**EVENTS MEMO**

**LUNCHEON WITH SFU PRESIDENT ANDREW PETTER**
**MAY 10, 12:00 – 1:30**

**CLOVERDALE RODEO & COUNTRY FAIR**
**MAY 20 – 24**

**TOP 25 UNDER 25 AWARDS RECEPTION**
**MAY 30, 5:30 – 8:00 PM**

**DEADLINE FOR VOTING FOR SBOT DIRECTORS**
**MAY 31, 5:00 pm**

**FUTURE MEMBER ORIENTATION**
**JUNE 8, 4:00 pm**

**ANNUAL SBOT GOLF TOURNAMENT**
**MORGAN CREEK**
**JUNE 16, Shotgun 12:30 pm**

**Details and registration**
www.businessinsurrey.com

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**ON THE INSIDE**

**ENVIRONMENTAL BUSINESS: TRENCHLESS SOLUTIONS**
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**SOCIAL MEDIA EXPLAINED**
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**MICHAEL LEVY OUTLOOK**
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**SURREY BOARD OF TRADE ANNUAL GENERAL MEETING**

**KEYNOTE: “THE TIM HORTONS STORY” BARJ DHAHAN, SANDHURST GROUP**

**JUNE 23, 2011, 5:30 – 8:30 pm**

Eaglequest Golf Course at Coyote Creek

For more information
www.businessinsurrey.com

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**CLOVERDALE RODEO@65, EX@122 YEARS**

- Point of Pride is Major Business Driver for Surrey

A change in format a few years ago, which included eliminating steer wrestling and calf roping has paid off with recognition from the (world's biggest) Houston Rodeo, stating that Cloverdale has something worth implementing at their event.

“Cloverdale changed the format to a non-timed format, basically barrel racing, saddle bronc, bareback and bull riding” said Dave Melenchuk, General Manager of the Cloverdale Rodeo and Exhibition. “Now, Houston runs a 20 day event so on the last day they implemented this new format called a ‘super shoot out’, and attracted 70 – 75 thousand people. Last year they had been in touch with us to learn more about how we arrived at the format and asked for advice on how they could implement it. That’s what initiated the invitation to come to Houston to take part in their festivities.”

Clearly it was a winning formula, because in respect to the changes brought about by Cloverdale, Melenchuk and his Rodeo Manager Jamie Rogers were also invited back next year with the top winners from this year’s Cloverdale Rodeo, to be entered into the Houston Event as “Team Cloverdale”.

“We’re looking for great things because as Team Cloverdale competes next year, we’ll get great coverage on Fox Sport (to all of North America),” said Melenchuk.

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**The HST, Myths and Truths**

Former Premier Gordon Campbell paid a stiff price for the way his government implemented the HST. The reaction and the successful effort to force a referendum on the tax has been highly and emotionally charged. However the consequences of reverting to the PST/GST system are enormous and not at all positive as argued in this abbreviated (due to length) article from Richard Rees, FCA. There’s an enormous amount at stake and it’s critical that decisions are made from information over emotion. It’s time for sober reflection – Ed.

**MYTH #1:** The HST will lead to higher consumer prices across the board;

**MYTH #2:** Any price reductions realized by business will be pocketed as profits, with no benefit to the economy or to consumers; and

**MYTH #3:** The HST will only benefit big business, and low-income British Columbians will be adversely affected.

In the eight months that have passed since the HST was first implemented, not one of these dire predictions has materialized. Economists have analysed the data, and now have a clearer picture of the HST’s impact on BC’s economy thus far. Their research reveals that:

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**The Surrey Focus on India**

The City of Surrey and the Surrey Board of Trade have both focused on India to create businesses connections, memoranda of understanding and business opportunities for the business community. In February, Mayor Dianne Watts with councillors, Linda Hepner, Tom Gill and Barinder Rasode, lead a delegation of 24 companies to India and in March, the Surrey Board of Trade, lead by President Nigel Watkinson, First-Vice President Mary Jane Stenberg and CEO Anita Huberman lead a group of about twenty to New Delhi, Agra, and Mumbai, to meet with the major Chambers of Commerce of India and a number of businesses.

For overviews of both missions, please turn to Pages 10 and 11.
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Includes: 800 sq ft of elegant, luxury nylon carpet 1/2” SmartCushion premium cushion, 13 regular stairs, lifetime guaranteed installation, all finishing strips, lift & disposal of existing carpet, 5 rooms of furniture removal

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Includes: 900 sq ft of carpet, 1/2” SmartCushion premium cushion, 13 regular stairs, lifetime guaranteed installation, all finishing strips, lift & disposal of existing carpet, 5 rooms of furniture removal

**KITCHEN PACKAGE**
Featuring: Tarkett® FiberFloor®
Includes: 200 sq ft of Tarkett FiberFloor®, lifetime guaranteed installation, remove and replace two appliances, basic prep of existing sub-floor, & all finishing strips.

**DELUXE BACK SPLASH PACKAGE**
Includes: 25 sq ft of field tile, 5 sq ft of glass or accent tile, 1 hour professional design consultation, lifetime guaranteed installation, grout, grout boost and schluter.

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  - LUXURY CARPET PACKAGE: $7995.00
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  - KITCHEN PACKAGE: $1695.00
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The HST, The Referendum, The Future!

