

Municipality Of Chatham-Kent
Community Development
Economic Development Services
Information Report

To: Mayor and Members of Council
From: Jamie Rainbird, Manager, Economic Development Services
Date: March 18, 2021
Subject: Municipal Digital Transformation Grant Program Update

This report is for the information of Council.

Background

At the December 7, 2020 Council meeting, Council approved \$125,000 to be utilized from the monies received from the Province's Safe ReStart program to provide Chatham-Kent's small businesses the opportunity to apply for funding to develop or enhance their online presence during their economic recovery from the COVID-19 pandemic.

Because of the restraints in the highly successful provincially funded Digital Main Street program of which eligible businesses needing to be being located in downtown areas, hundreds of rural Chatham-Kent businesses were deemed ineligible for grant funding to improve their digital footprint. This dilemma was highlighted in the CK COVID Economic Recovery Municipal Response report that Council received on September 28, 2020 with the recommendations that, "if COVID-19 funding criteria allows, Council encourage allocating up to \$250,000 to offer Digital Main Street supports to businesses outside of the 1 km. designated radius of the existing grant. These additional dollars will allow the businesses to receive support in re-building through an e-commerce model."

Comments

An online application process for this program was issued on December 11, 2020 with a closing date of January 4, 2021. Economic Development Services' received 110 inquiries during this time period with 50 of these small businesses completing grant applications and providing supporting documentation (Attachment A). All successful applications were processed by February 13, 2021 with payments being deposited within 30 days.

This grant funding can be utilized to improve websites, search engine optimization, digital marketing, creation of video and photography galleries, increase online marketing efforts, upgrade technology or purchase e-commerce solutions. These funds were not intended to cover existing operating costs such as rent and utilities or compensating for lost revenues during the pandemic.

Eligibility for Municipal Digital Transformation Grant Funding

- Must be an existing small business outside of a BIA downtown district located in Chatham-Kent
- Must be a full-time business venture (35+ hours per week)
- Is a sole proprietorship, partnership or a corporation where the applicant is a majority shareholder (if incorporated, application and grant funding is in personal name)
- Is an independent business venture
- If applicant owns multiple businesses, only one of the businesses may apply and be eligible for the grant
- [Fits the Canada Revenue Agency's definition of being self-employed FORM RC 4110 through the website.](#)

Businesses not eligible:

- Franchises, commissioned sales and distributorships
- Not-for-profit or charitable enterprises or publicly funded organizations
- Multi-level marketing ventures
- Previous recipients of a Digital Main Street grant or the Municipal Digital Improvement Grant
- Single events such as musical ventures, bands, DJs or dance/party event organizations

Testimonials

"I cannot say enough about the value of this program to my business. The COVID shutdowns took a huge toll on my business. Fortunately, because of the transformation grant, I was able to purchase the tools necessary to build up my online school for nail technicians. I also received so much support through the program to boost my online presence to the next level. I think every small business owner should look into this program as the online classes it offers along with the grant helped tremendously."

Anne Goldsmith, The Painted Nail Academy & Distribution

“The digital grant program has helped my business immensely. Not only have I been able to reach new clients with social media marketing, but I have also been able to pursue a professional videographer. Without the digital marketing grant, I would not have had these options for my business, and who knows how many clients I would have missed out on.”

Emilee Paul, Interconnection Equine Assisted Therapy

“With the toughest year of business ownership almost behind me, COVID did bring to light new challenges that I had to address in order to stay relevant in an e-commerce world. The Municipal Digital Transformation Grant Program came at the perfect time. I was able to have my website enhanced to allow online sales of e-gift cards. This has forged Radiance into e-commerce and provided an alternative to in-person purchases. Sales have increased and clients are thankful to be able to purchase gifts from the comfort and safety of their homes and send anywhere in minutes. I am so thankful and appreciative to have qualified for this grant at a time when extra business costs were not feasible.”

Jill Northcott, Owner, Radiance Massage Therapy and Spa Inc.

“I would like to thank the grant program for allowing me the opportunity to better manage my digital footprint. We required the training to give us the much-needed feedback on how to manage various platforms. We are now utilizing Google and Facebook to promote our local brick and mortar store as well as our delivery service throughout Chatham-Kent. We did not go with an online purchasing engine, as this is a small local coffee and ice cream shop. This program also allowed me to keep one employee working during some of these trying times. I believe that the difference from a devastating closure rate among brick and mortar stores is the support of local and provincial governments. Many of us still won't survive but it may minimize a massive waive of closures.”

