

Our Own Vision – Our Own Plan

*What six First Nations
organizations have
accomplished with
their own economic
development plans*

Editor John McBride

Our Own Vision—Our Own Plan



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Chief Clarence Louie



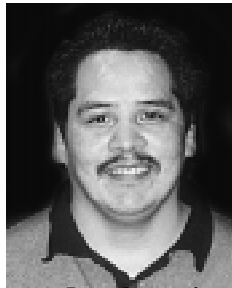
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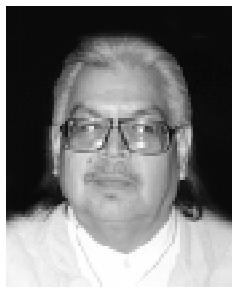
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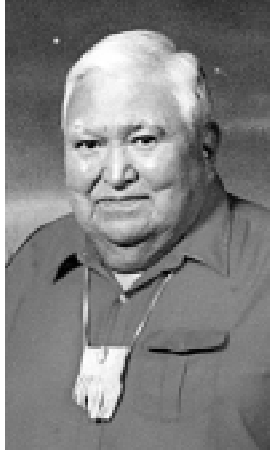
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“We work hard because we have respect for those that have gone before us, how hard they worked for us to have a healthier tomorrow. We do it for those we love.”

*—Bob George, Elder at the conference,
Tisleil-Waututh Nation*

Introduction

This conference was initiated and hosted by the B.C Economic Development Working Group, made up of Aboriginal people representing different regions of the province. The group has been working with Indian and Northern Affairs Canada to improve delivery of economic development programs in BC, by making those programs more efficient, effective, and responsible to communities. The conference focused on what Aboriginal communities and organizations accomplished when they pursued their own ideas, in their own way.

This report provides summaries and contact information for the six Aboriginal economic development success stories presented at the conference. Each of the organizations reported on here has succeeded on its own terms. Three are communities, from different regions of the Province and with different sets of opportunities. Each has taken its own road. The other three case studies report on organizations providing business development services or promoting Aboriginal business. Although each community and organization has its own distinctive approach, they have the following beliefs in common:

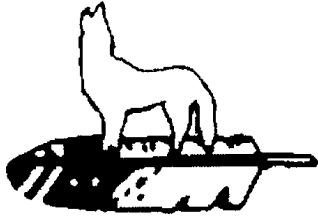
- They believe economic development is a way out of poverty. Not only can Aboriginal people develop businesses to create jobs and wealth in their communities, they can put behind them the dependency on government, and increase control of their own future.
- They are convinced that Aboriginal people have control, can choose independence and achieve sovereignty. It is this control which makes economic development successful. In the words of conference facilitator Gary Merkel, “we need to make the decisions ourselves. Our own vision: our own plan.”
- They state that First Nations must work to make Aboriginal businesses successful. They say they have to create the right business climate and business supports, hire the talented people who can do the job, form partnerships and take risks where necessary, and keep a business focus so they can compete with other businesses.

- They agree that First Nations must cultivate leadership and efficient administrative systems so they can do business effectively. They say that politics must be separated from business wherever possible, and offices must run smoothly so they can serve all members or clients.
- They also agree they are doing this for the preservation of the culture and the community. They say through economic development communities will provide for the health, social services and education of their people.

The presentations at this conference of six Aboriginal economic development success stories mark a new beginning. It is not that there are six success stories: there are many more than six success stories. It is that First Nations leaders in community economic development are beginning to focus on the successes that contribute to Aboriginal community health and strength.

The organizations reported here have taken power, made decisions, and achieved success. The case studies demonstrate that successful Aboriginal economic development requires decision making to be in the hands of the communities. In the stories that follow, we have tried to capture for you the thinking of these economic development leaders and their accounts of how they have succeeded. We hope you will find inspiration and gain confidence from their stories.

John McBride
Editor



Osoyoos Indian Band

*Working with business
to preserve our past
by strengthening our future.*

Presenters

Chief Clarence Louie

Chief of the OIB, and President of the Osoyoos Indian
Band Development Corporation (OIBDC)

Chris Scott

Chief Operating Officer of the OIBDC

Band statistics

Population: 375

Land size: 32,000 acres

Location: South Okanagan Valley

Unemployment: virtually nil

Case study writer

John McBride

We started with dependency and an off-reserve economy

Chief Clarence Louie:

For thousands of years Native people were part of the local and regional economy. Yet over the last 100 years Natives have been marginalized and denied their right to provide for themselves and their families. If you go back 100 years in our territory you find a sustainable economy, a trading people who did business with people to the north and to the south. But the conditions after contact and the takeover of our affairs by the Indian Agent soon led to complete dependence on the Indian Agent office in nearby Vernon. They administered all our affairs. Except for some family-based ranching, our people had to work as migrant orchard workers in Washington State and further South. After we shut that office down in 1972, we began to take responsibility for our own band administration, and started to break the cycle of dependency.

Our strength was location

The major strength the Osoyoos people had and still have is their location. They held 32,000 acres of land in a valuable agricultural area and had an abundant supply of fish returning through the river system to Osoyoos and Skaha Lake. The salmon are just starting to return to the lakes after down stream dams almost destroyed the return of the spawning salmon. Besides agriculture and fishing, a new resource has been identified—tourism. Unlike many bands, the Osoyoos Band is not isolated... As Louie says, "You have to pick up on the economy of the area. If you are on the coast, its trees and fish. For us it was agriculture and tourism. As they say, you fish where the fish are."

Our weakness is that our people are not ready

Chief Clarence Louie:

Our major weakness, and it is considerable, is all the leftover dysfunction from our colonial past — the control exerted over us by the *Indian Act*, the administration of our affairs by the D.I.A., family breakdown, the cycle of welfare, the victimization syndrome, the dependency syndrome are still with us today. We are like a Third World country trying to emerge from a colonial past.

After 100 years of abuse by the Federal and Provincial

governments, many of our people are not ready for work. We have

many people who still think because they are band members, they are owed a living. We have many other First Nations people working for us, from other bands.

They work well because they don't have the attitude that they are

owed anything. They have a

working attitude, an "I earn my way" attitude. The best workers from our band are over 60 years old. They learned how to work when they were young and came from an era where there was no welfare and employment insurance.

"The band does not owe its membership dependency. It owes them opportunity and a chance to become independent"

—Chief Clarence Louie

Profits from our businesses go to supporting social and educational programs. We spend lots of money on training. Anyone who wants to get training we will support. But many of our members have trouble holding a job. We put money into counseling and training. Having a job to offer someone is a huge incentive to straightening out lives. The band administration's role is to have opportunities waiting for them. Some businesses employ all non-native people now because we don't yet have people ready to take up the opportunities.

We need experienced people in management. If they want to get the training, we support anyone to get training. If they get trained, we hire them as assistant managers. To an extent this has been successful. We have a few band members now managing our businesses. For the most part, it is non-native people in the management of our businesses. Because the business failure rate is high, and much higher for native-owned business, we cannot afford to take chances on less than professional management.

Start with a plan, start small, be ready

Chief Operating Officer Chris Scott says the band chose the route of developing its own businesses instead of relying on non-band owned businesses to employ and develop its people. The OIB

“We are very focused on the future, and we realize that we create this future by our actions. The single most important key to First Nation self-reliance is economic development.”

—Chief Clarence Louie

developed a comprehensive plan and implemented the specific pieces as they could. Scott says, “We were prepared to act on business opportunities, to seek successful businesses that were strategic to the vision. We knew what we were looking for and when we saw it we were quick to act. We now have businesses with an annual budget exceeding \$10 million.” These businesses have

recently amalgamated under the umbrella of the Osoyoos Indian Band Development Corporation (OIBDC).

The first businesses to be developed still involved business risk. For example, the planting of 230 acres of grapes in the 1960s and 1970s exposed the Band to both business risk and the risk of bad weather. Now the OIB is in a position to take more risks and undertake ventures that require much more business and management skills and have greater potential for employment. The Band’s proposed joint venture winery will create over 20

new jobs including some challenging managerial positions. The impressive series of business ventures the band has undertaken are as follows:

- Leased land in the mid 1960s to the privately owned Cherry Grove golf course. That company is now owned by the OIB and in the midst of a \$3.1 million expansion.
- Started up a campground in the early 1970s, now 251 sites on 50 acres. During the summer season, over 20 Band members draw their employment from this operation. The Band is investing over \$1.3 million into upgrading, constructing 72 full service RV sites.
- Began silviculture work in the late 1970s, and logging in the early 1990s. The OIB now operates with a U.S. based company and a sawmill which can process up to 35,000 cubic meters of wood.
- In 1975, constructed Cherry Grove Estates, a quality residential community for non-native retirees moving to the Okanagan for its climate and lifestyle.
- The seven journeymen carpenters employed by Inkameep construction (1980s), work both on and off reserve. In 1990, Inkameep Sand and Gravel was formed. Recently, Oliver Read-Mix was purchased, providing for a “vertically integrated” construction activity. This was the first off reserve business purchase.
- Formed a partnership with Vincor, Canada’s largest and North America’s fourth largest wine producer. Vincor leases 800 acres from the Band for grape production. The Band has 230 acre vineyard of their own. OIBDC is planning a joint venture to build its own Inkameep winery which will have a capacity for 25,000 cases of wine per year.
- Opened Nk’Mip Gas and Convenience store, employing six full-time staff and grossing more than \$2.2 million in sales per year. Close to 4,000 square feet are dedicated to a grocery, a food counter and fast food items.

- Developed Tuc El Nuit Estates, a waterfront residential development. The project ran into some partnership difficulties, but the Band resolved its problems with the joint venture partner without resorting to a legal action or court-driven outcomes.
- OIBDC created a landholding company with the role of purchasing strategic pieces of land for the Band. The Band purchased a 12 acre orchard which it currently operates as a going concern.

A new vision is on the drawing board: the Nk'Mip project. It is a \$25 million destination resort that could include a year-round RV park, a desert heritage and interpretive centre, an 18 hole golf course, the winery described above, a 120 room hotel, a marina, a combined store and gas bar, and such tourist attractions as mini golf and trail rides.

"Preserving our culture is why we are in business"

Not every project is a business project. The focus of economic development is the preservation of culture. Remember the OIB motto: "working with business to preserve our past by strengthening our future." The Band has invested in the education of its children, first through the construction of the Inkameep Pre-school and Daycare in 1983. More recently, the Band built the Sen Pok Chin School, a Kindergarten to Grade 10 facility that focuses on educating the whole person, the mind and spirit, including traditional language and culture. The band expects this facility to graduate its future leaders of the community.