1. Consumer prices have not risen across the board.

Noted economist Jon Kesselman was first out of the gate with his recently released report, Consumer Impacts of BC's Harmonized Sales Tax. Kesselman found that since the HST was introduced in July 2010, the consumer price index (CPI) grew by only 0.6%—in others words, consumers are paying $1 additional dollar for every $165 dollars they spend. (Jonathan R. Kesselman, Consumer Impacts of BC's Harmonized Sales Tax, February 2011).

Only 17% of goods and services spending was newly taxable under the HST, which means 83% of consumer spending was not subject to an increase. In addition, Kesselman found that many businesses had already passed savings along to their customers, and that prices for a wide variety of goods and services had fallen. These decreases have tempered the rise in other prices, such as restaurant meals, which increased by 6.5% between June and December 2010. (ibid).

2. Businesses are not pocketing all the profits from input tax credits.

Without a doubt, this tax change has had a negative impact on the bottom line for some sectors. That said, we are starting to hear anecdotal evidence of the demonstrated benefits of the HST, especially for small businesses. For example, Institute representatives recently attended the Budget Lock-Up in Victoria, and spoke to a small-business owner who said she was shocked by the positive impact the HST had already had on her business. She told us she is saving significant money on compliance and filing, and that these savings, combined with the input tax credits, enabled her to hire two additional full-time employees. While this is just one example, it indicates how the HST can provide new jobs, foster economic growth, and increase efficiency. Similar results across thousands of businesses will make a significant impact on our lifestyle and our economy.

3. The HST is not bad for low-income British Columbians.

...examination of the consumer data finds that lower income households spend larger shares of their budgets on categories of consumer goods and services that have experienced small price decreases, while higher income households spend more in areas with large price increases.” (Kesselman) Combined with the HST tax credits, this actually makes the HST less regressive than the PST for this particular demographic.

What the HST means for business:

Rescinding the HST would mean losing input tax credits for the provincial portion of the sales tax, which would increase the cost of doing business in the province and make BC businesses less competitive. For industries like the film industry, that could mean the difference between maintaining our status as “Hollywood North,” or watching business move east to Toronto. The HST saves film companies up to $70,000 per television episode and more than $2 million per feature film, and they are choosing locations based on the slimmest of margins—even with the Canadian and U.S. dollars at par (Peter Letch, FCA, president of North Shore Studios, phone interview, February 22, 2010).

• Going back to the PST/GST would mean that most businesses would have to file tax remittances 12 times a year, instead of filing quarterly as they do under the HST.
• Going back would mean returning to two tax regimes; two sets of rules, treatments, interpretations, and auditors, and two sets of forms.

What the HST means for the economy:

• Going back would be complex and confusing for businesses, and it would also be extremely expensive for the provincial government, reinstating the now defunct PST office.
• Maintaining the HST would encourage investment, create jobs, and lead to lower prices, making BC businesses more competitive. All of these things are good for BC’s economy, and drive economic growth. Ontario has made this transition and, if BC reverts back to the old PST/GST system, Ontario would be only too happy to absorb new investment.
• Reverting back to a tax that has few redeeming features would make BC look like a backwater, rather than a thriving economy. And without a strong economy, it is difficult for the province to deliver the public services on which we all rely, or to maintain and improve infrastructure, such as schools, hospitals, and roads.

What the HST means for consumers:

• Since the HST was introduced, the prices of some items have risen, some items have declined, and the overall impact on the Consumer Price Index was only one additional dollar for every $165 dollars spent.
• Under the HST, only 17% of goods and services are newly taxable (increasing from a 5% rate to a 12% rate); as stated earlier, 83% of goods and services have seen no increase and are still taxed at the 12% rate.
• Lower income British Columbians have been protected against most increases, and about 1.1 million are receiving the BC HST tax credit, also the spending of this demography is concentrated on items that have actually seen small price decreases (Kesselman).

This article (abbreviated due to length) presents highlights and the reader is urged to read the complete article presented on the Surrey Board of Trade website www.business surrey.com. The article originally appeared in the April 2011 issue of Beyond Numbers magazine. The Chartered Accounting profession supports the implementation of value-added taxes, like the HST, and is a member of the Smart Tax Alliance (STA). The STA is a non-partisan alliance of BC businesses and industry groups formed to support the job-creating benefits of the HST. The STA represents a wide cross-section of industries with over 800,000 employees across British Columbia. For more information regarding the STA visit www.hstjobs.ca.
Finding the Proper Balance of Business Taxation

As I write this, we are just 10 days into the Federal Election Campaign. However, by the time you actually read this, we will already know the election results, a good many weeks before. Much is being said right now about the level of corporate income tax. The Conservatives want to reduce it from 16½% to 15%. The Liberals want to increase it back to 18% and use the extra revenue generated to pay for tax-free grants for students attending college or university. The NDP want to increase corporate tax rates to 19½% but instead would reduce small business tax rates (on first $500,000 revenue) from 11% to 9%. All three major parties are also offering concessions or tax credits for hiring new or young employees. There is something appealing in all of these positions.

Pledging to reduce corporate income taxes further is not a particularly popular political position to take and the Conservatives could lose support over this. Most voters and enhancing our City’s tax rates have fallen dramatically since 2000 when the Conservatives started to chip away at an excessively high rate of 28% (federal taxes only). Mr. Harper aims to reduce this further to 15% in 2012. The economic arguments behind this is compelling but difficult to prove. Statistics supporting lower business taxes. For example, the amount of corporate taxes collected federally in 2001 was $24.2 billion and in 2011 is projected to be $31.1 billion, yet the corporate tax rate has dropped 40% over that same period. Furthermore, as a percentage of our gross domestic product (GDP), corporate taxes collected have increased from 2.2% in 2001 to 2.7% in 2007. These trends are not to venture into making any predictions about the outcome.

