

The Kingston & Area



HOME BUSINESS ASSOCIATION

Volume 13, Issues 10/11 "PROFIT THROUGH SUPPORT" Apr/May 2005

NEWSLETTER

April Showers bring May Flowers



In This Issue:

*KAHBA Executive, 2;
From The President's Chair, and
Finding The Real Opportunity, 3;
Keeping The Spring In Your Step; 4
Windows XP Tweaks; 6
Don't Miss Out On the R&D Program, 9;
Valentine's Day 10
Friends Of KAHBA, 12*



What Is KAHBA?

The **Kingston & Area Home Business Association (KAHBA)** is a group of home-based entrepreneurs, both full-time and part-time, offering experience, education, information, and support to each other. Initial membership to the KAHBA costs \$55.00 for the year, renewal is \$45.00. For more information, please contact the Membership Director, David Kempson, at 544-2178 or email him at: davek@cybersolutions.net.

Here's The KAHBA Executive

The KAHBA executive is as follows:

President - Paul Grass Vice-president - Rej Bruneau
Secretary - Stephanie Stone Treasurer - Heather Simpson Membership - David Kempson
Publicity - (Anne Jennings/Maggie McLaren) Newsletter - Fred Georgeadis Guest Director - Don Gale

Your Next KAHBA Meeting

your next KAHBA meetings will be at 8:00 am, on Saturday, 09 April at the Crossroads Restaurant, Frontenac Mall, and 14 May at the Italo Club for our Annual General Meeting. Remember, meetings are generally held on the second Saturday of each month.

Mailing & Drop-off Address

The Kingston & Area Home Business Association Mailing & Drop-off address is:

KAHBA
19 MacPherson Avenue, Unit #36
Kingston, ON K7M 6W4

Web Site Address

KAHBA's WEB SITE is at the following address:

www.kingstonhomebiz.ca

Guests and New Membership Welcomed

Membership to the KAHBA is always welcomed. Please take the time to bring a friend who is considering, or has a home based business. Please provide David Kempson with any updated information about you or your business. Of course, new members are always welcome.

Evening Networking Meetings

KAHBA also holds evening Networking mixers so as to give everyone an opportunity to gather without the formality of a meeting. Our next evening meeting is scheduled for the last Mon. in April 2005 (Apr. 25th and May 30th). We hope to see you there.

From The President's Chair

Hi everyone.

OK - Spring is finally here and so is the rainy season!!

Time to start nurturing your garden; to get out there and kick over some dirt, and to plant a few bulbs of this and that!! Next thing you know this effort will show you a remarkable thing - stuff actually grows out of the dirt, and become a very beautiful flower or plant.

Makes you kind of proud, doesn't it?

Well, the same goes for your business!

You need to carefully cultivate the path you wish your business to go. Set some goals, attend a few meetings, make some contacts, advertize here, kiss a few babies there - next thing you know, your business will take off just as you have planned. Give yourself credit - you deserve it!!

See you at the AGM (Annual General Meeting)!!

Have a great month.

Paul Grass - President of KAHBA

.....

Paul E. Grass

Digital & Analogue Telephone Services

Page Me at 540-6288

Call or leave Message 542-6268



Quote of the Month

Advice is what you ask for when
you already know the answer,
but don't like it.



Ideas for New Businesses - Finding the Real Opportunity

Business ideas are all around you.

They are lurking in your garage, in your basement, in your kitchen, and in your children's room. You'll find them in magazine ads, at your neighbor's house, and at work. They are right there in the vegetables you brought in from the yard . . . in the stack of papers next to your laser printer . . . in the back of your truck . . . and at the back of your mind.

You don't need to be a genius or an MBA to spot those ideas and turn them into profits, either. Identifying business opportunities is often as easy as identifying problems many people share and finding a way to solve them. When Matthew Osborne, an entrepreneur from Columbus, Ohio,

wanted a way to make money, he found one right at his feet: dog dirt. Unlike most people who just gripe about stepping in it or having to clean it up, he started a business removing dog waste from homeowners' yards. The business was an immediate success, and after several years, he sold the business for a quarter of a million dollars. Even then, however, he continued to make money from his idea by writing a booklet about how to start a pet waste removal business and selling the booklet on the Internet.