Harvard research on why some Tribes are successful

Since the early 90s, the Harvard Project on American Indian Economic Development has been conducting extensive research into what makes economic development successful among some American Indian tribes. They have found it is not the usual factors: access to capital and markets, the value of the resources, or the size of the land or population that makes the difference. Successful tribes are the ones that have separated business from politics, established good administrative systems and effective leadership, and gained independence or sovereignty. Louie has studied the findings and attended conferences sponsored by The Harvard Project and he has had one of the professors visit his community. Louie says the best studies of success in Native economic development is the Harvard research, and this kind of research still has to be done in Canada.

Separate business from politics

The Harvard Project findings tell us it is important to separate business from band politics: that those tribes that are successful with economic development do not conduct business at band meetings. Louie speaks to the challenges of that, "We agree, in theory, that the separation of politics from business is important. But practically, the talent pool of people in our communities that can undertake band administration and economic development is so shallow it is difficult to separate the two.

Yet we have taken measures to separate business decisions from the political arena. We don't conduct business or make business decisions at band meetings. We have internal referenda for major decisions, conducted like any proper election. Trying to involve everyone on reserve in business decisions is a failure. I like the corporate motto of the Norway House Cree: 'If every objection must be overcome, nothing will ever be accomplished'. Leadership means developing a critical mass of support, not total agreement."

Getting organized and efficient

Harvard Project findings also stress the importance of effective administrative systems. First Nations that are planning economic development need their band office to be well organized so they can deal efficiently with their own businesses, their partners, and all the other governments and agencies they will need to work with. Louie says, "The biggest job we have is changing ourselves and the sloppiness we see within our band office and our businesses. We work hard to make our band office, development corporation, businesses and social programs run smoothly."

The Band's economic development experience has increased its readiness to get the most for its money in social programs. Louie says, "Like any government, our Band spends a lot of money on social programs, so it is important to make these programs productive and meaningful. We send our people to the U.S. tribes to look at the best practices in economic training, health, education, and social services programs. The Harvard project has pointed to excellence in this area. We have US tribes we can look to for successful models. The cost of these services can easily get out of hand. Measuring the impact of social programs is tough. The federal and provincial governments have found this out." Clarence says, "As one Harvard professor put it, 'being under the control of the U.S. Department of Indian Affairs for generations, Natives have learned how to spend money on social programs but few know how to make money. Spending money and making money are two totally different things'."

It's all about independence

The other success factor stressed by the Harvard findings is the importance of having the independence to do what you think is best for the community. If you don't have the independence, as many communities don't, the Harvard Project case studies suggest you should operate as if you did. It is the bands that have independence (or assume they have the authority to do what they want) that succeed with economic development.

The Osoyoos Indian Band has not allowed others to interfere with its plans. The Band has taken its independence. Although the *Indian Act* can still dictate what can happen on Indian land, the OIB has come a long way since the Department of Indian Affairs administrated the band from the office in Vernon. Now none of its social programs are totally dependent on Indian Affairs. OIB has the ability to cover cutbacks in federally funded services.

"Some of the best lessons we have learned have been from our failures. Until recently we haven't been able to fail.

Indian Affairs has been doing all our failing for us."

—Chief Clarence Louie

Louie takes inspiration from books on management, business and leadership, the subjects he is most interested in. Chief Louie: "I find most leaders don't study what they claim to be interested in. If you are interested in business, you need to be a student of business and read on your own, not just the reports required of you when on council. I read all kinds of books: now I am reading Malcolm X, the black Muslim leader in the U.S. The next book I am going to read is Nelson Mandela's autobiography.

Confidence, ability, risk

Louie says, “Where we are confident in our knowledge, have the financial ability and can handle the risk, we run it ourselves.” If not, the Band identifies experts or find a joint venture partner. For example, the new estate winery is a joint venture with Vincor

“People talk about running Native businesses the Indian way, but there is only one way to do business and that is the business way,”

—Chief Clarence Louie

International. After 10 years of operation, the Band will take over the operation. Similarly, the Band has recently moved from leasing land to the Cherry Grove golf course, to taking the risk to buy, expand and solely operate the business. Taking risks is a part of doing business states Chief Louie. “Unless you risk, you will miss important business opportunities

and won’t have a chance to fail. Learning from failure is important learning. Indians fear incurring debt. Incurring responsible debt creates financial discipline. Why not use other people’s money to do what you need to do?”

“You need economic power in order to have political power”

The OIB has a great relationship with the adjacent municipalities of Osoyoos and Oliver. “Once you become part of the economy, white people pay attention to you,” says Louie. Now off-reserve business and political organizations are approaching the Band members to join. Sometimes the Band receives pressure from non-native politicians who complain about the competition generated against non-native businesses. OIB believes that competition is healthy and creates prosperity for all parties.

One relationship that is difficult is with the forest company giant Weyerhaeuser with whom they have a 10 year logging agreement. The Band battles Weyerhaeuser every day about the logs they see leaving the area. The Band needs a larger share just to supply their own sawmill.

Staying home and sticking to business

Chief Louie says that many thousands of dollars are spent by First Nations on council and band staff travel. Some travel is a necessary part of doing business. But as important as provincial and national issues are, it is important to concentrate on your own backyard first. He suggests being very selective with travel. "I hardly travel, only to serious business oriented conferences. I need to spend my time on reserve making the businesses work." Over the last 14 years he has been outside of B.C. only 5 times. With the cost of travel Chief Louie believes you can gain more by staying home and putting that money and time into an elder's trip, a youth trip or a health project. "You can't build businesses if you put all of your time into aboriginal rights and title: you must spend at least half your band office time and effort paying attention to business development in the community."

"As the old adage goes, If you are ever stuck on a problem, ask yourself: what can I do, what can I read and who can I ask."

—Chief Clarence Louie

"We follow fundamental business practice—it's simple—revenues must exceed expenses."

—Chief Clarence Louie

Marketing to customers, to our members and to the next generation of managers

Chris Scott, the Band's economic development officer, has extensive business experience and marketing background. He says, "We have to learn to market ourselves, as all businesses do. We need to market our products and services to our customers, to broadcast our projects to the Band members so they know what we are doing and will continue to support us, and we need to create pride in what we do so the young will be motivated to take up the management of the businesses." Also Scott has created a recognizable brand by using the name Inkameep, which means "bottom of the valley", for many of the businesses. This "branding" will help people easily recognize all the Band's "products" and be more inclined to buy them.

What were the key lessons learned along the way?

Louie: To run successful businesses, you must deal with the people where they are. The majority of our people are not ready to compete. Get the people who can make the business a success, whatever race they happen to be."

"Indian bands are going through a tough transition. Political interference is a huge problem. You have to pay attention to the support you need to continue your work. The best way to do that is to be a good communicator: to let your members know what you are doing and why you are doing it. We talk about partnerships with outsiders, but we need to form a partnership with our members to go forward together and make economic development a success."

"It's the economic horse that pulls the social cart".

*—Chief Ovide Mercredi,
Past National President
of the Assembly of
First Nations*

“Looking back, business decisions were made sitting around the usual ‘Indian table’ talking lots of rhetoric, making decisions based on emotion. I can remember getting excited about a project and making such a decision. We went ahead without proper business analysis and without an organized system of checks and balances—it was a big failure. If you are going to take a risk, make it a calculated risk, on paper. Get the facts and analysis—do your homework. ‘Go to school’ on other people’s experience. The Harvard Project documents excellent programs, and this allows others to study and learn from them. Business success means life-long learning, reading, studying, and mentorship.”

If making money is more important than your aboriginal heritage then you have compromised your identity as an aboriginal corporation.”

—Chief Clarence Louie

“Once you become ‘healed,’ welfare is not an option. If education is important to your people, where will your educated people work? No one goes to school or gets training so they can be on welfare. The success of your people is directly tied to how your people participate in the economy of your area.”

Challenging our thinking

Most success stories include challenging the usual ideas or approaches. As is evident, the OIB and its Chief are no exception. Following are some thoughts that are important to Chief Louie.

- Taxation: we have always had it—it's called "sharing." When people shared it amounted to a redistribution of wealth.
- Don't wait for treaties to be settled or for the white man to give us back our land. I haven't seen it happen yet. Go out there and buy it if you have to. Don't wait.
- Challenge youth to either shape up or go and get counseling.
- Leadership has to lead. Leadership must take risks. We need more of a business mind in our approach. In business, you can't afford to take everything back to the members, you have to make a decision and go ahead. Leaders must be strong enough to weather the storm of opposition we get.
- I don't believe in private ownership of land. Individual ownership doesn't teach that our first responsibility is to our tribe.

Where do you go from here?

The OIB has accomplished much. Chief Louie has been designated Economic Developer of the Year by CANDO (Canadian Association of Native Development Officers). Louie says, "As business people well know, the toughest part of being in business is staying in business. There are still a lot of challenges and a lot of learning to do. I wouldn't say we are successful, except perhaps when you compare us to other bands. Eight or nine businesses are better than none. Getting business beyond the 'floating' stage to the 'swimming stage' is what we

are concentrating on. Don't be content with limp-along businesses. The typical 'res' attitude is to feel business is successful if it isn't in debt. I would say we would be successful when our businesses are performing to the level of the white guy's business across the street. Most Natives don't keep score. I tell our consultants to get us the numbers from our non-native competition. I want solid measures of how we are doing. I want to keep score."

Business success at the price of our culture?

Louie says the preservation of the culture is what it is all about. Throughout the Band's business and social endeavours, pride of heritage is a commitment made by the Chief and Council to their people. Louie says, "Native people should never be in business at the expense of their language and culture. Success must not mean that you forgo or forget your heritage. Don't ever depend on government grants to provide the necessary language and culture programs for your people: if anything is your responsibility, then this is it."

Mission Statement

"The Osoyoos Indian Band is committed to achieving economic self-sufficiency within its businesses by the year 2005. This will be achieved through the training and education of our people which ensures that Pride of Heritage will guide us in developing our resources optimally both in socioeconomic terms and for the benefit of future generations."

