



THE GWAII VISION

PROMOTING ISLAND SUCCESS

September 2009

COMMUNITY ENTERPRISING IS GOOD FOR LOCAL ECONOMY

The tables are laden with bright apricot coloured chanterelle mushrooms at the Haida Gwaii Local Foods Processing Co-op's headquarters in a large warehouse at the west end of Queen Charlotte.

General manager Lynda Dixon and foreman Michael Muller are sorting through hundreds of the choice wild mushrooms getting a fresh order ready for Biovia, a company that distributes organic products to high-end restaurants in the Lower Mainland.

The Co-op, which started in 2006 with the help of a \$150,000 equity investment from Haida Gwaii Community Futures and a further \$50,000 investment from Vancity Capital Corporation, has been busy developing products using an innovative microwave drying technology developed at the University of British Columbia.

The aim of the Cooperative is to create local employment and ensure that wild food resources, (mainly mushrooms for now), are harvested sustainably with local benefits, says Dixon. Only members are able to sell mushrooms to the co-op and in return the co-op guarantees to pay at least \$2.50 a pound.

The burgeoning co-op knows it has a good product. They sell to Edible BC, an artisan food store on Granville Island offering gourmet products from around the province. "They are very excited about the dried mushrooms," says Dixon. She also rode in the Biovia delivery truck last year as it made its way to the kitchen doors of some of Vancouver's most renowned chefs. They had a potato salad made with vacuum microwave dried mushrooms on board and one taste was enough to pique interest, she said.

But developing a product with such a new technology has been a slow process.

The dryer presented the first challenge. Mueller explains that when the dryer first arrived, they found that the basket could only hold five pounds of mushrooms. This would reduce to two pounds as the water content was whisked away during the process, meaning that in an eight-hour shift, only a minimal amount of product could be made.



"We did three years of experimenting and research to get the machine to produce in quantities," says Dixon. Thanks to some funding help from the Investment Agriculture Foundation and the Industrial Research Assistance Program, they've increased the capacity of the machine 10 times by changing the basket design. They've developed other innovations to make the technology more user-friendly too, like increasing the capacity of the conveyor belt air dryer and increasing refrigeration capacity.

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HAIDA GWAII COMMUNITY FUTURES

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MESSAGE FROM ART LEW

Did you know that almost 200 jobs have been created or maintained on the islands with the help of Haida Gwaii Community Futures? Over the last 11 years, our mission continues to be about supporting entrepreneurs and helping create a sustainable economic future for Haida Gwaii. This means mentoring those who want to start businesses and helping them find the right financing. To do this we either provide loans when traditional sources are not available or work with our clients to be successful with financial institutions.

Over the last decade or so, we've given out 71 loans to community members worth a total of \$1.7 million. Not only that, but Islands' entrepreneurs have leveraged those loans to the tune with \$1.1 million. We've helped 20 local businesses receive \$1.5 million in financing from other financial institutions and we've worked with local organizations and businesses to facilitate bringing \$2.5 million in Community Economic Adjustment money to the islands. We also help those who are looking for mentoring or coaching in business or looking for ways to connect with resources they need to make their dreams come true.

That said, with the current recession and challenging economic times, local businesses are finding themselves in difficult situations.

Here are some of the challenges islanders face:

- Shutdowns in forestry have eliminated many direct island-based jobs, not only affecting forest workers and their families, but all those businesses that provide services to them as well.
- Tighter restrictions on dumping fish processing waste and lower quotas for fishermen mean uncertainty in this sector as well.
- Farm gate sales of meat, eggs and other products are challenged by tighter regulations.
- Our seasonal tourism industry relies on those with disposable income making their way to the islands. With transportation costs rising, visitors may find this challenging.
- Local real estate prices have increased as province-wide demand for retirement and recreational properties increases.

But each of these challenges bring new opportunities as well:

- In forestry we can add more value to the forest resources creating new jobs and economic activity.
- Fish waste can be composted creating a new product for on-island and off-island sales.
- The Haida Gwaii Local Foods Processing Co-operative is researching options for developing local products and the Farmer's Institute is looking for opportunities to help remote areas solve the slaughterhouse issue.
- Eco-tourism and cultural heritage tourism are more popular than ever and the Haida Heritage Centre in Skidegate, Tluu Xaada Naay Centre in Old Massett and attractions of Gwaii Haanas are major assets.
- Groups like the Haida Gwaii Higher Education Society are finding ways to bring long-term guests (in this case university students) to the islands.
- Rental property development or home starts could increase the real estate market.

Our business people are resilient and maintain a spirit of optimism for the future. Our natural resources, cultural diversity, environment, connectivity to broadband and proximity to the Prince Rupert container port are strengths that can be the source of renewed and sustained vitality for Islanders for years to come.

WHO WANTS TO BE AN ENTREPRENEUR? MAYBE YOU!

An entrepreneur is a person who owns an enterprise, or venture, and assumes significant accountability for the inherent risks and benefits.

The Gwaii Vision asked two local entrepreneurs why they do what they do.



Don McNeice, Sandspit

Don owns Bridgeview Marine, a complete sales and service marine facility for commercial or pleasure boaters. Known as a “go to” guy, he’ll take care of everything from running the forklift to high financing. He’s been running the company since 1978 and has three locations in Vancouver/Delta, Prince Rupert and Sandspit.