Other business owners have turned their hobbies, interests, and skills into satisfying and often lucrative businesses, simply by seeing a need in

KEEPING THE "SPRING" IN YOUR STEP

submitted by **Nancy Willis C. PED.**
(Computer Engineered Orthotics, Mobile Service)



Spring is here!!!! As the weather becomes sunnier and sunnier, we find ourselves awakening from our long winter's nap and wanting to be more active physically both to shed the pounds accumulated during the colder months and to spruce up and brighten up our yards and homes.

Whether you are a seasoned walking, runner or jogger or just trying to be active, you shouldn't start moving until you've checked your footwear. Most of us tend to wear our shoes much longer than we should. Shoes should be replaced every 300-400 km. for serious runners and every 800-1000 km for the rest of us. Please don't relegate your old shoes to the garden for gardening footwear (more about this later). Choose activity appropriate shoes. For instance: don't wear court shoes or heavy boots to run. Walking shoes are designed for walking. Those of you who love chasing that little white ball around should be thinking of support in your shoes as well.

For a good all round shoe, choose a good running shoe. Make sure that the heel has good support, that the toe box is not flimsy and that through the body of the shoe there is not too much torsional twist. Be measured at the end of the day, at the end of the week, weight bearing and both feet before purchasing your shoes to ensure that the shoes are the correct size and will be comfortable at the end of the day when your feet are their biggest.

If you run or walk on city streets or roadways, travel up and down the same side. Roads are higher in the centre and lower at the sidewalk edge and sidewalks are built so the water will run off into the catch basin run or ditch. If you always run the same way you will give yourself an artificial short leg which will lead to knee and hip discomfort. You need to alternate short legs! Running on a track presents the same problem so run one way one day, the opposite the next.

Before you begin your walk or run, you should stretch to warm and limber up your muscles. Try pulling your toes towards your nose and holding for a 30 count. Repeat right and left and several times. Stretch your hamstring and calf muscles by leaning into a wall (or telephone pole or side of a house), keeping the back leg straight and the front leg bent. Hold for a 30 count. Then bend the back leg as well and hold for a 30 count. Repeat with the other leg straight. Repeat several times.

Remember that you don't have to run a marathon or even a half marathon on the first day or even the first month. Start slowly and build yourself up to a good workout, walkout, runout!! Trying too hard and doing too much is a recipe for pain and discomfort. This applies to other physical activities as well.

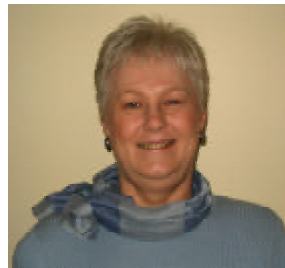
We tend to think that working in the garden, painting, washing windows or cleaning eaves troughs is either passion or chore but never as exercise. It is passion or chore

and exercise. You need good supportive shoes for exercise not worn out castoffs! Also if you are digging edging flower beds or digging new beds or climbing ladders to paint or clean, you need a boot with a non-bendable shank and a protected toe area. You can do damage to the plantar fascia (the thick, fibrous not too elastic fascia that supports your foot's long arch) by using that part of your foot for leverage on a shovel or by allowing it to bend over a ladder rung. You will walk miles cutting grass so protect your feet with supportive shoes.

87% of us have a problem with over pronation which is the abnormal rolling in of the feet. Good supportive shoes will help with this problem (which by the way causes not only sore feet and ankles but also knee, hip and low back pain) but for the best solution a combo of supportive shoe and custom foot orthotic is in order. An orthotic is a device which fits in your shoe and offers support and protection to your long arch. Custom orthotics are covered at least in part by most extended health care benefits. You will appreciate using orthotics in your exercise, gardening, golfing, painting footwear but more importantly in your everyday work footwear.