Contact information

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Information sources for this case study:

- Presentations by Chief Clarence Louie and Chris Scott, Sharing Information conference, Jan. 25 and 26, 2001, Simon Fraser University, Morris J. Wosk Centre for Dialogue, Vancouver.
- Interviews: Clarence Louie and Chris Scott
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Skidegate Band

*Creating a supportive business climate,
starting-up businesses, and making the most
of their resources and opportunities*

Presenters

Chief Wayne Wilson

Chief Councilor, Skidegate Band Council

Paula Lawson

General Manager, Gwaalagaa Naay Corporation

Band statistics

Population: 840

Land size: 713 hectares

Location: Haida Gwaii

Case study writer

Ross Smith

Community Economic Development Centre,
Simon Fraser University

Business success creates positive atmosphere

Carefully planned business development has proven to be the right strategy for the Skidegate band. In the uncertain time of land claims and struggles to maintain cultural identity, making business a priority provides a way to create real jobs and to build a positive atmosphere in the community. The community of Skidegate is working hard to build a prosperous and healthy community.

Population explosion demands services

The Skidegate Band, in the Queen Charlotte Islands of British Columbia, is one of two Haida villages in Haida Gwaii. The community has recently seen a population explosion with many off-reserve members returning to the reserve. Skidegate now has 840 people, up from 338 in 1986, and growth is expected to continue at 8% every year. Fifteen years from now, the population is expected to reach over 2,200 people, more than 3 times its current size. This has meant new calls for housing and other community services, such as health care, recreation, and employment. Economic development in the community is necessary to deal with the demands of an increasing population and the desire to be more self-sufficient.

Economic downturn means retraining

According to Paula Lawson, general manager of the Gwaalagaa Naay Corporation, the reserve has been “comparatively well-off” in the past, but, due mainly to the down-turn in the resource economy and the population increase, it has been forced to be more creative and look for new business opportunities. A local logging company has employed some residents for decades—however the same opportunities are not available for the younger generations, and to remain in the fishing industry is a

losing battle due to the depletion of fish stocks. Reserve members are faced with having to build their skills in order to get other trade jobs. Chief Wayne Wilson explains that “unemployment used to be running around 80%, and although still high, has been reduced to 70% on the reserve. Now, everything [done by the band council] revolves around creating jobs for band members.”

“Many of the community members were lacking in skills to work in the local industries and needed education, training, and band support to gain full time employment.”

—Chief Wayne Wilson

Planning is important

Prior to coming back to the reserve in 1985, Chief Wilson had experienced the conditions in Queen Charlotte City. With no municipal plan, there was no direction for the community, and no planning for its residents. Wilson says, “There were no municipal building codes and the village water was coming from unfiltered hoses in puddles above the city.” This lack of planning had meant that housing conditions were poor with little high quality, affordable housing. From this experience, members in Skidegate knew the necessity of planning, and began the process of drafting a physical development plan. The plan took a lot of time, but did look at why people had left Skidegate and what they needed in the community, now and in the future. Now the plan forms the backbone of planning and business initiatives taking place on the reserve.

“The physical development plan is the foundation for all future development.”

—Chief Wayne Wilson

Build upon what you have

The location of Skidegate has shown to be both an advantage and a disadvantage to the band. The isolated spot on the southern edge of Graham Island in the Queen Charlottes gives the band some cultural protection and the option of providing a destination for tourists. On the other hand, this limits the business ventures that can be started. Wilson states, “without a million people driving by your door, you have to have some way to make them come to you.” This prompted the band council to consider initiatives that catered to tourists, and built upon opportunities already on the island.

Resources available on the Island, such as fish, did not appear to be a strength for economic development. Logging and fishing jobs do not provide much employment for reserve members. However, opportunities exist for tourist guiding, using timber for carving totem poles, and building special cultural facilities at tourist sites. Timber and fish may not provide jobs in the usual resource extraction manner, but they can be valuable in other ways.

Band creates supportive climate for business

All business opportunities on the reserve require support from the band council and the band administration, as well as the community at large. The business ventures are either initiated or supported by the band council. Community meetings and public input have helped to ensure member support for reserve businesses. Chief Wilson recalled, “They were told in public meetings, to go ahead and do the projects they had planned.” While it took time for the businesses to get this support, it was necessary to ensure they were following the plan and were doing what the members wanted. With this level of community support for community-based business and the entrepreneurs who operate them, it is easy to appreciate how chances for business success would be much greater.

Plan provides the direction for business to take

The initial step the Band needed to take for economic development was a reserve expansion. The acquisition of 165 hectares of provincial crown land was key in providing the necessary space to expand the reserve housing and business projects. The physical development plan included a land use plan, which has set aside lands for future commercial development. The band council continues to update the physical development and land use plan, and now has developed guidelines to assist new businesses to start up in Skidegate.

Development corporation becomes the development vehicle

Probably the biggest initiative of the Skidegate Band Council was the creation of the Gwaalagaa Naay Corporation (meaning “ambitious house” in Haida), an economic development corporation. Prior to this, it had become apparent to the Council that it was facing real problems in generating local economic development, and creating long-term employment. It had attempted to build a gas station on the reserve, but had difficulty in pulling together the resources.

Band councils are not recognized legal entities and are usually unable to secure large loans for major development. The creation of the Corporation allowed for a separation of economic development activities from the band administration, at least on paper. The Corporation took over the management of several existing Band-owned businesses and assets. Two band councilors and two community members sit on the board of directors of the corporation.

“Skidegate has, as one of its strengths, a lot of support from the council for economic development.”

—Chief Wayne Wilson

Corporation support makes businesses succeed

The Corporation operates several businesses and has initiated others that offer services to band members. Taaw Naay Enterprises Ltd., the Band-owned gas bar, which employs eight people year round, and Skidegate Bowling Lanes with seven employees, is managed by Gwaalagaa Naay. Several new businesses have utilized the Corporation's help in starting up, including a clothing store, video store, landscaping/nursery business, and gift shops. The Gwaii Co-op Grocery Store opened in 1993, and a commercial centre for offices and store rentals opened in 1999. The Corporation offers business advisory services for new business, assistance with preparation of business plans and financing applications, and business training workshops.

Institutions that can support the culture

There are other major projects that have been recently completed by the corporation. A new elementary school opened in September 1999, and this \$5.5 million project separated many of the band's elementary youth from those in the larger school. It is recognized by the Provincial School Board and a Haida curriculum has been designed to complement the standard curriculum. An \$11 million Community Health Council health facility, which will serve all of Haida Gwaii, is under design, and the Corporation is in

"We have our language being taught in elementary school, and now accepted as a second language for university entrance."

—Chief Wayne Wilson

negotiations with Community Health Council to participate in the construction and management. More control over education and health delivery offers opportunities to further traditional teachings and healing practices. At the same time, continuing cultural preservation and development supports the Band's long-term cultural tourism strategy.

Big picture thinking, big plans

Two large projects are in the business planning stage and will combine both cultural and economic development components. The re-creation of the Qay'lnagaay village Heritage Centre is a \$19 million facility, and will include a museum, interpretive centre, program management centre and the Bill Reid teaching centre. The Qay'lnagaay Lodge is a \$5.5 million hotel and restaurant project planned as a joint venture between Gwaalagaa Naay Corporation and the West Coast Fishing Club. This has prompted the Corporation and the West Coast Fishing Club to start the ecotourism joint venture Skidegate Guiding and Outfitting Company. The company will provide adventure tours to visitors, employing band members as guides. There are also plans to have the Haida Gwaii Watchmen, a group of trained Haida conservation officers, certified as auxiliary Coast Guard, allowing them to knowledgeably manage the local fishery resources.

"Our people know the territory... and we think we can manage the resource with our own people."

—Chief Wayne Wilson

Valuable partnerships

The partnerships and business negotiations have been very important to economic development for Skidegate. The negotiations with TimberWest, a Fletcher Challenge Company, resulted in a joint venture road building project on the reserve. The dental clinic addition to the Health Centre is becoming a pilot project on medical services, with a tri-partite agreement with the province, federal government, and the University of British Columbia. The project will provide funding for dental graduates to locum on Haida Gwaii. A partnership with MacMillan Bloedel saw the construction materials for the commercial centre and the bowling alley paid in advance. The joint venture hotel and restaurant with West Coast Fishing Club,

will work to ensure that Haida guides, with local knowledge of the area, are employed.

The expansion of the reserve land also required negotiating with Indian and Northern Affairs Canada to spend money on crown land before it was signed over to the reserve. Housing mortgages for band members have been arranged with the Royal Bank of Canada, which had approved Section 10s (government guaranteed loans) with a Band Council guarantee ahead of time. An ironclad agreement with the tenant and the Band Council, and an attitude of trust, ensure the Band will not be liable for bad loans. This removes some of the red tape and lengthy delays in sending out for Section 10 mortgages.

Dreaming big

The Band Council and the Corporation are dreaming about several new projects for the future. Application for Reserve expansion number two is under way. Given the predicted population and current economic growth, this will be necessary. The Band Council is negotiating for a Haida Power Corporation. Currently, Haida Gwaii has a northern and a southern grid, both of which need expansion. The Haida Power Corporation is considering purchase of both these grids and connecting them in order to boost power generation for the island. This would be a costly venture but would generate long-term revenue for the band.

The Band is also interested in pursuing specialized curricula for a 'University of Haida Gwaii,' as there is much research that would be ideally located on Haida Gwaii. Ocean management, for example, is a key priority for the Band. A proposed marine park in the area could wipe out much of the subsistence activity that occurs presently, and the Band Council feels that their members would be better stewards of the area under a management plan. The Gwaii Watchmen program would be ideally suited to work in conjunction with such a management plan.

What were the key lessons learned over the last 15 years?

Chief Wilson: “Economic development is not easy and requires patience and persistence. Members of the community, and even the Council, became discouraged at times but it was necessary to persevere and not just fall back on Indian Affairs money.”

Wilson also explained, “Business must be a priority,” and making business a priority is maintaining an attitude of success and continuing with what is planned even if something does not work out. Wilson feels that the physical development plan was an important component to getting ‘the ball rolling’. The plan gave a certain direction and focus for the business activities. “It is necessary to try and look into the future”, he says.

*“Never take no
for an answer.”*

—Chief Wayne Wilson

Wilson says, “People must be included in the discussion.” By keeping the community informed and continuing to have their support ensures that any organizations or initiatives are not undermined or unsupported, along the way.

