The Greater Sussex -Hampton Region Economic Development Strategy

February 15 2017

NuFocus Strategic Group

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Disclaimer

This report has been prepared by NuFocus Strategic Group on a best-effort basis and reflects the conditions prevailing at the time of our analysis, which was completed in January 2017. The projections, recommendations and conclusions contained herein are based upon opinions and assumptions that are subject to change, depending upon events. Therefore, we cannot represent them as results that will necessarily be achieved, but only as those that could be attained. This report may not be referred to, or quoted, in any public communication or release. In the permitted uses, this report may be presented only in its entirety; any partial presentation and/or reproduction by any means are strictly prohibited.

NuFocus Strategic Group

1. Executive Summary

Following the Potash Corporation of Saskatchewan Inc. (PotashCorp) announcement that the company was indefinitely suspending its Picadilly, New Brunswick potash operations, the Town of Sussex and region have clearly demonstrated that they are not the type to wait around and just watch things happen.

Led by the Sussex and District Chamber of Commerce the community was engaged in strategic brainstorming sessions to initiate the process of identifying a new economic prosperity path. That work constituted an initial foundation for the development and completion of this mandate.

The enclosed analysis clearly demonstrates that there are great opportunities within the region's reach to not only mitigate the negative impact of the Picadilly operations suspension, but to reposition the region on a more robust and sustainable economic path.

Following a thorough and exhaustive analysis process, a senior working group identified seven priority areas of focus and ranked them in order of importance, with the top three being the immediate focal point. In all, however, these priorities touch the seven pillars of economic activity, as defined by the Chamber of Commerce process, and as such enable a balanced medium term approach.

The top three priorities, which will be the focus of immediate attention are as follows:

- Unified Tourism and Arts & Culture
- Geothermal Energy
- Food Production and Processing

While the priorities are identified individually, it is the inherent synergies between them that truly defines the strategic value of this Economic Development Strategic plan. Each priority is interconnected to one or more other priorities in some manner.

For example, the theme of offering "unique experience" throughout the region transcends the region's Tourism, Art & Culture, Retail, as well as Education and Training pillars. Similarly, the Geothermal Energy development is synergistically connected to Food Production & Processing, as well as Warehousing/distribution.

Furthermore, a comprehensive communication strategy and plan will be instrumental in bringing these synergies to life.

It is now in the capable hands of the Greater Sussex Hampton Region leaders to ensure that each priority has the right champions in place to shift into action for the successful implementation of its economic development action plan.

This is just the beginning. The real work is ahead of us and will require tremendous efforts, courage and sustained commitment.

2. Background

On January 19, 2016 Potash Corporation of Saskatchewan Inc. (PotashCorp) announced the suspension of its Picadilly mine near Sussex. The closure put about 430 people in the Greater Sussex-Hampton Region out of work. It was the Sussex area's largest employer.

To manage the economic impact of this event, the Town of Sussex issued RFP No. 2016-01EDC to procure the services of an Economic Development Coordinator. NuFocus Strategic group was hired as part of the economic development team in August 2016, following the contract award.

Under the guidance of a steering committee, NuFocus Strategic group used a broad-reaching data gathering and analysis process, which included stakeholder consultations, to identify strategic priorities. This process built on the work undertaken by the Sussex and District Chamber of Commerce, led by Blair Hyslop, President of Mrs. Dunster's in identifying key sectors and examining opportunities within each sector.

The comprehensive research and analysis phase focused first on generating an extensive list of relevant opportunities and then analyzing the potential value of each using a scale of five key factors. One of these factors was the alignment with current government economic development priorities. This approach generated a baseline comparison and ranking of opportunities to be discussed and debated by stakeholders.

On November 23 and 24, 2016, stakeholders met in two community engagement sessions. Each session targeted a specific audience in alignment with two strategic pillars: "Destination of choice" and "Building our industrial base". Using a world café format, we asked participants to identify their top choices for economic development opportunities. We provided notes from the analysis process as a base reference. A summary report was produced for each session.

