13.4 million**

Canada has welcomed a total of 13.4 million immigrants since 1901

→ **70%**

More than 70 per cent of adult newcomers to Ontario have some post-secondary or skills training, many in high demand professions and occupations.

→ **3,642 business immigrants**

In 2005, Canada admitted 3,642 business immigrants (principal applicants only), 32.5 per cent of whom were destined for Ontario.

This breaks down to:

- Investors: 2,590,
- Entrepreneurs: 751
- Self-employed: 301.

- In 2001, Canada's population included 5.4 million people (18 per cent) who were born in other countries and were permanent residents of Canada. Of these, more than 3 million resided in Ontario, accounting for 27 per cent of the province's population.
- About one million of Ontario's foreign-born population arrived between 1991 and 2001. These individuals accounted for nine per cent of the population.
- Of these one million newcomers: 58 per cent came from Asia, including the Middle East; 20 per cent from Europe; 15 per cent from the Americas, including the Caribbean; and seven per cent came from Africa.
- Among OECD countries, Canada ranks as one of the major immigrant-receiving countries – along with Australia, the United States and New Zealand.
- In 2005, 262,236 permanent residents were admitted to Canada. Ontario welcomed 140,533; of those, 112,790 settled in Toronto.
- Of the total 140,533 newcomers to Ontario, 79,562 arrived as economic immigrants, which include skilled workers and business immigrants and their families.
- Immigrants who landed in Canada during the 1990s, and were in the labour force in 2001, represented almost 70 per cent of the total growth of the labour force over the decade.
- Skilled workers make up the lion's share of immigrants to Canada, accounting for 51 per cent of total landings in 2005.
- In 2005, the top three source countries for business immigrants (principal applicants only) to Canada included:
 - Investors: China (57.8 per cent), Taiwan (9.1 per cent), Korea (8.7 per cent)
 - Entrepreneurs: China (18.8 per cent), Korea (18.8 per cent), Iran (9.2 per cent)
 - Self-employed: The Netherlands (11.3), Taiwan (9.6 per cent), Korea (9.3 per cent)



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“Ontario is indebted to generations of hard-working immigrants,” says Harinder Takhar, Minister of Small Business and Entrepreneurship. “As skilled workers, business owners, entrepreneurs and good citizens, immigrants have been crucial to building our province. We look forward to welcoming many more newcomers in the future – to add to our rich cultural mosaic and further propel our province’s growth and prosperity.”

Canada has three major classes of immigration. These classes correspond broadly to economic, family reunification and humanitarian objectives. Most immigrants (55 per cent – 60 per cent) arrive through the economic channel, which includes categories for skilled workers and business immigrants. These individuals are selected for their ability to contribute to the economy. Canada is currently facing the dual challenge of an aging population and declining birth rates. Immigration is vital to ensuring the population continues to grow and economic prosperity continues to rise. This year, Canada plans to admit 240,000 to 265,000 new permanent residents, an increase of 5.2 per cent over the 2006 target.

“In a global economy, we need to attract the best if we’re going to compete with the best,” says Takhar. “Immigration is one of the pools from which we draw.” Statistics Canada’s 2006 census shows that the population grew by 5.4 per cent to more than 31.6 million between 2001 and 2006. This equates to 1.6 million new Canadians over five years. Of these, approximately 1.2 million were immigrants; more than 600,000 settled in Ontario – primarily in the Toronto area.

Ontario is innovative in its approach to attracting newcomers. A comprehensive plan “*Breaking Down Barriers*,” helps internationally trained professionals and tradespeople to have a successful experience. The government works equally hard to attract business immigrants; offering numerous services to encourage investors, entrepreneurs and self-employed persons to choose Ontario, establish a business and create jobs.

“Ontario needs the talent and dynamism that newcomers bring,” adds Takhar. “The contribution that new Ontarians have made and continue to make is incalculable – from building a multicultural, innovative and globally-connected business community, to providing the skilled workforce that attracts investment and jobs. Each new arrival is welcome. Our government applauds the tradition of immigration in Canada, and all those who have made Ontario their home and have contributed so much.”

Minister’s Message



Ontario has been built and enriched by immigrants. For generations, people have come to our province seeking opportunities and a better future for themselves and their families. In return, Ontario has benefited from their unique skills and experience.