Another key lesson that the band has learned is that there is enough money and funding available, as long as you know about the government programs. The Additions to Reserve process, through the Indian and Northern Affairs Canada Capital program, helped to secure this land which proved to be necessary with the return of over 500 C-31 registrants, the legislation requiring bands to accommodate off-reserve members.

*“When you have to say ‘no’
to people, let them know
why...answer letters...always
communicate, big or small.”*

—Paula Lawson

Communities need to understand

“Communication is key...community members have to be involved, we have to be accountable all the time because it’s their money and their time... or it’ll turn around on you.”

—Chief Wayne Wilson

the opportunities and restriction that are there, and to work within these to get the funding you want. A solid relationship with the funding organizations can be built.

The Skidegate Band feels that it is necessary to pay to have things done right, and done right the first time. They say use your resources optimally, and don’t be afraid to partner or hire off the reserve if it

is the best thing for the community in the long term. It is important to build good relationships with outside professional resources.

“It is important to get the job done right the first time, even if it means paying more, so that it will not have to be done over again.”

—Chief Wayne Wilson

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Lheidli T'enneh Band

*With limited resources and a sad history,
the Band builds a solid foundation.*

Presenter

George Ho Lem

Special Projects Officer, Lheidli T'enneh Band

Band statistics

Band population: less than 300 members

Reserve land area: roughly 2,500 hectares

Location: Fort George area, near Prince George, B.C.

Case study writer

Ross Smith

SFU Community Economic Development Centre

“Healing journey”

The history of the Lheidli T’enneh band is one of separation and disruption of their people, within their territory. In the early 1800s, the Lheidli T’enneh were located in the heart of the area

“Thank God for the survivors, because those people got us to where we are today... our people have always been survivors.”

—George Ho Lem

that is now occupied by Prince George. Separation into four different reserves and disruption of potlatch ceremonies, destroyed much of the traditional way of life. George Ho Lem, Special Projects Officer for the band, says that his people were in ‘survival mode’ and that the band members today are very fortunate to have had ancestors that survived. The band is now ready to move beyond that ‘survival mode’ and go forward with economic development on the reserve.

“We need to pull the community together”

The band undertook a community health plan and a needs analysis, which took a total of three years. Problems with substance and alcohol abuse and a dependency upon social

“Economic renewal is beginning to employ band members and provide some direction for the future.”

—George Ho Lem

assistance, had left a community very unhealthy, physically and in spirit. The band council, under Chief Barry Seymour, asked for community input, and determined that business development on the reserve would provide both economic and social benefits to the community. With a small band of less than 300 members, the community needed money coming into the reserve coffers in order to erase an \$850,000

deficit, provide employment, and pull the community together. The only way for the community to strive towards self-sufficiency was to have economic development and employment for band members. Meaningful jobs are a high priority. Many of the business initiatives the band decided to start were designed to “build the capacity” of the Band members.

Making business a priority

Economic development for the Lheidli T’enneh means overcoming many of the weaknesses in the community and building upon the strengths. There is a need to build skills and job training for band members. Larger projects and contracts were pursued so that on-the-job training and support would be there. The large projects, such as a shingle mill, provide salaried jobs and training that band members would not get if they were starting their own small business. Securing funding and negotiating agreements with off-reserve partners have utilized the strengths of the band administration. The creation of a Special Projects Officer position has meant that someone is looking for economic development activities full time, and is busy marketing the reserve and products from the reserve businesses. The promotion of business, and making every decision with business priorities in mind, is the only way for the band to build upon its strengths. Without a lot of skill and capacity in such a small band, the investment, partnership and marketing activities consume much of the Lheidli T’enneh’s time and resources.

“I spend most of my time writing proposals and marketing our product”

—George Ho Lem

Separate social programs from business

“Social programs must be supported by the business programs,” according to Ho Lem. They have found it difficult to integrate training and skill building with business initiatives. Simply, other businesses find it risky and inefficient to contract a band-owned business because they can be less competitive. A

“One of the most important [needs] of the community was the economic development aspect, the only way for us to strive towards self-sufficiency.”

silviculture contract that the band held for the last twelve years lost money every year, until last year when the band hired outside labour, “high ballers,” and finally made money. This was another important lesson to the band; you have to “know when to fold.”

“As in any other business,” Ho Lem says, “if the business is not making money than you shouldn’t be doing it.”

The Lheidli T’enneh resource sector businesses have not been competitive. The band council has found that businesses are better run as businesses and the profits used to support social programs or policies. In other words, successful business will mean successful social programs.

Separating the business from the politics

The band council formed the Lheit-Lit’en Development Corporation (LDC) in 1995 as a community-owned corporation with a mandate to promote economic development and generate employment opportunities for band members. It was necessary to separate the economic development activities from the political activities of the band council, at least on paper. It was more practical to do business as an economic development corporation as opposed to a politically bound band council. Off-reserve businesses were often hesitant to invest or partner with a

Band controlled business that may only last for an elected term. Now the Corporation spearheads most of the business for the band and the band members.

Our projects

Chunzoolh Forest Products is one of the most active business started by the LDC. This was established as a joint venture with Canfor, in 1996, and came under sole ownership of the band in 2000. It took eight months to negotiate and establish a joint venture agreement and finally ended with the building of a value-added shingle manufacturing plant. Chunzoolh

provides wood shingles for the North American market. LDC purchased House Mountain Forest Products, the holder of certification rights on the shingles, and now markets the product with no third party involvement. The mill currently employs 22 people, 18 of whom are band members. Based on current and projected sales, another production line may be added, employing a further 18 people. LDC has plans to open and operate a dunnage plant, supplying Canfor under a three-year contract agreement. (Dunnage is the name for the wood-spacers used to separate layers of lumber in a bundle.) This would employ a further eight new jobs for community members.

“We will soon be adding a second line [to the shingle mill] and employing twice as many people ... our shingles are sold all over Canada and the U.S. ... there is high demand for our product”

—George Ho Lem

Training needed

LTN Contracting, a Lheidli logging contractor, was formed by a joint venture with an Aboriginal logging company in Kamloops. This independent logging contracting company, which will be owned by the Lheit-Lit'en Development Corporation sometime

this year, has demonstrated its viability and profitability since starting in 1999. Due to the lack of skilled labour in the community, only two band member are employed by LTN Contracting, but there are plans to develop training programs which will potentially employ four new people.

GIS waiting to serve your First Nation

The Lheidli T'enneh are about to sign their Agreement In Principle through the BC Treaty Process and have developed a state of the art GIS (Geographic Information System) facility as a result of the treaty talks. Now that the treaty negotiations have reached an agreement stage, the GIS facility is hiring out in an advisory and technical role to First Nations. This business is owned by the LDC and employs three people, only one of which is a band member. This is a highly specialized area that provides a good option for many of the students in the community interested in the resource and technical fields. The department generates revenue for the LDC which can then be turned back into the community and, possibly, into training for the department.

A creative opportunity

The LDC has worked on the agricultural capacity of the reserve over the past few years. The potential for growing industrial hemp is quite realistic in the area if the markets can be found. The band seeded 250 acres of hemp in 1999 and were able to break even on costs, despite crop losses and lack of trained individuals to properly harvest. With potential markets for hemp oil, and processed hemp oil as wood

“Persistence when appropriate is very important ... but you have to know when to fold”

—George Ho Lem

preservative in Germany, industrial hemp may provide employment and be a profitable business in the future.

Making business a priority

These are just some of the business opportunities on-going in the community. Much of the time and talent of the Band is taken up writing proposals, negotiating joint venture agreements, finding markets, and searching for new business opportunities. With several new projects on the drawing board, the Band will continue to make business development a priority. This will mean new opportunities for the LDC to bring employment and revenue to the community. By being creative in their exploration of business options, and being prepared to provide training programs for their members, the number of meaningful jobs available to the community will steadily increase.

Partnerships take time

One of the biggest challenges for the businesses run by the LDC has been negotiation with large corporations such as Canfor. The eight month long negotiation for the initial agreement had to be followed with another termination agreement three years later when Canfor didn't like the original conditions. George Ho Lem explains, "We had a three inch document for the joint venture, and another three inch document to terminate it." This takes a lot of time and energy and communities must be prepared to take this time to negotiate. This is how things are done in the business world. Communities must also strive for what they want; "Persistence when appropriate is very important," says Ho Lem.

Building an empire on a foundation, not on quicksand

The LDC has been in business for over five years and has had its share of failures. Because of the limited human resources available, and due to a small community with a sad history, the band has concentrated on making business success a priority. There is a great need to establish an economic base to support social and family needs. Consistently relying upon government funds has left a legacy of neglect and ill health that can only be repaired from the bottom up. By making a strong effort to

*“The health of our people
is most important:
we don’t want to build
an empire on quicksand.”*

—George Ho Lem

become self-sufficient and bring money into the community from business ventures, the community can begin its ‘healing journey.’ Social programming has not been mixed with business projects and this is one of the key lessons the Lheidli T’enneh feel they can pass on. For other communities in a similar situation, less skilled

labour can hinder an operation in the highly competitive world of business. Solid business decisions will generate employment, make profits, and encourage new business start-ups. In turn, this will provide jobs for members and money for social programs. George Ho Lem sums up their approach: “The health of our people is most important: we don’t want to build an empire on quicksand.”

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*Nuu-Chah-Nulth Economic
Development Corporation (NEDC)*

*Promoting individual and community economic success
for the Nuu-Chah-Nulth Nation by providing access to
funds, information, training and support*

Presenters

Katherine Robinson

Community Futures Coordinator

Dan Samuel

Economic Development Officer

Darlene Watts

Chairperson, NEDC Board of Directors

The Tribal Council serves nearly
8,000 members in 14 different Bands.

Case study writer

Anne Miller

SFU Community Economic Development Centre

Economic crisis had particular impact on Nuu-Chah-Nulth entrepreneurs

The economic landscape of the 1980s and early 1990s in BC was fraught with business closures, downsizing and a dwindling natural resource base, all affecting individuals and whole communities in devastating ways. The Alberni Clayoquot Region of BC was indicative of what was happening, with three mill closures and the forest industry facing a major downturn. Faced with job losses and an unsure future, many individuals explored the option of creating their own businesses. This

*NEDC was born under
the direction of George Watt
and grew under the
direction of its
Board of Directors.*

economic situation particularly impacted members of the Nuu-Chah-Nulth Nation, who are located on the West Coast of Vancouver Island between Brooks Peninsula in the north and Nitinat Lake in the south. During this economic setback, Nuu-Chah-Nulth entrepreneurs soon realized

that were unable to obtain financing from traditional sources to set up their businesses.