Jim Warnock, Baja Café

“With the growth of our Liberty Design business this year and the expansion of our brand, we found ourselves wanting to showcase our services and work to the community. The grant application process was really the jumping off point for us; not knowing exactly what was available or where to start, this program helped us prioritize and set goals for our business.

In summary, we are so thankful for the Municipal Transformation Grant Program for three main reasons:

- 1. First and foremost the opportunity to prioritize finalizing our strategic priorities and put together a solid marketing plan;*
- 2. The opportunity to learn how the municipalities services and application process works (was very seamless);*

- 3. The \$2,500 grant allowed us to spend dedicated money on marketing to highlight and grow our business in the community. Which is otherwise difficult when you are just starting out."*

Erin and Joe Liberty, Liberty Home, Liberty Home Design Ltd.

"The Digital Transformation Grant provided by the Municipality was very helpful in helping us to create our Online Health & Safety Management Program. We are a local company, using a local company to build this program, with the help of local funding. We are proud to call Chatham-Kent home and we are very thankful our local Municipality is doing something that actually helps local small businesses! We recommend every small business owner take a look at this grant and see if it can offer any assistance. The world is moving online, don't get left behind!"

Chris Croft, Indoor Environmental Specialists Inc.

"Having access to these funds helped me further my business in a direction I knew I needed to go for a long time. Once I got to the part where I needed to develop content for my website, I had to describe my business in a way to 'make it make sense'. This made me think of my business in a manner that I have never done so before. By doing this exercise, I actually got to understand my business better. This I feel will help make it more successful".

David Van Damme, Triumph Plantations Limited

"First of thank you so much for selecting our business to receive the Digital Transformation Grant. This grant has allowed us to re-open with outstanding support from the Chatham-Kent population. We used the grant to purchase a professional graphic design software called Canva. We were also able to make our presence online very noticeable by using paid advertisements on all social media platforms.

We have also booked a videographer and photographer for some upcoming pictures and promo video to be posted. Finally, we also purchased a "GIMBO", to allow us to have more professional looking videos/photos.

All of these different items have allowed us to jump right back into where we left off prior to our last Lockdown. Thanks so much again!"

Joel Desjardins, Co-Owner, Great Lakes Gymnastics Center

"The Digital Transformation Grant program was a huge help for me and my business. With the unexpected outcome of 2020, I was definitely overwhelmed and knew I needed to enhance my online knowledge and presence.

The online training videos were very helpful with ideas on business management and methods on how to execute them. I never realized how uneducated I was on e-commerce and website management until the training.

The downside to this program was the application process through the third party company. Applying was difficult because the company was usually saying the opposite of what the municipality and website I was saying.

Dealing with the Municipality made things a lot simpler. They understood how there was issues in the application process with the third party company.

All in all, it's a great program and I really am grateful to be successful recipient of the grant."

Mike Noltie, Sod Buster Brewing Company Co.

"I am writing to you with regards to the Municipal Digital Transformation Grant program. This program could not have come at a better time. At a time where the dining entertainment business has hit a brick wall.

Our business needs to put more focus and emphasis on takeout services. We are accustomed to doing takeout but we noticed the younger generation is better reached through digital and social media. This grant has helped us update our website. It has allowed us to hire a consultant to train us on social media presence and promotions, and also helped us with search engine optimization.

With our great social media page, our location now has a viable business and presence. Flapjacks can survive through another closure because it is transforming to digital services. We are now doing better with our delivery and our curbside services. In due time, we plan on adding digital hardware and software to interact or interface with our website in order to mainstream the customer order process and services.

Once again, we would like to thank everyone involved in this program. It has helped transform the way a traditional brick and mortar location has operated for many years and has assisted in allowing us to grow even more."

Bobby Dee, Flapjacks

"I would wish to express my gratitude for the money received from the Digital Transformation Grant Program.

The money came at a perfect time, as CHIS needed a new more modern face to our website. We also needed SEO work done to be able to be more competitive in the current global market. COVID certainly hampered the necessary funding required to make these upgrades. The grant gave CHIS the necessary cash to complete this task and we couldn't be more delighted. The application process was extremely easy and the staff was very helpful when I needed support. Thank you all so much for making this

grant available. If you are a rural business, I strongly urge you to apply. It will be worth your time.”

Linda Henderson, Dean, The College of International Holistic Studies

“Hi, I’m David Farquhar, the Executive Producer at Design Sound Productions here in Chatham.