Keep the "spring" in your step with common sense, good supportive shoes, boots with shanks and toe protection, stretching exercises and custom orthotic devices for your footwear. Doing the ground work really pays off! No injuries, no pain; just pure pleasure in the great outdoors!

Nancy Willis, C. Ped.
Computer Engineered Orthotics, Mobile Service
613-545-2367 or 1-866-683-8260



(From Pg. 3)

the world around them and finding a way to fill it. You can, too.
Do What You Love to Do?

Businesses don't just happen. They are made. Whether you plan to profit by twisting balloons into smile-generating shapes or orchestrating the growth of multimillion-dollar, multinational companies, your success relies on what you bring to the business. If you love what you do, your passion for the business will drive you to be

knowledgeable, creative, and persistent. On the other hand, if your feeling for what you do is lukewarm, your success will be, too.

Turn Old Standbys into New Products
Truly new concepts are few and far between. Most new products or new business ideas are simply spin-offs of old ones. Inline skates is one good example. Essentially, they are ice skates on wheels or, depending on your point of view, streamlined roller-skates. Other new business ideas are nothing more than new ways of

(Continues on Pg. 8)

Windows XP Tweaks

Computers are shipped to the customer with factory settings and drivers, meant to standardize the performance and appearance of a particular brand or model. Below, we've assembled 10 fast n' easy tweaks for any PC that break the "factory mold" and improve performance. Try a few of these tips and you may see significant increase!

Clean Out Your System Tray

If you have a new PC, this is something to watch. If your PC is a few months (or even weeks) old, here's a helpful tip: Eliminate every unnecessary application. These apps drain your processor's cycles and memory. That means a gradual slowdown, until you're crawling.

Update Your Drivers

It's easy and fast, yet most PC users never bother. Keeping on top of video card and chipset drivers by visiting the manufacturer's site frequently can deliver amazing performance benefits. We recommend a once-a-month checkup of drivers. You'll be happy you did.

Enable DMA For Your System

First a definition of DMA: Short for direct memory access, a technique for transferring data from main memory to a device without passing it through the CPU. Computers that have DMA channels can transfer data to and from devices much more quickly than computers without a DMA channel can. This is useful for making quick backups and for real-time applications. So, here's our recommendation: Go to the Device Manager of your PC and take a look at the Properties of your Primary IDE Channel. On the "Advanced Settings" tab, make sure that DMA, if available, is checked for both devices. Do the same thing with the "Secondary IDE Channel."

Visit windowsupdate.com Regularly

This is a big one. Also very fast and simple. The "patches" that are made available on a weekly basis not only provide protection for your PC, they are also designed to improve performance. We recommend at least twice per month.

Convert Your Drives To NTFS

If you want to get the most from your drives, you may want to convert them to NTFS. Here's how:

Open a command line and type:

Convert x: /fs:ntfs

Except you will replace the "x" with your drive's letter-name.

NOTE: Back up your important files before attempting this conversion.

Use Quick Launch

Common problem. Simple fix. Instead of cluttering your Desktop with shortcuts, just right-click the Taskbar, go to Toolbars, and make sure Quick Launch is checked. Then drag your favorite shortcuts to the Quick Launch bar for easy access, anytime.

Speed Up Your User Interface

Today's PCs often come to you with many graphical bells and whistles, and while they're cute, they rob your system of fundamental power. Faster is better. Here's our recommendation: Go to the Display control panel, click the Appearance tab and hit the Effects button. Uncheck the first two options, as well as "Show shadows under menus." Use minimal graphics and go faster.

(continues on Pg.7)

Create One-Click Access To Device Manager

To open Device Manager in Windows XP without the hassle of going to System Properties, just create a shortcut to "devmgmt.msc"

Did You Know Windows XP Has An On-Screen Keyboard?