Key individuals of the Nuu-Chah-Nulth Nation set out to correct this inequity, and in 1984, under the astute direction of the Nuu-Chah-Nulth Tribal Council and its chair, George Watts, the NEDC was incorporated as a not-for-profit corporation. Its main purpose was to provide business financing otherwise unavailable to Nuu-Chah-Nulth entrepreneurs.

To fulfill its purpose, the NEDC entered into a number of partnerships and agreements over the years. It began as three on-going partnerships: the Native Economic Development Program, the predecessor of Industry Canada's Aboriginal Business Canada, the Business Development Centre, sponsored by CEIC [Canada Employment and Immigration Corporation], and the Nuu-Chah-Nulth Tribal Council. The NEDC refused to

be the single delivery agent for specific funds, but instead, maintained its clear focus to address the funding needs of each Nuu-Chah-Nulth entrepreneur who requested assistance. Since its inception, the NEDC has grown from three partnerships in 1984 to ten on-going partnerships today.

A unique structure of partnerships

The NEDC is in the business of lending, and it has developed a very successful means of doing this through partnering with various organizations and agencies in both a formal and an informal way. Formal, or structured, partnerships provide loan funds and include:

- Western Diversification, funding the Community Futures Development Corporation,
- Aboriginal Business Canada, sponsored by Industry Canada
- Forest Renewal BC
- Department of Fisheries and Oceans
- All Nations Trust—First Citizen's Fund
- National Aboriginal Capital Corporation (NACCA)
- The Nuu-Chah-Nulth Employment And Training Board (NETB)

Other partnerships, while not directly providing loan funds, are less structured, collaborative relationships that offer mutual support services and information exchange, and include:

- Bank of Montreal and Canadian Imperial Bank of Commerce
- The Native Education Centre
- The Port Alberni Friendship Centre
- The First Host Program

A “one-stop-shop” maximizes access to resources

The variety of programs that the NEDC can access eliminates the need for Nuu-Chah-Nulth entrepreneurs to search for the most suitable funding available. This “one-stop-shop” provides them with access to a wide variety of programs that could satisfy their specific business needs. For example, if a Nuu-Chah-Nulth client wants to set up a silviculture business, the NEDC may combine funds from Forest Renewal BC, the First Citizens Fund, and Community Futures, in addition to a Nuu-Chah-Nulth Tribal Council forgivable loan. Through partnerships the NEDC can be flexible in their provision of services, so that they can respond to the real and unique needs of each client and offer the best funding package possible.

Blending loans minimizes repayable debt

Careful blending of loans can also minimize actual debt for the client. One example of the effectiveness and benefit of blending loans is the “e-bay” client who is very successful marketing through the Internet. The total \$10,000 loan was sought to buy a hi-tech computer system and some inventory. After taking advantage of the Aboriginal Youth Canada Program (from NACCA), equity matching and a reduced interest rate, the client only has to pay back about \$2000.

Partnering allows the NEDC to do the work of blending the most appropriate funds for each client individually, thus resulting in shorter turn-around times for loans, more satisfied customers and stronger relationships between staff and clients.

A welcoming honest approach

The Economic Development Officer (EDO) of the NEDC believes it is crucial that clients know exactly what they are getting into and what to expect. Once the clients discuss their ideas, the first order of business is emphasizing the importance of a sound business plan. Once viability has been determined, the EDO will put together the best funding package for the client and indicate how long it will take to process the loan.

*We're very realistic
with clients, even though
they don't always like
what they hear.*

—Dan Samuel

EDOs offer the time and care that is required up front to make good decisions when dealing with clients. They look for enthusiasm, excitement and experience in the applicants, and make careful assessments of their understanding of the market, of the business they wish to pursue and of the thought that has gone into preparing for this business. “When they come to my office or I go to meet them, I ask them straight out, what do you want to do?” A great deal of information can be gained from that discussion.

In addition, the NEDC has prepared a kit that they offer to all perspective clients. This kit includes NEDC brochures noting criteria and eligibility, a summary of all of its programs, brochures from some of the funders and a 10-page business planning workbook. “We have them do a lot of work before we get going.”

The client comes first

One of the most obvious strengths of the NEDC is putting the client first. The staff is unquestionably responsible to its clients, and as needed, staff members travel to the client's place of business or make other arrangements to meet with them. "All they have to do is pick up the phone." This approach applies to all staff.

Clearly, this organization places a great deal of emphasis on accurately assessing the client needs, and responding to those

"We don't direct them. Our clients determine the areas they want to go into and we determine the viability (of their idea)".

- Katherine Robinson

needs by searching for and building the most appropriate solution. The client-centred approach taken by the NEDC is shown by the fact that each loan application is assessed on its own merit and all related client needs are identified. That means that, in addition to creating the most suitable loan package for the

client, the NEDC staff also offers their clients some training and refers them to other resources that can meet the client's particular needs. The client determines the goal; the NEDC staff helps them come up with the plan for getting there. Their position is in keeping with the work of Ernesto Sirotti (1999), whose approach began with "a vision of a society that facilitates personal growth by assisting individuals in achieving what they wish to achieve" (p.22). Thus, the staff is quick to point out that it has no wish or intention to *do* the work for their clients, but instead to facilitate a process of getting them the necessary funds and skills to be successful. They find out what clients want to do and they help them find the fiscal and human resources necessary to make that happen. Essentially, they help to develop capable empowered business people.

Independence and control through partnering

By collaborating with various government agencies, the NEDC does not rely upon any single source of revenue for its survival. If for example, Forest Renewal BC were to cease operations, this would not cause the NEDC to shut down, since with diversified partnerships, the NEDC is not dependent upon any single funding source. Partnering also allows the NEDC to maximize its revenues, thereby allowing it to take on high-risk loans and to expand its loan base. For instance, this has enabled it to recently expand its services to include all First Nations living within the Nuu-Chah-Nulth territory.

Finally, through partnering, the NEDC has been able to find subsidies to sustain the overhead and administrative costs associated with doing business, allowing interest gained to be reinvested back into the corporation.

Planning makes opportunities possible

Planning is a significant factor of success, and comes from the strong direction of the Board of Directors and recommendations from staff. Planning was important to the NEDC right from the beginning; in fact, it was part of the initial vision of an economically stable Nuu-Chah-Nulth Nation. Planning gives the corporation a strong foundation and direction and puts the NEDC in a position to take advantage of opportunities that arise. The NEDC has created an overall 20-year plan, that it is continually upgrading, and more specific one and two-year plans. One advantage of this clear direction is that it prevents the corporation from being swayed by funding agencies that have their own vested interests. If the funding arrangement does not meet the

*"If a door opens here
and we want to walk
through, we do."*

—Katherine Robinson

needs of the NEDC client, they will not take it. This means that sometimes the NEDC must say “no” to certain short-term funds or it may spend time negotiating with funders to come up with something that works.

Strong leadership is the backbone of the corporation

From the beginning, the NEDC has benefited, in fact thrived, on the sound leadership it has had. The driving force behind the formation of the NEDC was George Watts, who was the chairman of the Tribal Council when NEDC was formed. He has, and continues to provide a valuable contribution to the development and ongoing support of the NEDC. The Nuu-Chah-Nulth Tribal Council is also a strong influence, providing wise guidance based on a mature political leadership which knows the community it serves. On occasion, the Tribal Council might ask the NEDC to look into an issue it regards as important to the economic development of the Nation, but the NEDC has the discretion to act. Along with the support of Tribal Council, there is evidence of strong support from the community.

Politics are separate from business

The NEDC takes most of its direction from its Board of Directors. This board represents the 14 tribes of the Nuu-Chah-Nulth Nation, a chairperson from the Nuu-Chah-Nulth Tribal Council and relevant areas of interest, such as the fishing industry and youth. This non-political board gives these interest groups a voice in the decisions that are made. In this way, the corporation is guided, not directed, by the tribes and special interests that are represented on the board. Members of the board bring their knowledge and experience to the table solely for the purposes of sharing, improving the business of the NEDC, and meeting its goals.

Teamwork is the glue that holds the corporation together

The low turnover of the NEDC staff is an indication of its cohesiveness and its ability to act as a unit. Clearly, staff work as a team in providing services, by consulting on issues as they arise, by supporting each other when necessary and by contributing honest, constructive opinion on the group's performance.

Ongoing training is provided to both board members and staff in a variety of areas, including finances, legal issues, and personal growth and development. Off-site workshops allow staff members to become closer; and this gives the organization strength.

Learning, adapting and changing is standard practice

The NEDC is a proactive learning organization, recognizing change as an important and necessary part of the growth of this organization and the people it serves. Both the NEDC board and staff anticipate changes related to their clients, the economy, and funding agencies. They then respond by adapting their operations to reflect these changes. The long-term plans for the corporation are continually being revised or adjusted as needed. NEDC lending policies have also changed over the years, as required. In addition, a template for a client business plan is regularly upgraded to reflect the realities of the financial institutions that receive them and to make them easier for the client to understand and use. The loans collection officer, too, acts proactively. To avoid any potential crisis, she intervenes early to help clients in trouble turn things around or make alternative arrangements for payments.

As a financial institution, the NEDC monitors and reports on trends affecting economic sectors in the region, so that they are able to anticipate and plan for the types of needs that may arise. As with any venture, not all decisions made are the best ones, but staff continues to assess what they do, and they learn lessons from their decisions. Several years ago, with the sharp decline in the fishing industry, for example, the NEDC placed a moratorium on fishing loans. Upon reflection, this was considered poor judgment, since, says Katherine Robinson, “To broad brush like that in any one area means you don’t have an opportunity to look at potentially good loans.” Instead, the NEDC determined that if an industry was in distress “you look harder; you don’t say no to a good loan.”

Managing public relations is important

Unfortunately, not all businesses succeed, and it becomes necessary to seize assets on occasion. This has left questions about the perception of the NEDC among members of the Nuu-Chah-Nulth Nation. Sometimes all one sees is a corporation

Sometimes boats must be repossessed and sometimes we have to do it. We’re not always the good guys. But we’re consistent, fair and give every opportunity possible.

