

FINANCIAL POST

Monday, October 20, 2008

Lloydminster welcomes SMEs

Ranks #1, Scores 73.7; Small businesses flourish in booming border town

Presented by



Carrie Tait, Financial Post



Photo courtesy of Alberta

A decade ago, the Lloydminster Chamber of Commerce had about 180 members. Five years ago, it counted 300 businesses in its ranks. Today, there are about 500, and three quarters of those are small businesses.

This city, sliced in two by four giant orange steel towers shaped like survey stakes marking the border between Alberta and Saskatchewan, is flourishing on the backs of agriculture, manufacturing and, yes, oil and gas. It is Canada's top city for entrepreneurs, according to the FP/CFIB ranking of Canadian cities for business startups.

Lloyd's big businesses -- the heavy oil upgrader and the ethanol plant on the Saskatchewan side, the canola-crushing facility on the Alberta side -- boost the fortunes of the city's entrepreneurs, rather than siphoning away their customers.

"People have more disposable income," said Randy Aston, the majority owner of Tunes Music And Audio, which has been selling electronics and instruments for 23 years. "Lloyd certainly has gotten business in the last number of years."

Its geography also helps: Lloydminster is roughly half way between Edmonton (population: 1,000,000 or so) and Saskatoon (population: 200,000 and changing), and it is big enough (26,000 people) to offer all the services these larger centres do, while allowing area residents the chance to avoid the bustle of the big city.

Running a business in Canada's only border city comes with quirks, though. "When you work with two provincial governments, there's all kinds of challenges that go along with that," said Pat Tenney, executive director of the city's Chamber of Commerce. "So we have to be able to figure out how we are going to do business on the border. There's some tenacity there --a can-do attitude."

Even though Lloydminster came out on the top of the small business story, there's room for improvement. "Traffic flow within the city -- we have two major highways that run right through the city, and that can cause some delays in traffic. And we don't have a public transportation system yet," Ms. Tenney said. "It affects [businesses] if employees have difficulty getting to work."

ctait@nationalpost.com A series of snapshots on the remaining top ranking cities in the FP/CFIB survey on small business friendly cities will appear in the Financial Post throughout small business week.

ENTREPRENEURIAL HOTSPOTS

The FP/CFIB survey examined 12 main factors in three key areas that affect the likelihood for entrepreneurial success among cities with populations greater than 25,000 to find the business friendliest cities in Canada.

RELATIVE STRENGTHS

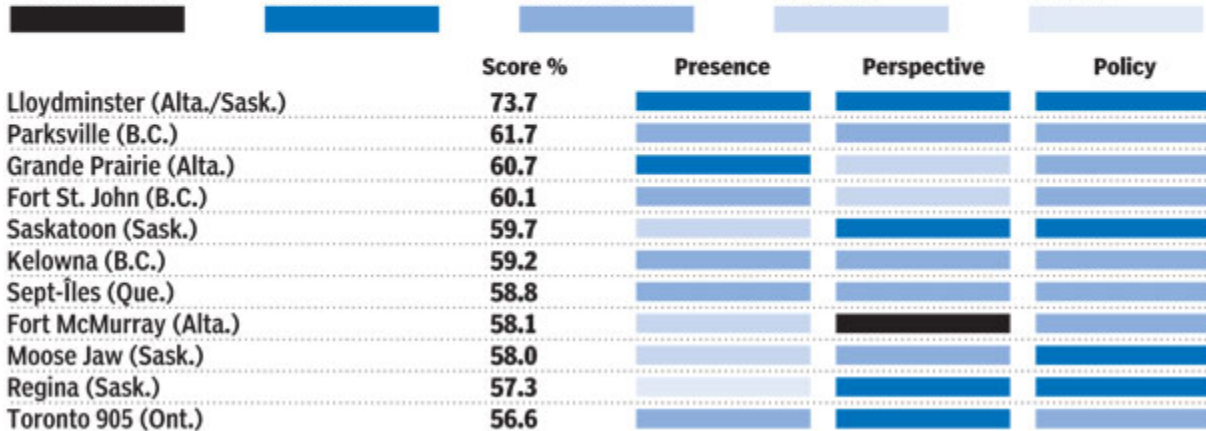
VERY STRONG

STRONG

MODERATE

MODEST

WEAK



SOURCE: CFIB

NATIONAL POST