While it is early days in the campaign, it is interesting to see how the three major parties are trying to leverage such issues. Much is being said right now about the level of corporate income tax. The Conservatives want to reduce it from 16½% to 15%. The Liberals want to increase it back to 18% and use the extra revenue generated to pay for tax-free grants for students attending college or university. The NDP want to increase corporate tax rates to 19½% but instead would reduce small business tax rates (on first $500,000 revenue) from 11% to 9%. All three major parties are also offering concessions or tax credits for hiring new or young employees. There is something appealing in all of these positions.

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THANK YOU FOR MAKING US #1 AGAIN!

COME SEE US FOR ALL YOUR VITAMIN & SUPPLEMENT NEEDS

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A complete ONE-A-DAY formula for prostate health
A natural approach that offers relief in 3-7 days.
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Sleep through the night and enjoy a stress-free day because you’ve discovered a formula that works

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New Roots Liver formula cleanses and rebuilds your liver for optimum health and skin tone. You will notice improved digestion and energy, reduced stress and allergies, and noticeably healthy, glowing skin in 30 days.

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Trenchless Technology Cuts Carbon
- Green Solution to Aging Infrastructure

David O’Sullivan

Everyone at some point has turned onto their favourite route to be confronted with disrupted traffic as a backdrop, a team of civic workers and a supply of barriers, blinking lights and flag persons attend to a trench being dug in the road to reach and repair or upgrade a sewer or water line or other utility. But the reality is that the traditional method of digging a trench is hugely time consuming, disruptive, and every expensive financially, as well as in terms of the energy expended.

What if you didn’t have to do all that digging? There would be significant savings financially and environmentally. Trenchless technologies in most cases are the most effective method of repairing and replacing aging and failing infrastructure, and installing new infrastructure.

David O’Sullivan, is President of PW Trenchless, and director of the BC Chapter of the North American Society for Trenchless Technology (NASTT-BC) and he’s been championing this technology to traditional open cut methods. The energy (carbon) saving is about 90% and depending on the trenchless method used, the cost savings range between 25% and 40%.

“In Vancouver they started to put in water systems about the 1880’s,” says O’Sullivan. “From that time, up to the 1920’s, the pipes used were cast iron for water mains and clay for sewer pipes. Both of those products have a life span of about 130 years. But the vast majority of that $200 million is actually spent on diesel to move dirt in and out of the excavations. If we can eliminate that we can eliminate a lot of CO2.”

Measuring The Carbon Footprint

Working with a scientist at the University of Waterloo Ontario we developed a carbon calculator—so we could prove savings in trenchless operations of about 90% over open cut methods. In 2009, through SFU, with money from the National Research Council, we created a much more sophisticated calculator which is available online now for anybody to use. Now our national association has teamed up with the research and development arm of the US Oil and Gas companies who are spending about half a million dollars improving it further. So our calculator developed in BC is now coming into use all over North America. It’s also being looked at by various groups in the UK and Germany.

As of next year, all of the cities of BC through the UBCM are aiming to be effectively carbon neutral in direct day-to-day operations. That means that operation of their ice rinks, sewage systems, trucking maintenance of roads and stuff like that will need to be carbon neutral. To achieve this, they will try to lower their carbon footprint as far as possible, and for what they cannot reduce, they will buy credits or off-sets from the Pacific Carbon Trust.

Construction is not within the mandate for their carbon neutrality, but by us developing a protocol, which is the next thing we have to do, we can generate a usable carbon credit that they can use internally and offset some of the other carbon generators of other operations. So that’s the next phase that we’re undertaking now.

For more information, photos of the processes and the free carbon calculator, please go to http://pwtrenchless.com.

Efficiency reduces environmental impact
- The Greening of Fraser Surrey Docks LP

Surrey’s own, Fraser Surrey Docks LP (FSD), located in the northwest corner of the city, off River Road, it’s the largest multi-purpose marine terminal on the Pacific coast of North America. This operation handles containers, break-bulk (non-container cargo), project cargo, and now bulk agricultural products, while pursuing versatility and efficiency, and working to be continually greener, according to Bill Wehnert, VP Sales & Marketing.

“Water is most environmentally friendly for cargo movement,” he says. Ships are energy efficient, and come well inland to dock at the port. Much of their cargo is transferred directly to rail, which efficiently reduces trucking activity and regional road congestion. Empty cargo containers can be stored right in the yard, instead of being trucked elsewhere. An online cargo management system reduces paper use and offers real-time information for customers. As Metro Vancouver grows, Wehnert expects there will be more business for FSD.

A tour of the yard by Brady Eno, Assistant Manager, Sales & Marketing, shows steady activity, and a variety of cargo in transit: containers, steel pipe, steel plate, spoons of wire, and packages of lumber, with containers and steel being the highest volume items. Along the wharf, giant gantry cranes move the containers from ships to trailers towed by specialized trucks. Other equipment includes large forklifts. The yard layout puts the container area in the centre, with direct access to three berths serviced by the gantry cranes.

Shed 1, a new building, will hold bulk “agri-products” such as canola pellets and dried distilled grain, to be exported overseas for animal feed. A mobile conveyor system allows each ship to remain in position at the berth throughout the loading process.

Existing transit sheds around the property have been retrofitted with high efficiency lighting that automatically shuts off when not needed.