- Katherine Robinson

seizing boats or shutting down a business, yet this is such a minimal part of its operation. The NEDC is so much more. To change perceptions, the NEDC is making its presence and purpose clearly known in the community. It is doing this by profiling its officers in the NTC newspaper, by attending community events and Nuu-Chah-Nulth tribal council

meetings, by setting up booths at events, by establishing recognizable corporate colours and a logo, and by publishing and distributing an annual report.

Self-sufficiency is the only option for the future

The NEDC has clearly contributed to the successes of Nuu-Chah-Nulth entrepreneurs. Through on-going and appropriate support and building the capacities of their clients, they can proudly claim a current loan default rate of less than 2%. Although the NEDC is recognized as a “Triple A” capital corporation, it by no means rests on its laurels. It has set a very clear direction for its future. The Board of Directors and staff, with the blessing of the Nuu-Chah-Nulth Tribal Council, shaped the NEDC’s vision to become a self-sustaining entity. Internally, the NEDC has a clear objective to produce a profit that can be reinvested into its loan portfolio.

The NEDC is in the business of lending, but at the same time being client-focused. They realize to be successful, clients sometimes need more than funds. They often need support and opportunities to learn. Staff found that often clients did not keep good financial records or were weak in their marketing efforts. Unfortunately, there is minimal funding for such training. The NEDC therefore, developed a vision to address both funding and capacity building needs by creating two distinct components. One entity, an independent financial institution, would focus only on the business of lending. The other entity, a resource and support centre, would be a self-sustaining unit that would offer such provision as training, capacity building and community facilitation. The steps to realizing this vision have been planned by the board and staff and are regularly revisited. It is hoped that the financial arm will be successful enough to maintain the support centre.

Planning for youth is planning for success in the future

Part of the NEDC mandate “to promote the entrance of youth into business” reflects an awareness of the future of Canada’s First Nations. It is widely acknowledged that a “baby boom” is occurring within the Aboriginal population as a whole. In fact, the Aboriginal youth population has a growth rate twice that of Canadians at large (Miller & Vodden). So too, the number of youth becoming clients of the NEDC is rapidly growing.

Therefore, several programs and initiatives have been put in

*We continually grow and
expand using our
additional loan funds.*

—Katherine Robinson

place, ready to address the needs of youth entrepreneurs who seek assistance through the NEDC.

Through youth training programs, the NEDC aims to build youth capacity. In particular, budding Nuu-Chah-Nulth entrepreneurs in the 19–29 age group will be offered

an opportunity to learn through an economic development learning conference. Through a partnership with Junior Achievement and an Aboriginal stay-in-school program, several workshops will be offered to introduce business concepts and explore ideas. The NEDC also hired a post-secondary graduate, through the Western Diversification youth internship program, to address the information needs of their Aboriginal youth. She has developed a program to be delivered in schools and to community youth organizations that will create a greater awareness of the potential of entrepreneurship.

The NEDC has a strong foundation from the past to build upon for the future. Staff skills and dedication, board and community support and very effective practices all work toward fulfilling NEDC’s goal to help Nuu-Chah-Nulth entrepreneurs succeed.

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*Skeena Native Development Society:
Economic Think Tank on Wealth Creation*

Using a different approach to economic development, the Think Tank is inspiring new ideas and creative ways of dealing with age-old barriers to economic well being in First Nations communities.

Presenters

Clarence Nyce
Cliff Fregin
Art Mercer
Zeno Krekic

Serving the traditional territories of:
Gitskan, Haisla, Haida, Kaska, Nisga'a, Tlingit,
Tahltan, Tsimpshiam, and Wet-suwet-en

Case study writer

Kay Leung
SFU Community Economic Development Centre

Still such poverty

“It was frustrating. Why was it that after many generations of hard work our communities are still languishing in poverty? After years of job creation funding and business start up programs, we continue down the road of dependence with no hope in sight. It is time for First Nations to aspire to become masters in our own homes. We need to define our own concept of economic development.”

—Clarence Nyce

It was Clarence Nyce’s sense of distress that also became his inspiration for forming the Economic Think Tank on Wealth Creation. Now nearing its twentieth month, the Think Tank continues to bring together a pool of individual expertise from within the Skeena business community. It is an ongoing forum for conversation where personal politics and differing points of view do not interfere with the issues at hand. Now focusing on ways to encourage a self-starting and self-sustaining free market-based economy, it has come a distance from the original discussion about the problems with current economic development. They are looking to create an economy that will draw greater wealth and therefore cultural and economic well being for its communities along the northern BC coast.

Four basic cornerstones

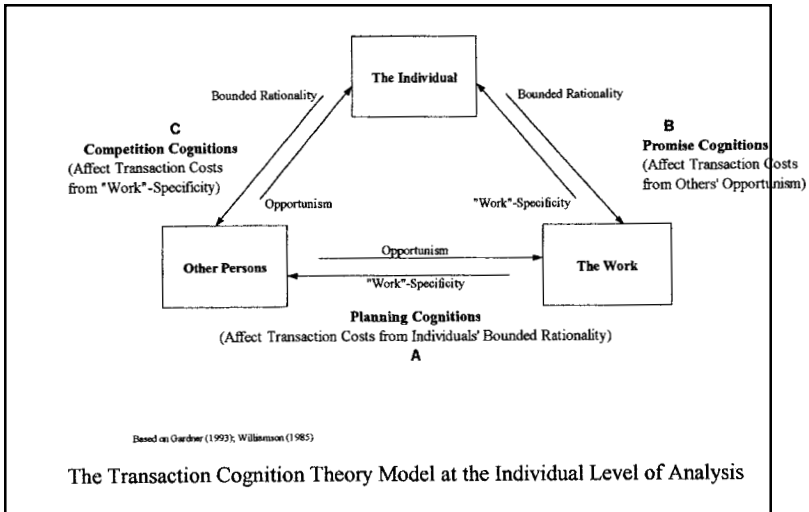
Four cornerstones, or main ideas, frame the discussions the Think Tank has organized so far:

- **New Venture Template**—The first is the need to understand the unique environment that entrepreneurial business developments face on and off reserve. Drawing upon the work of Dr. Ron Mitchell, a professor at the University of Victoria, the Think Tank is dissecting how the *Indian Act* has impacted entrepreneurial values and beliefs in mainstream First Nations society.

- **Property Rights**—Such rights are an important step towards the alleviation of poverty. Ownership of private property allows people access to funding to create their own businesses, regardless of the political environment.
- **Taxation**—Creating such a system on and off reserve will allow First Nations communities to pay for their own services and infrastructure breaking dependency on government funding.
- **Governance**—Moving the current governing structure to one that provides stability, allowing a market economy to develop and thereby alleviate the extreme dependency that exists in First Nations communities.

A new lesson in economic development

In a learning process that has taken nearly sixteen months, the Think Tank members started with redefining their idea of economic development. Looking towards the private sector for inspiration, they identified entrepreneurship as the key and invited Dr. Ron Mitchell, Head of the Business Faculty and also a professor in the Entrepreneurship Program at the University of Victoria to meet with them. Dr. Mitchell's work in entrepreneurial theory and training in third world economies, such as China, is internationally recognized. Dr. Mitchell's "New Venture Template" is a model of entrepreneurial businesses and behaviour. The central component of the model defines the basic parties involved and the business transactions that must occur in order for a business to exist, under any circumstance.



Here are the basics of the above model: (1) the Individual is the entrepreneur, (2) the Work can be interpreted as the resources and effort put into creating the product or service for consumption, and (3) Other Persons represent the potential buyer(s) for the product or service. These three elements represent a basic business transaction, a transaction that occurs for any business to exist. The absence of any one of these three elements will result in frustration and loss of business activity.

In order for an Individual to achieve success in these transactions and their businesses, they must have the ability to create a product that has value in the eyes of its consumers. The entrepreneur must also be able to plan, produce the proper product or service, and then maintain competitiveness in the market place. All of these abilities or 'ways of thinking,' are necessary for the success of the entrepreneur. No business can survive without these basic parties and their relationships to one another.

The model also helped the Think Tank understand the special conditions that were affecting business development on reserve. Operating a business on reserve adds two other parties to the picture, the Band Council and Indian and Northern Affairs Canada. Both of these groups are currently required to be involved in the creation of on reserve businesses and complicate the above model by increasing the total number of relationships and interactions that have to take place between parties. In fact, the total number of necessary interactions needed for a business to succeed on reserve increases from 3 to 10 interactions. The more parties involved, the greater the cost of time and resources to the entrepreneur, resulting in a lower chance for success. The Think Tank is now working with Dr. Mitchell to create a simplified version of the New Venture Template for other First Nations communities.

“The model has helped us understand the unique situation of business developments both on and off reserves. It explains the obstacles we know of and don’t know of, that have to be dealt with to be successful in both environments.”

—Zeno Krekic

Entrepreneurs are created and not born

An important aspect of this first cornerstone is the development of entrepreneurs. There has been much discussion of the importance of entrepreneurs to the development of a stronger Aboriginal economy. The Think Tank says it is important to understand that anyone can learn to be an entrepreneur. Entrepreneurs are successful not because they possess innate talents, but because they possess expert entrepreneurial values, beliefs and actions. Successful entrepreneurs can share their way of thinking and skills the way knowledge is traditionally passed on amongst First Nation cultures.

“By introducing entrepreneurial skills at an early age, First Nations children will later be motivated to act on their business ideas and have the basic skills to make them successful.”

—Cliff Fregin

“It is never too early to learn,” says Cliff Fregin. Cliff is one member of the Think Tank who is working with the Entrepreneurial Program at the University of Victoria, developing a special curriculum for kindergarten to grade 3 children in a local primary school in his community. The curriculum will help children learn to think from an entrepreneurial mindset by participating in various

activities such as operating a lemonade stand or selling cookies.

Entrepreneurial training for business development employees

Entrepreneurial capacity building has been happening in the private sector thanks to Think Tank member, Frank Parnell, CEO, Tribal Resources Investment Corporation. TRICORP provides lending capital to individuals starting businesses. Parnell funded entrepreneurial retraining and certification for all his business development employees in order to change employee ways of thinking based on the New Venture Template discussed earlier. It has helped employees understand the unique business environments both on and off reserve and the necessary components and potential barriers to a winning business venture. This new awareness will gradually filter into the work they do and the clients they serve. Although no amount of training guarantees success, both employees and potential entrepreneurs will be starting one step ahead.