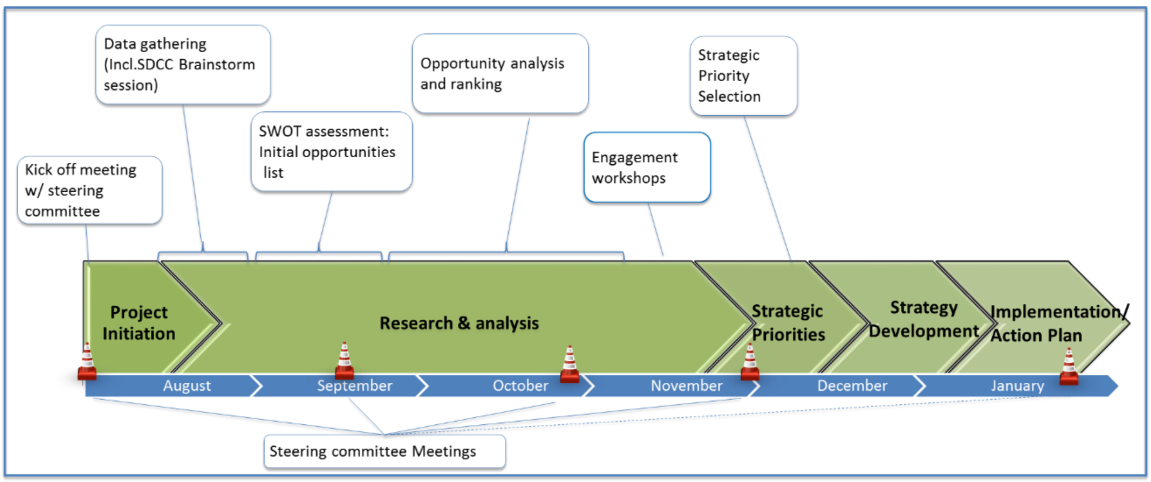
On December 14, 2016, a representative group of experienced and knowledgeable community and business leaders assembled to narrow down the broad lists of opportunities into a workable number. We provided the group with all the analysis data, including the outcome of the November 23, 24 consultations. We asked them to consider this data in the context of the region and to identify the most suitable opportunities for seven pre-defined sectors of business activity: Agriculture, Forestry and Mining; Manufacturing; Distribution and Supply Chain; Retail; Tourism; Arts and Culture; and Training Centre of Excellence. The group was then asked to prioritize the opportunities.

The pages that follow present the recommendations of this group.

3. Process Overview

The objective of the process was to generate a broad list of potential opportunities and narrow it down to a select few that should be prioritized and focused on first. The accepted logic was that the area would achieve greater results by concentrating its effort on a small number of economic development priorities. The main objective of the analysis was to enable objective comparisons of the respective opportunity's economic development value so that the community could make informed choices of which few would be the better options.

Figure 1



The first step consisted of gathering data on potential opportunities from various sources, including the results of the Chamber of Commerce brainstorming sessions. This group developed their work on the basis of a seven-pillar model, which we retained for our purposes (See Appendix A).

Once all the data (from all sources) was gathered, it was organized using a SWOT assessment tool (See Appendix B). This started to differentiate the data into a few buckets, separating the real opportunity information from support information and other.

The next step included the development of a more robust and objective assessment tool to quantify the potential value and feasibility of theses opportunities. We used this five-factor metrics tool (See appendix C) to profile each opportunity and rank it according to its economic development potential. A document recording all of the assessments rationale is included in Appendix D. This approach generated a baseline comparison and ranking of opportunities for discussion and debate (See Appendix E).

On November 23 and 24, 2016 we assembled two distinct community groups and asked for their input on this preliminary ranking.

In the last step of the process, we engaged a group of seasoned community and business representatives in a work session to distil the opportunities into a few economic development strategic priorities. The group considered all of the data provided and leveraged their own individual perspectives in healthy discussions. The result of these discussions forms the basis of this economic development strategy.