Another efficiency is at the container gate where trucks line up to present paperwork. No idling is permitted. Port Metro Vancouver maintains licensing rules that prohibit older, high emissions trucks from entering the yard. FSD’s own fleet of pickups boasts automatic idle shutoff.
Environmental Impact

Probably the most visible investment FSD has made in saving energy is the purchase of a hybrid switching locomotive. A “Green Kid” converted by Railpower has been on the job here for seven years. Instead of a main engine, it packs a bank of batteries and a diesel generator. The Green Kid burns half the fuel of a conventional switching locomotive, and is significantly quieter. FSD is now trying out an electric forklift in the yard. Future “green” considerations include use of vegetable-based hydraulic fluid, Tier 3 standards compliance on building energy use, and regenerative engines running on ultra low sulphur diesel fuel for yard tractor trucks.

Port Metro Vancouver is working to preserve clean air and water, while lowering its carbon footprint at 28 terminals in the region by offering reduced harbour dues to shipping lines using lower emissions vessels. Their staff also check all docking vessels for overboard discharge, and inspect engine room logs.

Founded in 1962, FSD is a limited partnership that is part of Port Metro Vancouver. The authority controls the land, and the terminal holds a long-term lease on 150 acres. Both cooperate on marketing and infrastructure projects. Like most ports, this one is a major economic generator. It provides 80 to 90 direct jobs, with the claimed multiplied value of 4000 jobs, $200 million in wages, and $440 million in gross domestic product. The employees, including subsidiary Pacific Rim Stevedoring, handle an average of one deep sea vessel per day, moving cargo through direct connections to any North American destination via four major railways, and Surrey’s truck routes.

Wehner says, “At FSD, we’ve been able to offer long term employment, with a lot of pride and memories.” It appears smart decisions are making the port operation increasingly more sustainable now and for the future.

David Conn, Surrey Public Library (retired) is a member of the Environment Team.

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Aerial view of Fraser Surrey Docks
Facebook, Twitter & LinkedIn – What’s the Difference?
Ashish Gurung

Facebook, Twitter and LinkedIn are the three largest online communities (Social Media) in the world today. The offer platforms where you can create profiles, interact with others and network, and represent a serious purpose for your business. Facebook, the largest social network today, is primarily a closed platform consisting of friends and family. You need mutual friendship acceptance before you can view other profiles. It is rich in media (photos & videos), contains meaningful connections and most importantly, optimized for sharing. Facebook’s business solutions include Facebook Pages for Businesses, and Facebook Ads. Facebook Pages allow companies to create a public, and open Facebook presence. People on facebook may “Like” your company’s page, and follow your company’s updates. You may post photos, video and other updates to engage your potential customers. Facebook Ads are perfect to advertise to specific demographics – it will segment ads based on gender, location, age, interests and many more. Facebook is best for companies targeting consumers.

Twitter is a micro-blogging network where users post text updates that are less than 140 characters. It’s an open network where you’re allowed to follow people without their confirmation. Twitter is the best platform for conversation, the service is excellent for businesses professional to network with each other and to keep up with trends in their industry. Twitter allows you to monitor conversations around your brand, engage in your community, and reach out to customers directly. Twitter is very powerful in building strong relationships with customers, whether it’d be enterprise or consumers. By taking part in active everyday conversation with customers, you’re building trust and credibility. Twitter: every business, and every entrepreneur, should be active on this. It’s good for business, and great for building up your personal network and brand.

LinkedIn is the professional network. Your LinkedIn account is your online professional presence that connects you to others designed for the business professional. Your profiles consist of your previous work experience, your business connections and your recommendations. LinkedIn allows you to stay in touch and keep updated with your business connections, whether or be a former colleague or someone you met at a networking event. The service also makes it super easy for your connections to refer you to their network – making word of mouth marketing that much more powerful. LinkedIn: Every business professional needs to have a presence on. The connections you have on LinkedIn will be an invaluable network, either in your current or future business ventures.

Next edition I’ll explore some of the top questions and concerns about these media and the answers. Twitterers – Start Your (search) Engines!
Ashish Gurung is a Social Media ambassador with the Surrey Board of Trade, helping businesses get started and maximize use of social media. E-mail him at hello@ashishgurung.ca or follow him @ashishgurung.
Cleaning Up Dirty Money
- Recognition and response to laundering money

Terrorism and international crime are in our faces every day, and it is natural for us to be smug, living in a civilized country that is comparatively peaceful. But the untold story about these images and events is the source of funding that facilitates and the way laundering plays a frequent role in financing terrorism and organized crime that steals the life-blood of the our economy.

The reality is that money laundering is happening under your nose and you don’t even know it! Small businesses have been and continue to be a factor in the process of turning “dirty” money “clean” by taking money derived from illegal/illicit activities and sanitizing (laundering) it so that the source of the money is disguised through conversion (often several times) into other forms of money and assets. Law enforcement agencies world-wide dedicate massive resources for tracking and seizing the proceeds of crime. Organized crime does not want to lose behind clear evidence of the proceeds of crime so every effort and strategy is used to cover the trial as quick as possible and move the proceeds of crime into the shadows - do what it takes to make dirty money untraceable.

The Jeff Burton is author of The Burton Report at www.burton-report.com and is a member of the Crime & Justice Team, with assistance from Cpl David Race, RCMP Proceeds of Crime Section.