Today, Ontarians originate from over 200 countries and speak more than 100 languages—and each year up to 140,000 newcomers set down roots. This vibrant, multicultural society is a tremendous source of strength and pride to us all. This diversity also gives Ontario a competitive edge in the global economy.

This issue of *Small Business Beat* focuses on immigration. We look broadly at the positive impact of immigration on our population and economy. We look at programs and initiatives our government has put in place to help skilled workers and business immigrants settle and succeed. We recognize that many of Ontario’s 340,000 small and medium-sized businesses have been built by newcomers who create jobs and contribute to the economy—and we profile three success stories.

As a first-generation immigrant and entrepreneur, I salute all those who have embraced the challenge. And I am proud that our government is committed to ensuring immigrants, and all of Ontario’s diverse groups, participate fully in our society and economy.

I’m very pleased that my ministry has developed a new easy-to-use website and our *Ontario Program Business Guide* will be of great use to business owners. The *Guide* provides information on a growing number of provincially and federally funded programs that support small and medium-sized businesses, all on one user-friendly site. Your success is Ontario’s strength. We’re focused on helping you succeed.

Harinder S. Takhar

Minister of Small Business and Entrepreneurship

Helping Business Immigrants

> Realize Their Potential

Entrepreneurs from around the world who are interested in starting a business in Ontario have an important resource they can turn to for help: the government's Business Immigration Section.

"Business practises vary from jurisdiction to jurisdiction," explains Larry Hynes, Manager of Business Immigration for the Ministry of Economic Development and Trade. "We're here to help enthusiastic people with solid backgrounds in business and the necessary financial assets understand their options and guide them through the process of establishing themselves here."

The Business Immigration Section offers a complete range of services, from information on how to apply to immigrate to advice on business establishment issues and options to networking opportunities.

Steve and Nicola Wedge, who were operating successful day care centres in Wolverhampton, England, contacted the Section when they decided to make the move to Ontario.

"They provided us with a lot of valuable information on doing business in Ontario," says Wedge. He and his wife are now the owners/operators of Pluto Day Care in Kitchener. They have two centres with a total of 150 spaces and 28 staff.

"We recommend prospective business immigrants start by making an exploratory visit to Ontario to learn more about how business is done here, as well as what it's like to live here in terms of lifestyle, education, health care and social conditions," says Hynes. "We also suggest they attend one of our information seminars to find out more about business opportunities across the province and how we can help them."

For recently arrived business immigrants, the Section offers Doing Business in Ontario seminars. Presented in a number of languages, the one-day sessions cover issues such as banking, accounting and taxation and immigration. They also give recent business immigrants an opportunity to meet each other and share ideas, issues, and successes.

And to expose business immigrants to various communities, the Section also sponsors familiarization

(FAM) tours with municipal partners. The tours showcase different communities and the business opportunities available.

The Section also offers the Passport to Business Success program. An ongoing initiative developed by the Ontario government in partnership with the federal and municipal governments, it helps business immigrants access a wide range of services to help establish their businesses and settle their families, including networking/information sessions, seminars and business forums.

"Passport to Business Success is aimed at helping ease the transition for new business immigrants, both personally and professionally," says Hynes.

Mario Toyotoshi, President of Toyotoshi Group Canada, found the Section's services so helpful he offered to be a guest speaker at a Doing Business in Ontario seminar. Originally from Paraguay, Mr. Toyotoshi had set up branches of the family business in France and Puerto Rico before making the move to Ontario in 2004. Today, he has two successful car dealerships and will soon open a third, all in Mississauga, with more than 200 employees.

"The Business Immigration Section was instrumental in helping with all the issues around business immigrant status," says Toyotoshi. "I'd recommend any serious business immigrant access their services."

Says Mr. Hynes, "Our goal is to help business immigrants be successful because we all win when they are."



For more information visit:
www.2ontario.com

Sona Computer Inc.

The year 2007 is shaping up to be a banner year for Xuening Chen.

↑
SARS



It began in late December 2006, when Mr. Chen, President of Sona Computer Inc., sold his successful IT company to the Process Technology Group, a move that took his Ottawa firm public and helped raise the capital to take it to the next level.

Then, in April 2007, Mr. Chen was named the Most Progressive Chinese Canadian Entrepreneur of 2006 by the Association of Chinese Entrepreneurs.

It's the stuff of dreams for Mr. Chen and he's enjoying every minute of it after the work and sacrifice of the last 27 years.