Design Sound Productions is an audio production and publishing company that produces audio-spoken word content under the audio imprint VOICES IN THE WIND AUDIO THEATRE for the online retail and library trade. We recently were the successful recipient of the Municipal Digital Transformation Grant Program that helped update our website and enhance our social media presence. The grant also helped us monetize our website. All of our full-cast dramatizations including our award-winning children’s titles, can now be purchased directly from the site as digital downloads. The friendly and knowledgeable staff at the Small Business Centre is an enormous asset to the small business community. Their expertise has greatly assisted us in evolving our business to compete on the global stage.”

David Farquhar, Executive Producer, Design Sound Productions

“The Municipal Digital Transformation Program helped to provide us with resources in modernizing our business. The education portion of the program taught us techniques in digitizing our operation. We have learned digital transformation is for all businesses, not just retail and main street. Our B2B business is using the municipal grant to drive internal efficiency and improve our customer experience. We are seeing significant growth in our sector and digitizing is allowing us to convert these opportunities to more sales through increased capacity.

RSTech is owned and operated locally but primarily work on projects outside of Chatham-Kent. Our sales bring money from outside of the area into Chatham-Kent and into the pockets of our employees to be spent locally. The grant money is an investment in our business that will be returned many times over within Chatham-Kent. We have developed a digital business plan that has recently caught the attention of one of our long-term customers, an international aerospace company in the Toronto area. They are demanding a level of sophistication and traceability from us that can only be achieved through online portals, digital reporting, and real-time project management. They will soon be able to monitor the daily progress of their projects through self-serve tools and connect real-time to the Technicians working on their systems. Our transformation plans are giving them the confidence to move forward with us on larger projects we were not previously considered for. These are significant opportunities that will lead to increased sales and new hires at RSTech.

I would like to thank the municipality and all those involved in the Municipal Digital Transformation Grant Program. I want to assure Council these are funds well spent and are investments for our collective future. Thank you for supporting our local small business.”

Rob Simpson, President, RSTech Limited

“We were thrilled to be a successful applicant for this grant. It has enabled us to improve our digital and on-line marketing and upgrade our e-commerce platform. We have been able to work with a digital marketing expert to expand our customer reach both locally and online.”

Kori Ainsworth, Owner, Homegrown Health and Wellness

“I would like to take this time to thank the Municipality for the Digital Transformation Grant Program.

It is common knowledge that many small businesses have been hit hard by the pandemic. Wallaceburg Bookbinding (WBM) being one of them. Our sales have decreased by 75% since the pandemic hit. There is nothing we can do to get our traditional work back as long as our traditional customers are still closed. Libraries in general including academic libraries and schools have all been forced to change the resources they use for learning. This in turn has formed WBM to look in new directions as the pre-pandemic workflow is no longer status quo.

We know that “ONLINE” and “E-Commerce” is now key to survival. Our current product offerings must change, and we need to expand our customer target from institutional to include consumers. We have been at the drawing board extensively and believe we have finally come up with a product that consumers will want.

The timing of the digital transformation grant was perfect. We applied and received \$2,500 which will be used to start upgrading our website to include e-commerce (which will also be work for a local marketing company). We have much to do now to launch our new product idea. I wish it was fully launched at the time of this writing, but will likely be about 8-12 weeks yet as we work out all of the logistics to make this happen. When we go live with it, we will definitely let the Economic Development Services Dept. know.

Thank you, Chatham-Kent for your support, reaching out to small businesses and showing a solid willingness to help.”

Suzanne Wiersma, Director of Operations, Wallaceburg Bookbinding & Mfg. Co. Ltd.

“Hat Truck Farms received a Chatham-Kent Digital Transformation Grant which was a huge benefit to our business. Previously we did not have a website for our farm and relied solely on people stopping at the farm shop seasonally for sales.

The grant money has given us the resources to build a website with an ecommerce store where we can continue to sell our products for curbside pickup to follow the COVID-19 protocols. We were also able to use a portion of the grant money to hire a local marketing company to assist with capturing video and photography for online promotion of our farm products. We are very grateful for the grant money and the growth we have realized because of the changes it allowed us to implement.”

Lynne Warriner, Hat Truck Farms

“I was very pleased and grateful to be a recipient of the Municipal Digital Transformation Grant. As a manufacturer in the internet age, a large percentage of my business comes from B2C sales. The last 12 months have seen many challenges for business, and it is increasingly evident that online sales have become the dominant venue for retail. While providing excellent opportunities, it also introduces new demands to small businesses now in direct competition with established monolith internet companies such as Amazon.