A Healthy Planet

Have you ever sat leisurely sipping a cocktail out of a plastic glass while on a flight to a sun destination like Cancun or Veradero? Did you know that during your flight one million of those glasses will be used on US airlines? That was an astonishing fact to Steve McClurg and Sharon Kurtz.

The fact that US airlines use over one million plastic cups every six hours, was one of the reasons they became founding members in the formation of Healthy Planet Earthware Society, a non profit environmental group dedicated to the education of the hospitality and travel industry on alternatives to petroleum based plastic disposables.

Kurtz, the founding President of Healthy Planet, is a veteran volunteer on several environmental campaigns. McClurg who honed his campaign skills in the political arena is “reformed” as he likes to put it and has become the Markets Initiatives Campaign Director for the organization.

A lot of people have asked why target the travel and hospitality industries?, said McClurg “The answer is simple, airlines and hotels are responsible for incredible amounts of waste but have the ability to tweak their marketing plans and make plastic glasses and containers a thing of the past”, said McClurg.

Sharon Kurtz believes that if, “airlines allow customers to pay for their choice of seats, numbers of bags, and types of meals they should easily be able to allow for choice on whether or not they want their drink served in a biodegradable cup or a plastic one. “It’s the same with hotels” she said. “Including an option for biodegradable cups is not difficult for them.” It would also help makes them good cooperate citizens and environmental leaders.

Steve McClurg knows from past experience that focusing efforts on the market place will have a large impact. “Healthy Planet Earthware Society will work to educate consumers, airlines and hotel chains so that they are aware of the environmental impacts of using plastic cups and containers”, said McClurg.

Both McClurg and Kurtz have a vision that not only includes wiping out the use of plastic cups and other destructive containers, but gives local communities the opportunity to gain thousands of sustainable jobs producing non petroleum based containers.

“There are companies, both locally and internationally that have perfected" the technology to compress cellulose fibres into biodegradable containers said McClurg "We could produce a lot of BC jobs because virtually any type of plant fibre can be used”, he said.

In the next few months, this relatively new environmental non-profit plans to knock on the doors of some of the biggest users of non-compostable plastic and Styrofoam containers. They are pretty sure there will be laggards and leaders and their goal includes keeping consumers aware of who is committing to becoming an industry leader. A new website and campaign plan is in development.

For more information contact 778-773-9918

Jeff Burton

The majority of small businesses are excluded from the list of those who are mandated by Canadian legislation to report suspicious transactions, so why should you as a business owner worry about money laundering? It doesn’t mean your business will never be affected by money laundering, so it’s all the more reason to be diligent.

Competition in businesses is normal and healthy provided that all operate on a level playing field. But businesses propped up by an injection of venture capital derived from drug trafficking creates an uneven playing field because such a business doesn’t have to worry about making a profit when dirty money is laundered through its operations. Worse than unfair competition is the serious potential for drug related violence that often follows laundered money to the business next door which is guaranteed to drive away your customers.

In future issues we will look at how small business is involved in money laundering with:

- Actual examples drawn from Canadian and US cases
- Signs and symptoms and common explanations and excuses about the origin of money
- Know Your Customer (KYC) and establishing policies and procedures to combat money laundering, and once discovered what action you should take.
- How to report suspicious transactions and where to get more help.

The Jeff Burton is author of The Burton Report at www.burton-report.com and is a member of the Crime & Justice Team, with assistance from Cpl David Race, RCMP Proceeds of Crime Section.
Immediate and Future Business Success from Mayor’s India Tour

Calling it a significant step forward in building the business and civic relationships between the City of Surrey and those throughout India, Mayor Dianne Watts’ ten-day Business Mission, took her to seven cities throughout India.

“Surrey has deep and strong natural ties to the people and the regions throughout India, and it was important for me to experience the country of India firsthand to fully understand those ties,” says Mayor Watts. “This was a Mission about achieving economic success and jobs for Surrey, and fostering relationships between our companies and their appropriate business matches in India, and I’m pleased to say that was achieved.”

In total, four Memoranda of Understanding (MoUs) and a number of deals were completed or moved to final incubation stage, and the 24 companies represented on the Mission established strong relationships with potential partners in India. Over 110 individual meetings were held during the highly successful trip.

For companies such as Wok Box Fresh Asian Kitchens, a Surrey-based company, the trip yielded such positive results the company is looking at multiple offers from major Indian conglomerates to take the company countrywide. Life sciences company biotical Laboratories secured an eight-hospital commitment for its rapid HIV testing unit. Simon Fraser University secured three MoUs in the area of student and faculty exchange and R & D agreements for groundbreaking technology invented by Dr. Erik Kjaergaard, with the SFU Mechatronic Systems Engineering Program in Surrey.

A number of the clean tech sector companies made significant progress towards MoUs or deals, and organizations such as Mantra Energy are in the final stages of negotiations. Surrey-based corporate services agency Oxus Nexus achieved a significant deal and is working on the details of a second to expand the company into India, and several promising relationships were formed in the wood and manufacturing sector and the film and entertainment sector of the visit.

In fact, due to the rapid development of partnerships during the trip, Mayor Watts asked the Consulate General of Canada to provide support to the Surrey companies in the area of local business service expertise to facilitate ongoing deals.

“We asked the Consulate General’s office to facilitate technical and professional business services locally in India for our delegates after we started seeing such strong results after the second day,” says Mayor Watts. Advanced matching and exploratory work prior to arriving in India has resulted in a number strong relationships coming together quickly.