Another XP secret revealed. You may need it if you can't get to your keyboard. Here's how: Open My Computer and browse to C:/Windows/System32 then double-click osk.exe. The keyboard operates with simple point-and-click commands.

Defrag. Defrag. Defrag.

A "must" for busy PC users, made simple. Here's how: Regular defragmentation can improve your machine's hard drive performance by massive amounts. To begin defragging, right-click your hard drive in My Computer, select Properties, go to the Tools tab, then click defrag. Do this religiously every month or so and you'll enjoy smooth sailing.

(Provided - compliments of the Editors from PC Tune-up Guide)

*- Advertising space available -
You could be using this space for
your AD,
Contact us - Very reasonable rates*

Contact
The KAHBA Editor,
@
634-1920
fgeorgea@cogeco.ca

Heather Simpson Accounting Services

25 Years Experience

- Accounting Services
- Personal Income Tax returns
- Small Business Bookkeeping Services
 - primarily in Agricultural, day care,
 - construction, property management,
 - and service sectors
- GST & PST Returns
- Payroll
- T4's
- Weekly, Bi-weekly, Monthly, or as required basis
- Accounting software training
 - at my home, or yours
- Personal budgeting
- Reasonable Rates

**Call Heather
at 548-8954**



Repairs & Renovations

Bus. 353-5097

Cell: 532-4396

Kingston Home Maintenance

RESIDENTIAL - COMMERCIAL
CARPENTRY - PLUMBING - LICENCED ELECTRICIAN
FULLY INSURED - OVER 25 YEARS EXPERIENCE
KGTN ELEC. LIC. E022 FAX: 353-2251

JOHN PLATT RR1 INVERARY, ON K0H 1X0

(...from Pg. 5)

marketing mundane products. Take Dial-A-Mattress, for example. Furniture and bedding stores have always sold mattresses—but not by phone. Not until a furniture salesman by the name of Napoleon Barragan started a business selling mattresses over an 800-number phone line. The idea took hold, and today, Dial-A-Mattress sells some \$70 million worth of mattresses each year. You may not have the money, management ability, contacts, or desire to launch a major new product like inline skates or the energy or desire to build a multimillion-dollar sales organization. But you don't have to launch anything that large to start a business or introduce a new product.

Years ago when my kids were little, I made money selling beanbags. The twist? I designed them in the shape of frogs and I filled them with birdseed instead of beans to make them pliable and less lumpy to the touch. To attract attention at craft shows, I displayed them in various human poses (sitting up, laying on their side resting their head on their hand, or hugging each other, for instance). I could produce them quickly and kept my costs low by making the frogs from inexpensive fabric remnants. That allowed me to price the frogs low enough to make them great impulse buys.

You can spin almost any skill or industry knowledge into marketable new products or services.

A neighbor turned his skill at fixing cars into a repair and tune-up service. His angle? He was mobile. Customers didn't have to drop their car off

(Continues on Pg. 11)

CAN'T AFFORD LEGAL HELP?

Life isn't always fair, that's why
you need *Pre-Paid Legal*



"Justice For All"

PROTECT YOUR
RIGHTS AND
FINANCES

**Personal & Business
Memberships Available**

Call Anne or Maggie

PPL Legal Care of Canada

Independent Associates

(613) 384-6240 or (888) 464-8881

www.prepaidlegal.com/hub/annejennings

**Quality Legal Help Only
A Phone Call Away**

CUSTOM ELECTRONIC DESIGNS

SIDNEY M. BERRY

51 Alwington Avenue

Kingston, On K7L 4R4

Tel: (613) 536-5666 Fax: (613) 536-0342

email: sidneyberry@sympatico.ca

Digital
& Telephone Services
Analogue

Paul Grass

Customer Service Technician

27 Years Experience on large
business systems

Ph: (613) 542-6268

Voice Pgr: (613) 540-6288

e-mail: paulgrass@sympatico.ca

www.dats.ca

Don't Miss Out on the SR&ED Tax Credit Program

From [Susan Ward](#)

R&D Tax Credit Program is Open to All Types of Businesses

Research and Development (R&D) is not only good for Canadian businesses generally, but a good thing for individual businesses to be involved in. Our federal government has many programs devoted to encouraging innovation, meaning that a lot of funding is accessible through R&D. One of the best of these programs is the SR&ED (Scientific Research and Experimental Development) Tax Credit Program.