The grant has enabled me and my company to invest in updated software, web-design, and to grow social media platforms. By modernizing these aspects of the business it has helped to “close the gap”, and allow me to compete directly with much larger online corporations. Although my company is in the early stages of incorporating these essential upgrades, there is no doubt that the grant has provided a solid foundation from which to build.

Darlene, Irene, and all those at Chatham-Kent Economic Development Services involved in the grant were extremely helpful in assisting me with all questions as I competed the grant requirements and paperwork. Thank you!”

Darryl Orr, Owner, De Oro Music

Chatham Outdoor Power has seen their struggle during COVID-19 along with many other small businesses in Chatham. This grant allowed us to update our website in an otherwise tough year. We are grateful to have been able to improve our business and create more of an online presence! Thank you.”

Jake, Chatham Outdoor Power

“After having applied for the Municipal Digital Transformation Grant I would like to commend the program on the ease of which it was implemented. I was apprehensive on applying as most subsidies for small business require going through a lot of red tape and forms to fill out. This was the most interesting online study that I completed regarding business website improvement. I learned so much in the 7 hours of courses and what I studied has increased my online traffic dramatically. Thanks again for this opportunity to better my business in Chatham- Kent.”

Mike, Lenover’s Quality Meats and Seafood Inc.

Consultation

No others were consulted in the preparation of this report.

Financial Implications

The \$125,000 in funding was provided through the \$5.8M Ontario ReStart Agreement with the need to be utilized by March 31st, 2021.

Prepared and Reviewed by:

Jamie Rainbird, Manager
Economic Development Services

Stuart McFadden, Director
Economic Development Services

Reviewed by:

Bruce McAllister, General Manager
Community Development

Attachments: Attachment A – List of Successful Municipal Digital Transformation Grant Recipients

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Digital Transformation Grant Program Successful Applicants

	Business Name	Community Location
1.	Form Fit	Blenheim
2.	Hat Trick Farms	Blenheim
3.	Red Barn Brewing Company	Blenheim
4.	Samantha Delargy Nutrition	Blenheim
5.	Stadium Sports	Blenheim
6.	Walker Marine	Blenheim
7.	Triumph Plantations Limited	Bothwell
8.	Indoor Environmental Specialists	Charing Cross
9.	Above the Rest Pools	Chatham
10.	Baja Café	Chatham
11.	Charisma Hair & Beauty	Chatham
12.	Chatham Outdoor Power	Chatham
13.	CK Tubs and Taps Inc.	Chatham
14.	Comfort and Soul Restaurant and Catering	Chatham
15.	Design Sound Productions/Voices in the Wind	Chatham
16.	Dominique Harvieux Nails	Chatham
17.	EuroPlus Foods	Chatham
18.	First Choice Restoration DKI	Chatham
19.	Flapjacks	Chatham
20.	Great Lakes Gymnastics Centre	Chatham
21.	Homegrown Health and Wellness	Chatham
22.	JVA Hydraulics and Machine	Chatham
23.	Lenover's Quality Meats & Seafood	Chatham
24.	Liberty Interior Design	Chatham
25.	Nicholson Paralegal	Chatham
26.	Planet Print	Chatham
27.	Prada's Salon	Chatham
28.	Radiance Massage Therapy & Spa	Chatham
29.	RS Tech Limited	Chatham
30.	Rubies Inc.	Chatham
31.	The Painted Nail Academy & Distribution	Chatham
32.	Total Value Appraisals	Chatham
33.	Interconnection Equine Assisted Therapy	Dresden
34.	Sod Buster Brewing Co.	Dresden
35.	Five-Eau	Erieau
36.	De Oro Music-Tools of Creation	Grande Pointe
37.	County Coatings	Merlin
38.	Factory Outlet Wood Moulding Inc.	Merlin

	Business Name	Community Location
39.	Rumble Homes	Merlin
40.	Keyjay Investments Inc.	Pain Court
41.	Nature's Finest Produce	Pain Court
42.	The College of International Holistic Studies	Ridgetown
43.	Demaiter Greenhouses	Thamesville
44.	Sunshine Asparagus Farms	Thamesville
45.	Sunshine Pickles	Thamesville
46.	Verellen Farm & Auto	Thamesville
47.	Balloon Restaurant and Banquet Facility	Wallaceburg
48.	Face It Medical Aesthetics	Wallaceburg
49.	Wallaceburg 24 Towing	Wallaceburg
50.	Wallaceburg Bookbinding & Mfg. Co.	Wallaceburg