“I’m pleased the businesses achieved early and mutually beneficial results with the companies they came to meet in India,” says Watts. “We anticipate over the next several months we will see a number more deals come together. On behalf of the City itself Mayor Watts signed a MoU with the Mayor of the City of Jalandhar, Rakesh Rathmore, to establish relationships between the two cities in the areas of: 

• Developing sustainability initiatives and emissions reduction strategies;
• Sharing information on clean energy systems;
• Building industry relationships to identify market opportunities;
• Sharing waste management practices;

The trip, from February 10-21 and included time in Mumbai, New Delhi, Bangalore, Chandigarh, Islanddar, Ludiansh and Amritsar. During the time in Amritsar all four elected officials, Mayor Dianne Watts, Councillors Linda Hepner, Barinder Rasode and Tom Gill visited the Harmandar Sahib (Golden Temple) where all four were honoured by Temple officials who presented the delegation with saropas, the highest honour that can be bestowed on visitors. This was a fitting culmination of the highly successful trip.

Bad News and Good News!

It’s been awhile since we’ve had a chance to talk and it sounds like the whole world is in upheaval; the Japan earthquake and nuclear crisis, the Libyan action, the budget, problems over the US and whether or not they can even get a budget together. Is there any good news here?

Although there are some Canadian manufacturers and exporters still suffering, the good news is a higher Canadian dollar supports Canadian citizens because what it raises our purchasing power of imports. In other words, when we go off shore either to the US, Europe or over to Asia we’re buying with a stronger Canadian dollar. Goods come in cheaper and that lowers our cost of living to what it would be with a weaker dollar and raises our standard of living. So a strong Canadian dollar I think is very good for Canada and really sends out a signal that Canada is one of the key places in the world where people want to put their money. And this is for very good reason: we have a sound banking system and we have stable government, despite the election, and we have just what the world wants in commodities and natural resources. So Canada is a magnet and the strong Canadian dollar is as a result of that.

Even if you’re an exporter you still have the opportunity with the stronger dollar to replace equipment and all that sort of thing you may have to buy off shelf.

And Canadian manufacturers have done that in significant measure. Now the downside of that is that factories have become more efficient with fewer employees and so you see employees displaced by machines. This makes the factories more profitable but makes workers shift what they’re going to do. I’m watching the employment numbers. Certainly they aren’t where we would like them to be but it’s better than a lot of other countries and employment is getting better in Canada so that shift seems to be taking place with some pain but taking place nonetheless.

How are the commodities markets looking to you? Japan particularly is going to need an enormous amount of material to rebuild and are we the provider of a lot of that kind of material? Yes we will see changes in the Japanese infrastructure and yes they are going to need energy and probably lumber from Canada but they are going to end up doing a lot of things differently. They may rely on China for a lot of what they need and the Chinese could be a big provider of infrastructure material. Remember, the Chinese not only produce within their own country, but they own a lot worldwide and China and Japan are big partners right now in a lot of manufacturing. Japan counts on China for a lot of remanufactured goods and components that go into the merchandise that they ship so it’s going to be interesting to.

How do interest rates trends look to you going into the summer?

If I’m going to stand on one forecast our rates are going up. We’re seeing it in the bond market you saw it in the mortgage market in the past couple of weeks. Canadian five year
Surrey Board of Trade commits to India by signing MOU’s

- Establishes reliable on the ground partners

“I am very pleased that the Surrey Board of Trade is here with us tonight at the Canadian High Commission. I wonder why more Canadians are not coming in droves to become a partner in the development process of India. We as a people are very similar,” said President of the Indo Canadian Business Chamber and GM India & Country Head at Air Canada, Mr. Arun Pandeya - Delhi, India.

The SBOT has set an innovative goal of establishing a Surrey International Trade Centre, the only one of its kind in Canada housed in a Board of Trade/Chamber of Commerce environment. It will bring together all of the international services a business requires, through collaborative service providers and its international chamber/board of trade network. By establishing Memoranda of Understanding (MOU’s) that detail each party as (a) promoting international membership with the SBOT (b) by having the SBOT as the first point of contact to establish business connections (vice-versa) (c) to promote Surrey businesses in India (vice-versa) and to identify opportunities for industrial and commercial cooperation between India and Surrey.

Five years ago, the SBOT went to China. In 2011, in this declared year of focusing on Canada-India Relations, the Surrey Board of Trade, with the full support of the Canada-India Business Council, took 20 delegates to India – four-day cultural tour and the remaining 5 days focused on business.

During this trip MOU’s were signed with the World Trade Centre – Mumbai, All India Industries Association – Mumbai, Electronics and Computer Software Export Promotion Council – Delhi, Associated Chambers of Commerce and Industry of India (ASSOCHAM) – Delhi, and the India Merchants’ Chamber. These will help form the foundation of the Surrey Board of Trade International Trade Centre, which will become a hub for establishing and joining businesses from country to country, and help them find the right partner in this emerging market.

Delegates to India benefited from the rich connections of the President of the Canada India Business Council, Vivek Savkur. Coast Capital Savings, Canada’s second largest co-operative bank, saw great opportunities with other cooperative banks in India in bringing business to both countries including meetings with the Shimrao Vitahal Cooperative Bank Ltd (India’s second biggest bank in the cooperative sector), Exim Bank (a Indian government bank in the import/export finance sector), and HDFC Bank (India’s premier commercial bank). Coast Capital Savings also met with Karanvir Bohra, a Bollywood personality, at the World Trade Centre in Mumbai where plans are being laid to shoot a film in India and Canada.