4. Strategic Priorities

The process of identifying the best strategic economic development opportunities for The Greater Sussex-Hampton Region (Regional Service Commission 8 – RSC8) has been rigorous, far-reaching and inclusive. The first phase of work generated a broad bank of potential opportunities; the second phase provided a rational and objective analysis of these opportunities; and the third phase brought essential local community and business perspective that is critical to ensuring realistic choices and sustainable traction for implementation.

The outcome of the process is the identification of seven strategic economic development priorities. They are as follows, in order of priority:

1. Unified Tourism and Arts & Culture[1]
2. Geothermal Energy
3. Food Production and Processing
4. Low-Cost Energy (from existing natural gas sources)
5. Warehousing/Distribution
6. Targeted and Aligned Retail Development
7. Targeted and Aligned Training/Education

While the priorities are identified individually, it is the inherent synergies between them that will truly define the value of this economic development strategy. Each priority is connected to one or more priorities in some manner. For example, the theme of offering "unique experience" throughout the Region applies to the Region's Tourism, Arts & Culture, Retail, and Education and Training pillars. Similarly, the Geothermal Energy Development is synergistically connected to Food Production & Processing, as well as Warehousing/Distribution.

It is important to note that, as the next pages demonstrate, the top three recommendations align directly with the "selected opportunities" outlined in the Gallant Government's September 2016 Economic Growth Plan[2].

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[1] The first two strategic were opportunities were essentially defined as equivalent in priority by a community and business leader expert group. We positioned them in the above order simply due to Geothermal still needing technical validation.

[2] http://www2.gnb.ca/content/dam/gnb/Departments/eco-bce/Promo/EconomicGrowthPlan/PDFs/EconomicGrowthPlan2016.pdf

Within this report, the NuFocus Strategic group will present actionable strategies and execution plans for each of the first three priorities and a high-level strategy for the next four.

4.1. Priority 1: Tourism and Arts & Culture

In each of these two sectors, organized groups are already setting direction and are engaged in a defined course of action. This strategy will build on what is already in place; we will fill any gaps and chart a course aligned with the economic development needs of the Region.

While tourism and arts & culture are distinct endeavours, the potential synergies between them are substantial enough to justify developing them in concert. For purposes of planning clarity, however, we will discuss them individually.

Tourism

4.1.1. Tourism background

From the Government of New Brunswick 2010-2013 tourism strategy:

> *"Tourism is an economic engine – it is the largest industry in the world. In New Brunswick, spending by visitors exceeds a billion dollars. These expenditures represent $605M in provincial Gross Domestic Product (GDP), which is more than the primary industries of agriculture, forestry and fisheries combined. Often overlooked is the contribution tourism revenue makes to improve the quality of life for residents of New Brunswick, delivering $93M in provincial tax revenues. Whether it is fostering small business success or creating conditions for growth, tourism is paramount to the social and economic well-being of this province. Supporting and enhancing the tourism industry in New Brunswick is an essential part of developing the local economy, particularly in rural areas. A clearly defined, forward-thinking strategy is required to ensure this development is calculated and coordinated."*

More recently, the September 2016 Province of New Brunswick Economic Growth Plan reaffirmed tourism as a select opportunity to be pursued.

RSC8 has considerable tourism assets, including golf courses, ski hills, museums and galleries, outdoor adventures, Sussex murals, established events such as the Balloon Fiesta, and much more. Historically, tourism stakeholders have operated as individual entities or have collaborated in small clusters at best. There has been limited concerted effort by tourism operators to package the existing tourism products along a coherent regional theme, or to develop itineraries that would encourage visitors to get off Route 1 or the Trans-Canada highway (which now bypasses the area) and travel through the region.

Recognizing the challenge and the opportunities, a group of stakeholders involved in the tourism industry and the community have come together to organize themselves and improve the state of tourism in Region in the immediate future.

The intent of this strategy is to build on this group's effort and provide strategic direction that will not only value the existing tourism assets but also chart the course for a cohesive and high value tourism sector for the Region.