Why are you an entrepreneur?

I couldn’t work for anybody else — that and the guy that originally got me into the marine business went broke, so I went out on my own.

How long did it take to get established?

I had already built a customer base and now I have 70 employees at three locations. I started in Surrey and then got a bigger location in Surrey and bought other businesses out. The more I worked, the bigger it got and it hasn’t really stopped.

What’s your biggest success?

We supply a good portion of the sportfishing lodges on the coast with their engines and boats.

What’s the biggest challenge?

Financing and making sure everyone pays you.

Any advice for would-be entrepreneurs?

Keep friends as friends and business as business.



Mike Meegan, Queen Charlotte

Known as the Best Little Lurehouse on the Islands, Meegan’s Store in Queen Charlotte, which sells everything from fishing gear, bait, rubber boots, hardware and sushi sets, has been an island institution for the last 30 years. Mike first arrived on the islands as the manager of the BC Packers plant in Skidegate Landing and decided to include a supply depot for the fishermen so they wouldn’t have to go all the way to Prince Rupert for lures and line. After 12 years with the company he struck out on his own.

Why are you an entrepreneur?

I don’t see myself as an entrepreneur. I’m an accidental shopkeeper.

Did you expect to be a store owner?

No, it wasn’t anything I ever aspired to be.

Why do you do it?

It’s taught me lots and I like it. I do it different than most people. I make sure I have my free time. But part of it is habit. I’m not sure what else I’d do.

What do you like the most about being in business for yourself?

Having a feeling of belonging in the community is the most rewarding. It’s easy to be on the fringes of society, but the store allows me to be part of a bigger picture in the community.

Any advice for those getting setting up their own shop?

Pick something to suit your lifestyle so the business doesn’t end up owning you. A lot of people don’t realize how much dedication it takes. And hire people who are smarter than you! Also, if opening a store, the first thing I’d tell someone is to computerize it regardless of how big it is!



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They've also been working on automating the process. For example, says Muller, the microwave dryer now has an automatic shut off, so if the motor stops working for some reason, the machine automatically shuts down. This innovation can be credited to the fact that a microwave engineer lives next door, he said.

All winter they've practiced and perfected the drying process on button mushrooms bought from the store and now they're ready for wild mushrooms to roll in. The co-operative focuses on chanterelles, but pudgy boletes and chicken of the woods, a bright orange fungus that grows on dead trees, are of interest as well.

Muller slices one of the shelf-like fungi to reveal a lighter "chicken" coloured interior. He says they're experimenting with drying long slivers that show off the multi-colours and would look nice with noodles.

They've experimented with sea asparagus, berries, nettles and aromatic herbs and with the help of Kiku Dhanwant, who is looking for markets for wild food resources thanks to a Coast Sustainability Trust

grant and the Industrial Research Assistance funding, they're working on recipes for rubs and other dried mixes. Muller holds up a bag of chanterelle flakes and notes that they work well as a crust on halibut. A mushroom powder is a great addition to soups and sauces, he says.

Meanwhile, they continue to sort through the chanterelles. The dense number one choice buttons may be the most desirable in the fresh market, but they don't do as well in the dryer, says Dixon. That's why they are keen to fill this Biovia order in a satisfactory manner — it will provide another lucrative market, essential for bringing in much needed revenue this year.

As they chase down a way to get the mushrooms to Masset to meet the outgoing airplane, transportation becomes yet another bump in the road.

"There are challenges to running a local business on the islands," says Dixon. But just then an unexpected visitor walks through the door. With his input and a few more phone calls a "made on the Islands" solution is found, one that requires flexibility and co-operation, key traits for ensuring this local enterprise's success.

WHO ARE WE?

Community Futures organized in 1998 to serve all parts of the islands. Our mission is supporting entrepreneurial spirit to create a sustainable economic future for Haida Gwaii.

We offer services in three key areas:

We provide guidance, coaching and mentoring to businesses in their planning and operational decision-making. We assist businesses find the right financing package to bring their plans to reality. We provide business financing where other traditional sources are not available.

We support community economic development activities throughout the Islands to help build the foundations for a vibrant and resilient Islands' society that has the capacity to create and maintain a sustainable Islands economy.

We provide services to assist individuals in developing their careers and employment opportunities by providing job-counseling identification of training opportunities, sourcing training funds and writing resumes.

Results

- Improved business environment
- Financing businesses
- Comprehensive training and coaching available to support business success
- A vibrant and resilient Islands Community through accessible and effective education programming
- Skilled workforce
- Improved literacy
- Decreased unemployment
- Sustained population levels
- Strong partnerships with essential partners.

THANKS TO OUR BOARD OF DIRECTORS!

We have space for eight board members with 50 percent coming from the Haida community and 50 percent from the other islands' communities. The local governments nominate board members and for two of the Haida positions, the board makes the nomination.

Board Members

Marlene Liddle, Chairperson, Haida north island representative

John T. Jones, Old Masset

Lareina Grosse, Masset

Brock Storry, Port Clements

Eddy Russ, Skidegate

Brian Charman, Sandspit

Vacant, Queen Charlotte

Vacant, Haida south island representative