Mr. Chen arrived in Canada from Canton, China in 1980 on a foreign student visa. But he was determined to stay in the country—and make his mark.

When he graduated from York University in 1985 with a double major in chemistry and computer science, he became the first employee at fledgling SDT Computers.

"Coming from a research background it was a great experience because I got to see a computer business built from the ground up," says Mr. Chen.

From SDT, Mr. Chen moved on to Bell Northern Research where he was a software developer, but after three years he knew he wasn't cut out to be an employee. He wanted to create his own company.

"I convinced a friend to come on board as my partner," says Mr. Chen. "I had the technical skills and he had the sales ability, so I thought we'd make a good team."

They pooled their resources and with \$9,000 in savings, they started Sona. It began as a computer retail business building PCs to order, and it did well, but Mr. Chen saw that big suppliers like Dell, IBM and HP were taking over, so within a few years he refocused the business to providing IT solutions. He also brought in another partner to help with sales.

Sona's client list began to grow, and over the next decade, it became one of Ottawa's top IT firms—and one of the top six preferred suppliers to the federal government, providing a comprehensive line of services, including IT to business process integration, software development, and enterprise IT support services.

What has been key to Sona's success?

"Partners," says Mr. Chen without hesitation. "They're particularly important for business immigrants who often find themselves with limited social foundation and language skills and few financial resources. My two partners were instrumental in my success."

Equally important has been the ability to anticipate the market and adapt to it, to work hard and put substantial earnings back into growing the business.

What's next for Mr. Chen? He is still President of Sona, which is now a public company, and he is looking forward to the next phase of growth.

Website: www.sona.ca

Ontario Location is **BEST BET** for Banner Display Company

When a U.K. portable banner display manufacturer was looking for a location to serve the North American market, Ontario emerged as the clear winner, with the lowest business costs and greatest market potential.

After setting up a business in North America over a two-year period, Peter Muller had just returned to his native United Kingdom when the call came: would he help Dimensions UK founder Michael Dowd set up an operation to serve a growing North American market?

Dimensions is a design-led manufacturing company that designs, manufactures and markets a wide range of portable banner and interior graphic displays. Custom printed on fabric, the displays are lightweight and can be easily assembled in minutes. Clients range from major corporations to art galleries and church groups. Muller's first task was selecting the right location.

"It was quite easy to make a short list of locations," says Muller. "Our business is dependent on trade shows and conventions, so our four preferred locations were New York City, Chicago, Las Vegas and southern Ontario. But start-up costs in the U.S. cities were 2.5 to 3.5 times higher than in Ontario. And our research showed that Ontario has the fastest growing amount of trade show activity in North America."

Now established in Markham, Ontario, Dimensions Displays Ltd. has four employees and several contractors supplying design, printing, and mechanical services. Exports account for about 70 per cent of sales.

"The people at (MEDT's) Ontario Business Immigration were particularly helpful to us," says Muller. "I had some delays with paper work, and one phone call later things were sorted out. They also pointed me in the right direction to take advantage of the SR&ED research tax credits to help develop new products."



Best in Show: Peter Muller with his Exhibitor 2007 award. Back-lit with LEDs, the new D3 system has an ultra slim light screen and includes literature and product display racks.

Those new products are already very well received. Muller recently returned from the Exhibitor 2007 show in Las Vegas, where the company won the Buyers' Choice Award for its new D3 display system.

"The purpose of these displays is to get people to stop and look at what an exhibitor has to offer," says Muller. "And we proved that the D3 system can do that. It has a great "wow" factor. More people stopped at our booth on the first day of the conference than for the entire show last year."

Building on the company's successful concept of using printed panels in display systems, the D3 adds built-in LED lighting that gives it the "wow" factor that draws sales prospects to the exhibit. Muller, who proudly became a Canadian citizen last year, does his best to help other business immigrants get established in Ontario.

"I've helped out with government presentations to groups of business immigrants," he says. "And I've spoken with journalists from Europe on business press tours here. Ontario is a great place to do business, and I like to spread the word."

Website: www.d4displays.com

APD Printing:

With Opportunity Comes Competition

Six years ago, the Perez family emigrated from Venezuela, established a home and APD Printing Inc. Today, their business is thriving with an estimated \$1 million in revenues by end of 2007. While that's double the volume after buying a new press last year, it's not good enough for Luis Perez, the company's general manager. He wants to grow even faster, "so we can serve our customers better."