Challenging the way we think about private property

One of the major challenges for the Think Tank has been facing the conflict between its ideas and conventional or traditional ways of thinking. One such area is that of private property. The Think Tank has identified private property as the second cornerstone needed for the foundation of a free market economy.

Currently, loans made by financial institutions to people wanting to start their own business are based on the quantity and kinds of assets individually owned. But banks find little value in homes and other personal assets, basing most of their judgement on ownership of real estate

instead. On-reserve communities are particularly at a disadvantage since land is either communally owned or is mortgaged to the government. In response, some communities have proposed moving the responsibility of the loan guarantee to the band, giving the individual more credibility and therefore access to funds.

However, the fact remains that the band cannot supply everyone interested in developing a business with a loan guarantee in the long term. Furthermore, the loans are flowing from sources outside of the community, continuing a dependency on public money.

“The idea of private property is a contentious issue for all of us, but it must be discussed. We have to understand that communal property cannot provide for us the way we need it to. Without private ownership of property, we cannot have access to capital to start businesses.”

— Art Mercer

One suggestion that would address both of these issues would be to somehow move ownership of the mortgages back into community hands. Aboriginal capital corporations could seek community investment to create a mortgage fund that would be used to provide on-reserve mortgages. Although this may not

directly increase private ownership of property, it could alleviate the extreme waiting lists for on-reserve housing and provide a sense of “ownership” thereby instilling pride and a potential source of capital for business start up.

Taxation, changing our relationship with Ottawa

In addition to the New Venture Template and private property, the Think Tank has identified taxation and governance as the two remaining cornerstones that need to be explored to form a free market economy.

Taxation, and private property, are controversial issues in First Nation communities. It seems impossible to implement such a structure when reserves experience an average of 70% unemployment and therefore do not have the means to contribute. However, creating a taxation system on-reserve (and perhaps off-reserve) that respects the circumstances, values and needs of the communities, will help change the dependent financial relationship that they have with Ottawa. The money could then be used to fund community services and infrastructure, all of which are currently being funded by outside government money.

Governance

According to Nyce, the role of government is to regulate and provide services to its citizenship. Unfortunately, the current governance structure in most Aboriginal communities does not have the power or resources to fulfil either of these roles.

Changing the current governance structure to reflect the needs of Aboriginal communities, means changing the way First Nations people understand governance. The Think Tank says that the role of governance is to create regulations that develop and

maintain the freedom of a free market economy. In the past, the ownership of many entrepreneurial businesses have been transferred to the community or government because of strings attached to funding. As a result, the entrepreneur does not have complete control over his or her own ventures. Without self-supporting businesses to form the basis of a self-reliant economy, no community can foster healthy economic growth. Only a government that recognizes these needs and conditions can be successful in bringing wealth and wellbeing to its communities.

Both the topics of taxation and governance address and question wider issues of self-reliance. The Think Tank will explore both topics in greater depth in the coming months. Certainly, there are no straightforward solutions. As it has with private property and the New Venture Model, the Think Tank discussion and learning will again be an incubator for ideas and new possibilities.

As long as there are coals, the heat will never disappear Cliff Fregin describes, “You know what happens when a red hot coal is placed next to another coal? The heat from the hot coal slowly moves to the ones around it, it spreads. This is what we’re trying to create here.” This metaphor helps describe the Think Tank’s strategy on how change will occur.

“The current principles of governance that the federal government has pushed our direction are not sustainable, they create too high a public expectation for our leadership to respond positively to, and they make the fatal assumption that with a simple name change here and there, the process will be better.”

—Clarence Nyce

For its members, the Think Tank has become a source, a hot coal, of inspiration to act and innovate within their own lives. All the projects mentioned in this case; the primary school entrepreneurship curriculum, the entrepreneurial certification of employees, and gaining local ownership of mortgages are just a few of the individual ideas energized by Think Tank discussions.

As the challenges, needs, and interests of their communities change over the years, the Think Tank will continue to address them until self-reliance and sustainability become part of every First Nations community in the North West Coast. But for now, the heat of creativity and momentum of changing for the better is constantly being passed on from one coal to the next. As long as there are coals nearby, be they part of the Think Tank or not, the heat will never disappear.

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Information sources for this case study:

- Presentations by Clarence Nyce, Cliff Fregin, Art Mercer and Zeno Krekic, Sharing Information conference, Jan. 25th and 26th, Simon Fraser University, Morris J. Wosk Centre for Dialogue, Vancouver.
- Interviews: Clarence Nyce, Art Mercer and Fred Tolmie



Aboriginal Business Development Centre

*Business and economic development services
to assist Aboriginal individuals, organizations
and communities to achieve their full potentials.*

Presenter

Vince Prince

Small Business Advisor, ABDC

Serving Prince George, Vanderhoof and Fort St. James.
Some services are extended to the whole of the Northern Interior.

Case study writer

Kelly Vodden

SFU Community Economic Development Centre

Aboriginal Business Development Centre

The Prince George Aboriginal Business Development Centre is increasingly recognized for its success in helping Aboriginal entrepreneurs in British Columbia start and expand their businesses. Their objective is simple: to help people, particularly entrepreneurs. Since serving its first client in 1997, the Centre has served close to 700 individuals, launching more than 100 businesses. Perhaps even more remarkably, almost every client who has applied for financing has eventually been successful in attaining that financing. More important than numbers is the fact that the needs of their clients have been met.

ABDC's Small Business Advisor Vincent Prince and Manager Ray Gerow provide their insights on how the Centre got started, some of the key reasons for their success and the challenges faced as they head into the future.

We Wanted to See Aboriginal People Getting the Business Support They Needed, and It Wasn't Happening

"It took years of talking and organizing for it to happen", says Gerow. By 1994 members of the Prince George Native Friendship Centre and other visionary leaders in the community had identified a need to improve services for Aboriginal people who wanted to get into business. Although there were approximately 10,000 Aboriginal people in and around Prince George, very few had started their own business ventures and of those who had, most did it with little or no local support. "We wanted to see more Aboriginal people in business here."

The problem, it seemed, was a lack of available business services. "It was all happening in Kamloops. There was no Aboriginal Capital Corporation in Prince George, only in Kamloops and Prince Rupert. The Community Futures concept wasn't working for Aboriginal clients." The local Community

Futures Development Corporation (CFDC) told us that they had only served three Aboriginal clients in two years preceding our start up.

The Friendship Centre was attempting to address the need for business advisory services by initiating an entrepreneurial training program with a mentoring component. All of 20 available seats were filled, with a waiting list of 100 people! Friendship Centre representative Dan George also asked for a seat on the local CFDC Board, and later suggested the establishment of an Aboriginal Sub-committee of the local CFDC. After making little progress, the group decided a separate initiative was needed. The Aboriginal Sub-committee began with an internship program, with two small business advisors working out of the basement of the Prince George Native Friendship Centre. One was Vincent Prince.

The Aboriginal Sub-committee was established with a representative of the Lheidli T'enneh First Nation, the Native Friendship Centre in Prince George, Central Interior Native Health Society, United Native Nations local 112, Nechako Fraser Junction Métis Association, Prince George Nechako Aboriginal Employment and Training Association, CFDC of Fraser Fort George, and Ministry of Small Business, Tourism and Culture.

The Aboriginal Sub-committee knew the demand for services was far greater than the CFDC had experienced. The interns began by conducting a survey in which they found more than 80 Aboriginal businesses in the area. Then they asked what kinds of services were needed. It was determined that a new organization, specifically targeting the needs of Aboriginal entrepreneurs, was needed. By June of 1997 the Prince George Aboriginal Business Development Centre had opened its doors. The whole process took several years and the dedicated work and loyalty of a handful of movers and shakers.

We do whatever it takes to serve the community

“They come to us and we pursue whatever they want us to. I literally do whatever they want, as long as it’s legal,” Prince says with pride. “Anybody that comes in the door, we will help them. It doesn’t matter if they need government support to cover day care expenses, or they lost their status card. Native people have been shuffled around from one agency to another, and there is no way we are going to do that to them. The couple of hours it takes to help someone lets them know you are there for them.”

When a woman from Fraser Lake area wanted to move from making cookies in her home to a storefront operation, Vince went with her to haggle with realtors over a lease. When another asked for support in getting her welfare cheque back, Vince put

“We do everything it takes to support that person, to make the business successful.”

— *Vince Prince*

on his suit and accompanied her to the caseworker’s office with a briefcase in his hand. The client had her cheque back within 25 minutes. Prince has even provided personal loans. “You wouldn’t believe how many clients owe me money. Most times they pay me back, sometimes they don’t.” Adds Ray Gerow, Centre manager, “Clients come to us with personal problems affecting their business. They couldn’t do that with a traditional lender.”

The Centre mostly assists people with their business ideas. By rewriting a proposal for construction industry training, Vince assisted in increasing funding for the four proponents to \$160,000 and more than nine months of funding, instead of \$60,000 for twelve weeks. The group now operates a construction firm. A drop-in center received help getting funding from a foundation and five local Bands have had help raising funds to bring in an advisor from outside with the necessary

skills to help put their joint ventures and other large projects in place. Once we start with a client, we don't quit on them. On average we spend 40 hours with every client, 100 hours to get a business started and 100 hours in the first year of operation."

Business planning—a step at a time

One service the Centre provides is assistance with business planning. The organization has a 30 page business planning guide, but Vince explains that they don't necessarily give it all to the individual at once. "Most lending organizations throw a pile of paper at people and say "come back and see me when you're done". We cross two-thirds of it out and say 'just do that'. It's psychological. The whole thing is too intimidating. Later I'll have them work on the rest."

While the Centre focuses on the Prince George area, entrepreneurs come from as far away as the Yukon and Northwest Territories, Calgary, Victoria and the Queen Charlottes seeking support, with the help of a toll-free number.

Where Do You Send People for Help?

The Centre's staff work closely with other organizations that provide resources for their clients, including drug and alcohol counselors, family counselors, Aboriginal Capital Corporations, and Community Futures Development Corporations. Referrals are also made to tax specialists, financial experts and other resources as needed. Approximately one-third of the Centre's clients, in turn, come from referrals from Community Futures offices and other organizations. The majority of referrals, however, come from the clients themselves. The Centre considers referrals from clients, other organizations and industry peers a measure of its success.