Bevco Systems, that provide innovative conveying systems for food and beverage manufacturing, met with Petals India Ltd, a leading manufacturer of high speed injectable machines for pharma and food industries and Sidal, that designs and fabricates bottling and packaging for the beverage industry. Kwantlen Polytechnic University met with St. Xavier’s College, SNDT Women’s University, and the Welingkar Institute of Management.

There is so much more information and so many more industries and contacts to alert you on, including our meeting with FICCI (the Federal India Chamber of Commerce). Everyone is keen and anxious to see the International Trade Centre become a reality. Please go to www.businesssurrey.com to our International Section.

2012-Watch for the Surrey Board of Trade’s Business Trip to Brazil and Costa Rica - another emerging market that will be connected to Surrey.

ECONOMIC UPDATE cont. from previous page

closed mortgages up .35 of 1%. That’s the open market the place where business is done and has no government influence, no Bank of Canada influence and what the market traders are saying is interest rates are going up and I say we saw that as a reflection of the bond market that will work its way down into the Bank of Canada rate and I think that there’s nobody more anxious to raise rates than the Governor of the Bank of Canada. He’s got to do it prudently, July 19th should be the first time. Always a caveat, we have to be aware that there can be unforeseen things take place in this world I mean we saw what’s happening in the Middle East but barring some kind of a super event I think interest rates will start a long slow climb this summer.

MOU with ASSOCHAM - association of all Chambers in India

MOU with ASSOCHAM - association of all Chambers in India

MOU with the World Trade Centre - Mumbai

MOU with the India Electronics and Software Export Promotion Council

MOU with the India Merchants’ Chamber

MOU with the Indo Canadian Business Chamber at the Canadian High Commission

MOU with the World Trade Centre - Mumbai

All India Industry Association New Gen Awards at the Taj Palace

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Cloverdale Rodeo

Economic Boon for Surrey

Information taken from BC Statistics show that apart from the entertainment spectacle of the rodeo and country fair, the positive financial impact on Surrey and the province is enormous.

“Total spending by tourists attending the rodeo last year is estimated at $1,010,000. Spending on food and beverages not purchased at the event ($242,000) and accommodation ($195,000) accounts for approximately 43% of total tourist expenditures. Of the total amount spent by tourists, approximately $854,000 in spending is on goods and services (net of taxes) produced within BC.

Industries that produce goods and services used by tourists attending the rodeo while another 3 jobs were generated by indirect suppliers. Tax revenues associated with the activities of industries directly supplying goods and services to tourists attending the event are estimated at $53,000, with another $30,000 generated by indirect supplier industries.

Direct employment for the operation of the Cloverdale Rodeo & Exhibition (477) includes both full- and part-time employees as well as a large number of hired contractors. Employment in supplier industries is estimated at 11, with another 4 jobs being generated in industries indirectly supplying the project with goods and services. An estimated $266,000 of GDP is generated directly by the event with an additional $53,000 generated in industries directly supplying goods & services to the event. Further down the supply chain, another $237,000 in GDP is produced.”

Highlights for this year’s rodeo and exhibition

Melenchuk said that along with the old favourites, they’ll bring back the West Coast Logging Show and the Monster Truck Ride that was very popular. West Coast Amusements will feature four brand new rides that they’ll debut for their summer season, and in addition to about 35 food vendors, another 12 jobs are generated in industries directly supplying goods & services to tourists attending the rodeo.

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Write Off Computers In One Year

- Making Permanent the Accelerated Capital Cost Allowance for Computer Equipment

In the ongoing thrust of its advocacy, the Surrey Board of Trade will ask the federal government, through the Canadian Chamber of Commerce, to reinstate and make permanent, a temporary stimulus program instituted by them in 2009 to allow businesses to write off the cost of computer equipment purchases over a single year rather than the extended period of time as tax law currently allows. This temporary “stimulus” measure was very popular and particularly valuable to small businesses.

Capital Cost Allowances (CCA) rates are generally intended to reflect the economic benefit of the asset over time – i.e. over its useful life. The depreciation rate is intended to reflect the fact that depreciable assets contribute to earnings over a period of time and are not consumed in the year in which they are acquired. Given how quickly technology changes however, it would seem inappropriate to assume that computer equipment has a useful life and contributes to the earnings potential of a business over a period of more than one year. Currently businesses depreciate computer equipment (fully) over a longer period of time, roughly a period of 9-10 years with most of the depreciation being taken within the first 3-4 years. This depreciation rate (even over 3-4 years) would appear to be inconsistent with the intended principal behind the CCA rates (i.e. depreciating an asset over its useful life).

But what of the impact of the proposed change on tax revenue, can Canada afford to let this continue? In a document prepared by Surrey Board Director, Steve Carreiro, a CA and partner with KPMG, he wrote:

On a $1,000 piece of computer equipment, the difference in tax shield under both depreciation rates (assuming a general corporate tax rate of 26.5% the rate for BC for 2011) and a rate of return ranging between 2% and 5% is not significant.

In summary:

• 55% depreciation rate - the tax shield ranges between $250 and $260

• 100% depreciation rate - the tax shield is about $265

The tax shield represents the value of the tax depreciation in today’s dollars to a corporation under certain assumptions. Conversely, it would also represent the lost tax revenue to the federal government as a result of permitting the depreciation deduction in the calculation of taxable income. What the above example illustrates is that by comparison the lost revenue to the federal government in today’s dollars is not significant.