Explains Perez: "We want to reinvest as much as we can in people and marketing. It's the only way we can overcome our daily problems."

"Say a customer needs a brochure in 24 hours. We can do that, but it means delaying someone else, which is usually not a problem. But if we were bigger, we would have more people, more press shifts and a rush order would mean only an adjustment in our schedule."

Luis and his father, Gregorio, president of the family firm, owned a small printing business in Venezuela before immigrating under the federal Entrepreneur Program. None of the family had been to Canada before, and they chose Toronto because "of its size and its opportunities."

They realized quickly that with opportunity comes competition. Sometimes, stiff competition. The family first settled in Markham where they had a friend. "In printing, it has the most competition in the GTA," Luis Perez says.

Initially, they needed to adjust to Canadian business practices—which are quicker and more Internet-based than in South America. "The biggest hurdle was learning the language, especially the printing terms," says Perez.

In 2002, they moved to Milton, just west of Mississauga, rented a 1,000 sq. ft. facility and bought a two-colour press. After a year, they traded up for a four-colour operation and hired their first employee, a press operator.

When APD bought its current modern press, it moved to a 5,000 sq. ft. location and now has one part-time and three full-time employees outside the family. Luis's younger brother, Yessid, a recent Sheridan College graduate, is the company's marketing manager. Often, the family puts in 10 to 12 hour days, seven days a week.

"Ontario is a great place to do business," says Perez. "You have access to supplies, labour and customers. You're close to the U.S. and can do business there." Indeed, U.S. exports, obtained through their website and Internet advertising, account for 10 per cent of APD's revenues.

When the family moved to Milton, one of the first places they visited was the Chamber of Commerce. APD acquired more than just information about local business. Now, the company produces the chamber's magazines and tourism booklets, among other items.

Says Andrea Boyle, membership and administrative co-coordinator for the chamber: "They always put out a great product."

Luis Perez
of APD Printing



Website: www.apdprinting.com

New Website Is Your **One Stop to Success** for Small Business Owners

Operating a small business in Ontario just got easier. Ontario's Ministry of Small Business and Entrepreneurship has launched an enhanced website that links business owners with the government information and services available to help them reach their goals.

"This is a one-stop shop that provides everything entrepreneurs need to know to build a successful business," says Harinder Takhar, Minister of Small Business and Entrepreneurship. "Business owners across the province have told me that Ontario is *the* place to run a business. However, they've also told me it can be time-consuming to gather the information required to get ahead. My ministry has brought that information together. We've performed major upgrades to our website to make the day-to-day job of running a business easier."

Entrepreneurs can now turn to the ministry website at www.sbe.gov.on.ca for a wide range of information, including:

- A link to many Ontario government forms for business. Entrepreneurs can find the forms they need on-line, in one spot instead of having to gather them from multiple sources.
- Information on key business topics, including financing and exporting.
- Links to small business resources such as the Regulatory Registry, which contains details on the Government of Ontario's regulatory proposals for business as well as new regulations recently approved.
- A special section on youth entrepreneurship.
- Links to key publications, including Ontario's *Small Business Beat* newsletter and Leading Growth Firm reports.
- A spotlight archives page, which highlights recent feature stories.

The website also contains the ministry's new on-line *Ontario Business Program Guide*, which provides bilingual access to a number of federally and provincially funded programs. Programs covered in the guide cross a range of categories including education, financing, training and tax credits, and will be updated on a regular basis. This guide is also directly accessible at www.ontario.ca/businessprograms.

"Our new one-stop website assists Ontario's businesses from new start-ups to established, high-performance firms. It provides entrepreneurs with connections to the people and resources they need in order to improve business competitiveness, productivity and profitability," says Takhar. "It is also one more way in which our government is working to help entrepreneurs build and strengthen the small and medium-sized enterprises that are the backbone of Ontario's economy. We are reducing obstacles to success. Our government is committed to helping the small business community thrive!"



ONTARIO SMALLBUSINESSBEAT

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The focus of this newsletter is on business—successes, news, trends, opportunities, challenges and issues affecting Ontario's small and medium-sized business climate. Information is drawn from ministries and agencies across government and from other public sources believed to be reliable. All efforts are made to ensure timeliness and accuracy.

La version française du *Ontario Small Business Beat* est disponible sous le titre *Coin des petites entreprises de l'Ontario*.

We want to hear from you.

Comments and contributions are welcomed. Please write us by mail, fax or e-mail.