4.1.2. Tourism 5-year vision

To help us move forward, both in the short and long term, it is necessary to set a target end-state. Having a consistent and common understanding of what our future will look like to the community and how it will be perceived by key outsiders will help us chart the new course. The statements below were developed with representatives from the group and show where we hope to be five years from now.

What we see…

- *We can observe a critical mass of coherent tourism offerings aligned around a consistent branding theme.*
- *Our offering is distinct, plays on our strengths, and is aligned with and complementary to our sister regions' tourism offering within the province.*
- *Our tourism offering is synergistically integrated into the business and cultural fabric of the Region, such that it is pervasively visible and easily accessible to tourists.*
- *Our strong core of tourism-related businesses has bought into the brand identity and is thriving. Conditions are favourable for the emergence of new tourism-related businesses.*

What they say…

- *The high level of "experience quality" standards, which we adhere to, ensures that when visitors leave our area they comment on their remarkable and memorable experience. They say they felt authentically valued and that they will be back.*
- *Tourism promoters recognize us as a fully realized destination of choice in Atlantic Canada.*
- *Our provincial tourism authorities recognize us as an important tourism player.*

4.1.3. Tourism strategy

As stated in the province's September 2016 Economic Growth Plan: "A successful tourism industry requires attractions, service providers and promotion. Investments in tourism infrastructure will help boost the number of tourists and their satisfaction rates."

The province has been committed to tourism development and has invested in the development of tourism strategies. In December 2016, the Department of Tourism, Heritage and Culture (DTHC) launched a request for proposals to develop a new tourism strategy for the Bay of Fundy area, one of the recognized pillars of the Province's tourism economy.

The Bay of Fundy strategy development effort, as well as the proposed 2021 opening of the Fundy Trail Parkway all the way from Alma to St. Martins, create a compelling case for the RSC8 tourism stakeholders to coalesce and capitalize on potential synergies to enhance the overall tourism offering.

We recommend the following two-phase approach:

Phase 1 (short term):

- Establish a Tourism strategy stakeholder task force, including Arts & Culture representation and participate in the "Bay of Fundy" Tourism strategy project.
- Develop a thorough understanding of the state of the tourism product, visitor experience, and infrastructure availability for the area
- Identify key product/experience gaps, partnership and business opportunities that are sustainable.
- Establish broad stakeholder group alignment by developing both short and long term goals.
- Develop coherent short term tourism positioning plan and promote regional tourism offer

Phase 2

- Develop of a comprehensive RSC8 tourism strategy that will align with the Bay of Fundy strategy and the overall provincial tourism strategy.
- This strategy will define the Region's "unique experience" value proposition. This value proposition will guide the Region's tourism product development and attractions, as well as inform the retail experience development.

- Develop and implement a long-term tourism plan for RSC8. The plan will consider the feasibility of a tourism taxation instrument as a sustainable marketing funding source.

Arts & Culture

4.1.4. Arts & Culture background

The arts & culture community of the Greater Sussex Hampton Region has substantial momentum. There is a long history of organized arts & culture activity in the region, including an artist's co-op that has been in Sussex for over 20 years.

The co-op was recently re-energized and transformed into a new not for profit entity, the Arts & Culture Centre of Sussex (AX). Its mission is to support, advocate for, and promote Arts & Culture as essential to the quality of life of the people in our region. This group is well organized and should serve as a driver and catalyst for broader engagement across the entire region.

Representatives of the RSC8 Arts & Culture community will be critical participants in defining the area's "unique experience" value proposition.

In a sector, heavily dependent on volunteers, finding a stable source of long-term funding and adhering to a clear and sustainable policy will be paramount.

4.1.5. Arts & Culture 5-year vision

Representatives from the arts & culture group were asked to define what the arts & culture state will look like from the community's perspective and how key outsiders will perceive it. The statements below were developed with representatives from the group and show where we hope to be five years from now.