The effectiveness of the Centre's approach is supported by a recent study, which found that Aboriginal entrepreneurs were most successful when there were people around to support them, whether they needed childcare, additional funds,

"Well-qualified and highly motivated staff put the emphasis on empowering their clients and celebrating their successes."

encouragement, or a part-time job. The ability to refer clients to other agencies capable of addressing these issues was identified as a key factor in the success of service provision. The study, conducted by Simon Fraser University's Community Economic Development Centre, found that

Aboriginal entrepreneurs often rely on one-on-one business counseling from knowledgeable, approachable individuals, preferably within Aboriginal organizations in or near their community. The Aboriginal Business Development Centre was identified as a model of this type of service.

Let Them Come To You

While the Centre's relationships with the Aboriginal communities in their area have been an important component of their success, these alliances have not come quickly. Gerow explains: "We didn't reach out to speak to the Aboriginal

"People in our community have benefited and I can tell you that we appreciate it."

— Dan Klassen, Economic Development Officer,
Tsay Keh Dene

community; to tell them all about us. We waited to be invited: that's the "Indian way." We just went about doing the job of helping people start businesses and word spread through the community. When the communities were ready and thought they could use us, they invited us."

Vince tells the story. “FRBC gave us a contract to work in isolated communities. We said OK and phoned a couple of people up there. After three weeks FRBC called and asked how it was going. We said we haven’t gone up there. We haven’t been invited. Five weeks later I got a call from a friend and he said ‘come on up.’ I went for three days—an eight-hour trip from McKenzie Junction. We went fishing and hunting. I went to the Band office and to people’s homes, where my friend introduced me and I told them ‘I work for you’. No one asked for help. In the three days I only talked to one business—a silviculture contractor we met in the bush. It wasn’t until one month later that we started to get some calls. FRBC was pretty choked at first, but now they’re happy. They renewed our contract anyway.”

The Centre has followed this “go slow” approach with their individual clients as well. Inspired by the book *Ripples in the Zambezi* by Ernesto Sirolli, Prince says if the entrepreneur doesn’t have the desire, they will never make it.

“Enterprise facilitations are like family doctor. They only work on command.”

—Ernesto Sirolli

Prince says, “We don’t push them. I’ve never chased people, except for the initial survey we did. It took a while—I only had one client in the first couple of months, a trucker who wanted to finance a new truck. Then I got a few more and they started to come.

People call and I say, “Bring your idea. Let’s talk about it.” You have to be a good listener. Listen to their stories. Let them tell you what they need.” The Centre raises awareness of the services they offer through word-of-mouth only, no brochures, and no web site. “We help someone, and then they tell ten people.”

We treat everyone the same—everyone is valued

People, both staff and clients, are all valued. “What we really believe in is that everybody is equal,” explains Prince. One workshop participant asked about the Centre’s special programs for youth, for example. Vince replied, “The same program I’ve got for everyone else. We treat everyone the same.” “If someone slams the door in my face I still treat him well the next time he comes back. Also, we are not more important than our clients, nor is any one of us working here any more important than another.”

People with passion and commitment—the essential ingredients

Finding the right staff has been one of the Centre’s most important success factors. Vince Prince was among the first people hired. Manager Gerow explains, “Vince added an essential ingredient. He knew the Native community like nobody else. It was an unassuming approach—waiting for the right time, that built the support in the Native community for what the ABDC was doing.”

Vince attributes his success in large part to his family upbringing. My dad taught me to work hard and I never forget what my mom told me when I left home. She said, “If you ever need me, phone me.” I tell my clients the same thing. My mom was a lifelong learner and so am I. I learn almost as much from the clients as they learn from me.” Vince cites the example of the tourism industry. “We didn’t know enough about it. That’s one reason I started my own business, to feel that market out. I’ve also gotten involved in tourism associations. Now we’re working with a wilderness lodge, canoe adventures, guide outfitting, whitewater rafting...”

The passion Vince has for his job helps him get through long days that can be very draining. “It’s hard work. I’m in by 7 a.m. and often work on weekends when clients are in town for hockey games and other events. We have four phone lines in the office and often they are all busy. I might see eight clients in a day, 30 in a week, all different. I have to change gears each time.” Family support helps. “My wife supports what I do. I have a lot of people behind me. I’m connected with my land and I love my job.”

Skills and teamwork

Vince’s work and business experience has also been critical. He has been a marketing representative for BC Hydro, landscaper, and trainer in adult education. He has a business diploma and CED training from NVIT. He has operated his own construction business, and now runs a tourism company. “I have a diverse background. I can relate to almost anyone out there. Making the personal connection is important.”

The Centre has six people working in the office. “We are a team. We all want to see our clients succeed.” Staff transition is a challenge. “We must retain the knowledge of those who work in our organization by making sure we pass on the knowledge to one another”, says Gerow. “This way, if a key person moves on to another job we haven’t lost what they know, we have gained an ally in another position somewhere.”

Lessons learned

When asked about lessons learned both Vince and Ray point to the following:

Keep the politics out of it

'If you do not have an "arms length" relationship with the political arena, you are not going to make good business decisions, and your success rate will drop", advises Ray. Ray refused to locate the new Centre in the large Friendship Centre building because some people may have a poor association with it or the other groups that share that space. Business Counselors tell clients they are not interested in discussing politics. The ABDC Board acts as a political arm for the Centre, representing various organizations. They avoid involvement with Centre management.

Support your front line

"If a band is going to hire an EDO you'd better support him," Vince suggests. "A lot of Bands don't have the faith in their people to let them do the job." The Aboriginal Business Development Centre supports its front line staff." Any organization needs a good manager. I have a lot of flexibility. Rays fights with the politicians and makes sure I get paid. He had the faith in me. He has backed me 100% no matter what I do."

Ray has received similar support from the Centre's Board of Directors. Gerow was in Burns Lake managing the economic development office for the Regional District when he was approached to join the organization. They offered 6 months of salary, a phone, a desk, and stayed out of his way. Ray insisted on a few important conditions. One was a hands-off board. "I said no meddling in management affairs or I'm down the road!" The board was made up of experienced people. They understood and respected management's right to manage.

Some kind of stability, a long term contract would be nice

Despite solid, established relationships with their funders, finding the money to keep the doors open and to travel to outlying areas remains the Centre's biggest challenge. Says ABDC Manager Ray Gerow, "It's all short-term contract dollars—no core funding. Most of our money comes from Forest Renewal B.C., Indian and Northern Affairs Canada, with some from Aboriginal Affairs First Citizens Fund. We could get more funding if we agreed to do business plans for people, but we don't believe in that. One of the biggest reasons our clients are successful is because they do the necessary work, not us. As it is, we put in extra hours to do the stuff over and above the contracts."

Unless stable funding can be secured the Centre faces an uncertain future. Prince describes the reality of the situation: "Partly we don't advertise because we don't know if we will be there in the future ... We do OK with the money we get. Our biggest achievement has been meeting the demand on a shoestring budget, but some kind of stability, a long term contract so we can provide our core service, would be nice."

Following up

One workshop participant asked about the aftercare services provided by the Centre. "We struggle with this," Vince replied. "We keep in close contact for three to four months. We help people set up accounting systems, their books, web pages, brochures, business cards. But we don't have the resources to have a structured follow-up system. We have to count on the relationship that we have established with the client, hoping that they will come back to see us if they are having problems. We don't have the long-term dollars ... we'd love to have someone to assist with aftercare, to make sure their business is successful." Prince has seen nine or ten of the businesses he helped establish in 1998 come back for assistance with

expansion. “When you see that, it feels really good.”

Our skills can be learned

Can your organization be cloned? Prince responds to this question, asked by a conference participant: “It can be done and we’d be happy to help. I’m nothing special. Three quarters of the people I know could do this job just by caring. I learned all this stuff, financing, marketing ... anybody can do it as long as they are willing to listen and help.”

Both Ray and Vince believe strongly that what the Aboriginal Business Development Centre has accomplished can be done in other communities. “There are clear gaps in this province. We are trying to eliminate working in such a big area. I’d be happy to share templates for business plans”, says Prince. “We can also help with proposal development, training and even raising the funds to pay for that training. But you have to identify the person in your community with the commitment.”

Aboriginal Business Development Centre Start-Up Timeline

1994	Prince George Native Friendship Centre launches entrepreneurial training program with mentoring component
Jan. 1995	Dan George begins asking CFDC about their services to Aboriginal clients, asks for and is given a seat on the Board
June 1995	Aboriginal subcommittee for CFDC formed, with representatives from various organizations
Dec. 1995	Aboriginal subcommittee for CFDC makes proposal for small business interns through MSBTC
Early 1996	Two interns (Mike and Vince) hired and begin work in Friendship Centre basement
Apr–May 1996	Interns complete survey of 85–90 Aboriginal businesses, receive first client
March 1997	Interns have served 35 clients after one year
June 1997	Ray hired, Society formed
October 1997	Advisor Vincent Prince hired
December 1997	42 clients served since October
April 1998	Second Advisor hired under a sixth month time sharing contract with Lheidli T'enneh Band (until October 1998)
1998	193 new clients, receptionist hired, 42 business start-ups
March 1999	New Advisor hired
1999	221 new clients served, 46 business start-ups

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Information sources for this case study:

- Presentations by Vince Prince and Kelly Vodden, Sharing Information conference, Jan. 25th and 26th, Simon Fraser University, Morris J. Wosk Centre for Dialogue, Vancouver.
- Interviews: Ray Gerow and Vince Prince.

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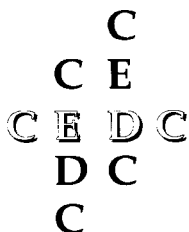
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Ray Gerow, BC Working Group Representative (left) and conference facilitator Gary Merkel.



Case study writers (left to right): John McBride, Anne Miller, Kelly Vodden, Ross Smith.



The Community Economic Development Centre, established in 1989 at Simon Fraser University, brings together a team of associates drawn from the University and CED practice. Its purpose is to further the understanding and the practice of community economic development. The team is widely involved in community-based projects throughout the province and overseas.

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Our Own Vision – Our Own Plan

*What six First Nations organizations have accomplished
with their own economic development plans*



*Aboriginal Business
Development Centre*



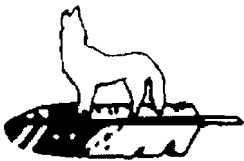
*Nuuchah Nulth Economic
Development Corporation*



Lheidli T'enneh First Nation



Skeena Native Development Society



Osoyoos Indian Band



Skidegate Band Council