Think that you have to have a PhD and a state-of-the-art lab to be involved in R&D? Think again. R&D activities can be integrated with your daily business activities.

And the SR&ED tax credit program is a great deal. "Generally, a Canadian-controlled private corporation (CCPC) can earn an investment tax credit (ITC) of 35 percent up to the first \$2 million of qualified expenditures for SR&ED carried out in Canada, and 20 percent on any excess amount.

Other Canadian corporations, proprietorships, partnerships, and trusts can earn an ITC of 20 percent of qualified expenditures for SR&ED carried out in Canada" ([Canada Revenue Agency](#)).

This is a refundable tax credit, which means that even if your business makes no profit, you will get the appropriate refund back in cash.

Besides the eligibility for these investment tax credits, R&D tax incentives provide a full tax deduction in the year the expenditures are incurred, even if they are capital in nature. You can also carry over R&D deductions to the extent

that they are not needed in the current tax year. Because of the generous ITC rates and related R&D tax incentives, going to the trouble of preparing an R&D tax claim is definitely worth it!

Who & What Qualifies for R&D Tax Incentives
The first point to note is that these SR&ED tax credits are open to all types of businesses. Sole proprietors and partnerships may qualify, too, as long as they meet the SR&ED project requirements.

To qualify for the SR&ED program, says the CRA, "work must advance the understanding of scientific relations or technologies, address scientific or technological uncertainty, and incorporate a systematic investigation by qualified personnel." They list [work that qualifies for SR&ED tax credits](#) as including experimental development, applied research, basic research and support work. (They also provide a list of examples of work that will NOT qualify for SR&ED tax credits.)

It sounds difficult and "high-falutin", but don't let that put you off. When planning your R&D project, you need to be sure that you're working towards something that is truly new and not information that is common knowledge at the time. The scientific or technological uncertainty is a condition of the process, just as in your high-school science class experiments. And you would, of course, perform your R&D activities in an orderly fashion and fully document your activities, just as you would with any work you perform.

Note too that your R&D activities do not have to be successful to qualify for the SR&ED program. Again, just like your high-school

(continues on Pg. 10)

How To Start Your Business With One Good Idea

(from Pg. 9)

science class experiments, it's the process that's important.

Perhaps best of all, the SR&ED tax incentives program is not a "prepare a proposal for your project and wait to see if it gets approved" type of program. You can just design and carry out your project (bearing all the above qualifying caveats in mind) and then make your tax claim (by completing [Form T661](#), Claim for Scientific Research and Experimental Development (SR&ED) in Canada, and the appropriate Investment Tax Credit schedule and submitting them as part of your income tax filing.)

The fact that most provincial governments also provide R&D tax incentives is another great reason to get involved in R&D. For instance, Ontario has a Deduction for Federal R&D Investment Tax Credit permitting a deduction from Ontario taxable income of the amount of federal ITC claimed in the preceding taxation year. (This deduction is limited to the part of the federal ITC that can reasonably be considered to relate to Ontario R&D expenditures.) And that's just one example.

(Note that some provincial R&D tax incentives only apply to corporations, unlike the federal SR&ED tax credit program.)

Applying R&D Tax Incentives to Your Business

So as you saw on the previous page of this article, being involved in R&D activities has excellent tax benefits, and the SR&ED tax credit program is a particularly good tax incentive because it's open to all forms of businesses.