What we see…

- *AX, now a sustainably funded institution, is fully integrated in our community. Its role in our community's quality of life is relevant, valued and promoted.*
- *Throughout the Region's communities, awareness of the benefits of a healthy arts & culture sector has led to a broad sense of ownership and pride.*
- *The established arts & culture base is a magnet not only for new arts & culture businesses, but also for businesses of all types due to its positive impact on the surrounding communities' quality of life.*

- *There is a spirit of collaboration among municipalities in RSC8 and across Atlantic Canada, characterized by healthy partnerships.*

What they say…

- *Leading arts & culture communities, such as St. Andrews and Lunenburg, say: "Wow, they really have a thriving arts & culture scene! How can we do what they are doing?"*

4.1.6. Arts & Culture strategy

The strategy is to build on the extensive accomplishments of this group, focusing on clear positioning and long-term sustainability.

- Work with the area municipalities to develop a clear long-term arts & culture policy framework to guide all Arts & Culture investment/development decisions in a coherent and sustainable manner. The framework will define guiding principles and priorities, ensuring that balanced and long-term thinking prevail. This will ensure long-term stability and encourage volunteers to continue investing time and energy in the "cause". Many municipalities in New Brunswick have already developed such a policy framework and can serve as examples[3].
- Participate in defining the area's "unique experience" value proposition and, from this, develop a Regional arts & culture brand positioning aligned with the policy framework.
- Secure long-term funding based on value propositions and policy.

[3] City of Moncton cultural plan: https://www.moncton.ca/Assets/Government+English/Publications+English/Moncton+Cultural+Plan.pdf
City of Shediac Cultural Policy: https://shediac.ca/~shediac/images/pdf/politiques/politique-culturelle-shediac-2.pdf
Beaubassin-Est Cultural Policy: http://www.beaubassinest.ca/userfiles/file/15-01%20Cultural%20Policy.pdf

4.1.7. Tourism and Arts & Culture implementation plan (Full size in appendix F)

Sussex economic development strategy

	Resources			2017											2018											
	Budget	Resp.	External res.	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Priority #1: Tourism and Art & Culture Strategy																										
Tourism Phase 1(short term)																										
Establish tourism stakeholder task force		Adv Cor.																								
Bay of Fundy strategy participation		Adv Cor.	Consult.																							
Tourism product review & assessment		Adv Cor.	Consult.																							
Key product/experience gap assessment	$5k	Adv Cor.	Consult.																							
Establish broad stakeholder group alignment		Adv Cor.																								
Short term positioning development & implementation	$10k	Adv Cor.	Consult.																							
Tourism Phase 2 (long term)																										
Engage DTHC for tourism strategy support		Adv Cor. T.F.																								
Long term Tourism strategy development	$25-35k	Adv Cor. T.F.	Consult.																							
Develop implementtaion plan																										
Implement tourism plan	$10-15k	Adv Cor. T.F.																								
Art & Culture Strategy																										
Sussex municipal cultural policy proposal		Ax																								
Sussex municipal cultural policy development	$20-25k*	Sussex -Ax	Consult.																							
Sussex municipal cultural policy implementation		Sussex -Ax																								
Hampton municipal cultural policy proposal		Hampton-Ax																								
Hampton municipal cultural policy development	$15-20k*	Hampton-Ax	Consult.																							
Hampton municipal cultural policy implementation		Hampton-Ax																								
Assess and plan additional A&C policy reqirements																										
Develop Art & Culture brand positioning	5-10k	Ax	Consult.																							
Secure sustainable funding		Ax																								

4.2. Priority 2: Geothermal Energy Development

4.2.1. Background

The flooded mine shafts of the closed potash plant present a unique economic development opportunity. This infrastructure could be repurposed to provide geothermal-based heating and/or cooling for high-demand applications at a cost substantially below alternative sources.

Geothermal heat could be a game changer for large-scale greenhouses or any other application requiring a large source of heating/cooling. PotashCorp has committed to work on the concept of establishing a geothermal heat/cooling source from their mine. The warm water reservoir formed in the seven-kilometer mine cavity has the potential to provide numerous applications – from greenhouses and warehouses to manufacturing facilities and accommodations. The mine area is serviced with natural gas, CN rail line, 3-phase power and ready access to the Route 1 four-lane highway. Few abandoned mines in Canada offer proximity to such services.