However, the benefit to a small business owner is significant from a cash flow perspective as they will get the immediate benefit of the tax depreciation deduction in the first year as opposed to spreading that benefit out over 3-4 years.

The Surrey Board of Trade will ask in a resolution: That the Federal Government permanently change the Capital Cost Allowance (CCA) depreciation period for computer equipment, to a period of one year (as reflected in the recent accelerated CCA program).

One of the world's best shows in rodeo is also one great business driver as estimates peg spending by tourists attending the rodeo at $1,010,000. White Spot Triple O is coming on sight this year. He also flagged that on the Sunday night there will be a free public concert featuring Doug and the Slugs. As well, we’ll have wine tasting, and of course our Long Horn Saloon will be in full operation again this year. And something never done before, in the Stetson bowl, they’ll show an outdoor family movie.

"Attesting to the credibility of our rodeo," said Melenchuk, "we invite the top 96 cowboys in the world, based on their final rankings for 2010. The invitations go out in January of each year, and at this point I think we have 94 of those 96 confirmed (about a dozen of those are Canadian). So we take that as confirmation that we throw one of the best shows in the world."
The City of Surrey and the Surrey School District are partnering to reopen the former East Clayton Elementary School in 2011 to help address overcrowding issues at Hazelgrove Elementary School in Cloverdale. The City will lease the East Clayton Elementary School building, which contains five classrooms, and the surrounding area to the school district from April 1, 2011 through to the end of June 2013. The facility will be used as an annex to Hazelgrove Elementary School.

More Info: Tara Foslien at 604-375-4584

Community Savings Credit Union has been named one of Canada's top 100 best workplaces. The local credit union made the national list by culturing a workplace culture that values its employees. In addition to an industry average compensation package, Community Savings Credit Union places a strong emphasis on work-life balance. These factors have helped the financial institution to achieve one of the highest customer retention rates in the country.

More Info: Edward Dow at 604-637-1019 or eddowson@cmcu.com

The Telkwa Nux'tuk Nation and Surrey-based wind turbine manufacturer Endurance Wind Power announced a new partnership to bring renewable energy to First Nations communities at the Alternative Energy for B.C. First Nations conference in Vancouver on February 17. More Info: Brian Hanson at 604-579-9439 or bhanson@endurancewind.ca

The German Canadian BC, donated $5,160 to support the SOS Children’s Village BC, Foster tubing Program. More Info: www.sosbc.org

NightShift Street Ministries is pleased to announce that Andrea Payne has joined their team of truck drivers who operate our Truck Stop Outreach program. Andrea brings five years of trucking experience to the organization. NightShift provides food distribution services.

More Info: Andrea Payne at 604-514-0980 or andreana@lantrexlogistics.com

LaT)initWithFrame Comedy Club is moving into the historic 1927 Columbia Theatre in New Westminster. They are now officially Western Canada’s largest comedy club. This week, LaT_tF is the newly refurbished theatre. They are planning to have a grand opening in the near future.

More Info: 604-531-3652

Morgan Creek Golf Course is looking for volunteers and sponsors for the 2011 Canadian Junior Boys Championship taking place August 1-5. More Info: admin@mcgolfbc.ca or 604-531-4633

The 4th Annual NightShift Charity Golf Classic is this year’s taking place at the Morgan Creek Golf Course in Langley, on Tuesday, June 7. This fundraising event helps NightShift Street Ministries operate its mission entirely on the goodwill and donations of individuals, organizations and business to support people living in poverty or on the streets. The all-new format starts early, ends early and offers a range of activities from 8:30 am to start. There will be an early evening BBQ buffet and auction, with guest speaker Ryan Walter joining them over dinner. Early bird tickets are available until April 29 and are only $63 per person (regular price $90). All tickets include golf cart, tagline registration party and BBQ dinner. Dinner-only tickets are available at $60 each. More Info: 604-953-1114 or info@nightshiftbc.ca

Nitrile introduced Nitro-Steel and Nitro CorSeal this month. These two new products are the market Nitro-Steel is a premium grade of carburized carbon steel suitable for any that requires high heat resistance and ruster protection on boilers, trucking, equipment, vehicles, piping, firewalls and many other applications. It can be heat treated and/or acid case hardening by a variety of methods. Superior Carbon Steel and extra strength-extruded composite element inhibitor that extends battery life and protects electrical connections to meet North West standards for electrical equipment.
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Wealth Advisor
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dave_lee@scotiamicleod.com

May 26

Protecting your Business, your Family and your Lifestyle

- Understand the different types of insurance
- How to get better rates
- Know when you’re over-insured
- Life insurance as a tax shelter
- Getting cash out of your corporation
- Buying insurance in your personal name vs. through your corporation

June 9

Your Exit Strategy: Retirement and Succession Planning

- Make your business more attractive to buyers
- Know the true value of your business
- Choose an exit strategy
- Structure personal and corporate investments
- Create retirement cash flow
- Minimize taxes
- Understand the $750,000 capital gains exemption

June 23

How to Structure your Financial Assets

- Why RRSPs may not be the best idea for business owners
- Put corporate cash to work
- Create your own pension
- Reduce taxes
- Coordinate personal and corporate investments
- Investment vehicles exclusive for business owners
- Trusts
- Holding companies

Sessions are 60-90 minutes in duration, and begin at 6:30 pm. Please arrive a few minutes early for seating and registration. A light meal will be provided. Seating is limited so book early.

RSVP to Kelsey_Sjoberg@scotiamicleod.com or (604) 535-4732