You Don't Have to be in High-Tech to be involved in R&D

R&D tax incentives aren't just for high-tech businesses; you may even already be doing

something that will qualify for the SR&ED tax credits program. For instance:

- Are you in the process of developing a new product or making improvements to an existing product?
- Are you creating an improved manufacturing technique or process?
- Are you spending money to lessen the environmental impact of your manufacturing process?
- Has your business developed new software?

When thinking of R&D activities and wondering what qualifies for R&D tax benefits and what doesn't, remember that "generally, R&D occurs when a business' objective is technological advancement, development occurs in a systematic manner through the efforts of individuals who are skilled in the technologies involved and technological uncertainties are overcome."

([The Tax Benefits of R&D](#); BDO Dunwoody Tax Bulletin).

Tips for Accessing Even More R&D Funding
The [Industrial Research Assistance Program \(IRAP\)](#), run by the National Research Council of Canada (NRC) offers three kinds of financial assistance for R&D activities, including "non-repayable contributions to Canadian SMEs interested in growing by using technology to commercialize services, products and processes in Canadian and international markets".

To find out more, contact an Industrial Technology Advisor (ITA) at the [IRAP regional office nearest to you](#).

The [BDC \(Business Development Bank of Canada\)](#) can be of great help in accessing R&D programs and working through the process of applying for government grants and R&D tax

(Continues on Pg. 11)

(...from Pg. 10)

credits.

There are businesses who specialize in helping other companies maximize their R&D tax credits and work through the claim process (for a fee).

[Technology Incentives](#) and [Innovation Technology Consultants](#) are two companies that specialize in SR&ED claims. (There are many others.)

For More Information on the SR&ED Tax Credit Program

See the CRA's [What is the SR&ED Program?](#) for an outline of who qualifies for the program and the SR&ED claims procedure.

The Tax Benefits of R&D (BDO Dunwoody LLP) provides a very readable detailed explanation of the R&D tax benefits available and how to maximize your R&D claim.

(Continues from Pg. 8)

at the shop. Instead, the "shop" (a van outfitted with tools and auto parts) came to them. Another acquaintance built a business by purchasing large quantities of chemicals and repackaging them in smaller quantities.

And several paper suppliers have created businesses by preprinting colorful brochure or flier designs on paper stock. The preprinted papers are then sold to businesses and individuals who use their laser printers to print out their own sales literature and fliers on an as-needed basis.

Look for Avalanches Marketing avalanches, that is.

"Drag your products into the path of an avalanche and you'll be swept along with it," says Alan Kaufman. Kaufman was the executive vice president of sales for Cheyenne Software when it was a small, vertical market software company that had big ambitions.

Cheyenne's owners had been keeping a close eye on trends in the computer industry in the late 1980s. They felt that Novell local area

networks (LANs) were about to snowball and started developing enhancement products for Novell LANs. Within six years, the avalanche (combined with good products and heads-up management) turned their little company into a \$127 million operation before it was sold to Computer Associates. Cheyenne was the 13th largest software company in the United States and employed nearly 700 people at the time of the sale.

Look for Mundane Money-makers
You don't need to create exciting new products or services to go into business, either. Millions of business owners profit by selling routine and sometimes unglamorous services such as window washing, car repair, sandwich making, building maintenance, house cleaning, and plumbing. The key to making money with the mundane is to sell something your customers can't do, don't want to do, don't have the time to do, or can't get done well elsewhere.

Spin off a More Lucrative Business

The business you start today may not be the business you run tomorrow. Entrepreneurs and self-employed individuals sometimes find that their initial attempts to start a business don't bring in the profits they had hoped for. Nevertheless, they often benefit by discovering new profit-making opportunities because of contacts or knowledge they pick up running their first business.

Las Vegas resident Beth Waite used to make \$7 an hour as a self-employed dressmaker. Her customers often asked her for advice on choosing clothes, and she discovered that information available in books often was confusing and not really helpful. Because of her research, though, she heard of Beauty Control, an image consulting firm. After taking the company's training course, she started an image consulting business, charging clients \$50 an hour for her advice. She supplements the consulting income with profits from the sale of Beauty Control products.