Geothermal development could enable a new crop of food/plant production, which aligns with the Province's Economic Growth plan.

4.2.2. 5-year vision

What we see…

- *A 100-acre geothermal development in full operation.*

- *Tenants of the park include:*
    - *A marijuana production facility.*
    - *A new Sussex-based greenhouse operation competitively supplying 75% of the entire Atlantic Canada market, year-round.*
    - *Year-round produce production facilities.*
    - *An energy efficient large space warehousing/distribution facility.*
- *Multi-million dollars increase of the area commercial tax base.*
- *100-200 new jobs.*

<u>What they say…</u>

- *The Sussex area "GeoDev" has been a game changer, attracting high-growth companies that not only take advantage of the cost-effective source of heating and cooling, but also leverage our existing community and agricultural strengths.*

4.2.3. Strategy

The strategy for developing the Geothermal Park is comprised of three key elements:

1. **Technical feasibility validation:** Before committing substantial investment, we must develop proof of concept with the help of reputable scientific and engineering resources. This stage should identify the overall capacity that could be generated, at what cost and over what period.
2. **Business model development:** We need to develop a sustainable business model that will create substantial value for potential players. This should be preceded by a thorough analysis of the potential market demand for a low-cost heat source.
3. **Business attraction program development:** We need to develop a program to inform and attract the highest value companies to the area.

4.2.4. Geothermal energy development implementation plan (Full size in appendix F)

Sussex economic development strategy

	Resources			2017											2018											
	Budget	Resp.	External res.	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Priority #2: Geothermal energy development																										
Feasibility assessment funding application		EDC																								
Technical feasibility assessment (incl RFP)	$50k	EDC	Consult																							
Business model development	$20k	EDC	Consult																							
Business attraction program development	$15-20k	EDC	Consult																							
"Geo Dev" administration structure devel.		EDC																								
Implementation		EDC																								

4.3. Priority 3: Food Production and Processing

4.3.1. Background

The Greater Sussex Hampton Region has a long history of food production and processing. The area is home to a significant portion of the provincial dairy industry and has well established beef and pork production facilities and vegetable farming. The Region has substantial production facilities for milk products, spices, peanut and almond butters and tea as well as a major bakery. Small scale food processing is also underway and should continue to expand as more of the agriculture land in the Region comes back into production.

Considering the Region already possesses a well-developed and readily scalable infrastructure that supports large-scale food product manufacturing and their associated import/export needs, it makes sense to give this sector priority. Further, this priority aligns with the provincial Economic Growth Plan's 5-year vision. The Plan targets farming as a growth sector and expects up to a threefold increase increase in dairy processing volume. The province's Plan outlines opportunities for "Boosting new farmers" and a "Local food and beverage strategy".

Potential growth in new crop production associated with geothermal energy development, coupled with a targeted land-use improvement strategy, may create of economy-of-scale opportunities for other types of food processing.

What we see…

- *An additional 250 jobs in the food-processing sector.*
- *A manufacturing sub sector closely aligned with a vibrant agricultural/food production sector.*
- *Proximity of raw material supply leveraged as an economic advantage.*

What they say…

- *The Sussex area has become an excellent example of collaboration between growers and first-transformation producers.*

4.3.2. Strategy

The food production and processing strategy is comprised of three elements:

- Validate the likelihood and dimensions of the projected dairy processing growth.
- Assess the potential ramifications of a threefold expansion of the dairy processing volumes in the area and ensure that primary and secondary

support services are ready to meet the increased demands for existing services and create new service offerings where feasible.
- Inventory and classify the Region's support infrastructure capabilities and its scalability.
- Inventory and classify the Region's existing food processing capacity and capabilities.
- Inventory and classify the Region's agriculture lands to create a map of potential opportunities for new crop production, as well as a profile for agriculture investments.
- Establish a local food processing working group that will guide the future development of the sector and:
    - a) Establish new processing trend watch.
    - b) Ensure tight collaboration with food producers.
    - c) Promote the area's advantages to attract new players.

4.3.3. Food Production and Processing implementation plan (Full size in appendix F)

Sussex economic development strategy	Resources			2017											2018											
	Budget	Resp.	External res.	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Priority #3: Food production and processing																										
Validate "dairy growth" likelyhood and magnitude		EDC																								
Feasibility assessment funding application		EDC																								
"Dairy growth" opportunity assessment	$5-10k	EDC	Consult																							
Support infrastructure inventory & assessment	$5-10k	EDC	Consult																							
Processing capacity capability inventory		EDC	Consult																							
Agriculture land inventory & assessment.		EDC																								
Establish local working group		EDC																								
-New processing trend watch		EDC- LWG																								
-Set up regular exchange with food producer		EDC- LWG																								
-Promotion for new company attraction	$5-10k	EDC- LWG	Consult																							

4.4. Priority 4: Low-Cost Energy (from existing natural gas sources)

4.4.1. High-level strategy

Corridor Recourses has operated a natural gas well field in the Sussex area for over 20 years and provided PotashCorp with a reliable energy supply. There is a moratorium on the fracking of natural gas wells in the province, which restricts the development of natural gas production. This sector has been a strong contributor to the regional economy through its exploration, drilling and production activities.

The natural gas being produced in the Greater Sussex-Hampton area, as well as a pipeline connecting it to the Maritimes and Northeast Pipeline, ensures a supply to potential customers. Our ability to produce and transport natural gas may attract industries and businesses with high-energy requirements. The strategy is to explore natural gas as an independent offering as well as a complementary/synergistic offering to the geothermal opportunity.

4.4.2. High-level action steps

- Assess existing source supply capacity and projections for the future.
- Perform feasibility study on making local natural gas available for local use and to attract industries. (as well as imported gas from the pipeline)
- Perform market assessment.
- Develop business model.

4.5. Priority 5: Warehousing/Distribution

4.5.1. High-level strategy

Greater Moncton is Atlantic Canada's premier warehousing and distribution centre. However, the Region can certainly position itself advantageously as a prime niche offering for Southern NB, in alignment with the growing economic activity generated by the above strategies. Focusing on these identified opportunities will not only provide essential synergy to help the said opportunities flourish, but also start to build additional critical mass in the warehousing and distribution sector that could be leveraged in the long term.

In the short term, it would be worthwhile for local area businesses to explore the merit of a multi-user owned distribution system.

4.5.2. High-level action steps

- Establish a local warehousing/distribution working group and closely align/leverage existing provincial bodies.
- Determine feasibility of pooling needs and resources for a multi-user distribution service.
- Monitor economic development activity associated with geothermal potential and the food production and processing.

4.6. Priority 6: Targeted and Aligned Retail Development

4.6.1. High-level strategy

Retail is not an economic development driver. However, economic development activities supported by a strong and strategically aligned retail sector will be much more successful and sustainable. Retail is an essential part of a balanced economic ecosystem.

Two key factors will greatly influence the value that retail will bring to the economic prosperity; breadth of participation, and coherence across the region.

It will be important to ensure that retailers from the entire region engage in these alignment efforts. The goal is to ensure that everyone has a clear understanding of the Region's "unique experience" value proposition and how to contribute to delivering on these experiences consistently. This "unique retail experience" will align synergistically with the overall tourism experience.

The more frequently and consistently the experiences are delivered, the more positive the impact they will have on visitors.

In addition, focused and strategic economic development often creates synergies that expose niche commercial opportunities. The retail group should constantly keep an eye out for such opportunities and mobilize its efforts on areas that it could be the best at, to increase the retail value proposition of the Region.

4.6.2. High-level action steps

The Region's retail sector will contribute greatly to the area's economic development by:

- Establishing structured leadership to unify the retail sector.
- Developing a "unique experience" definition for retail.
- Identifying the retail niche opportunities that the region can own as a specialty.

- Constantly reviewing the Region’s retail health and developing and implementing appropriate action plans quickly.

4.7. Priority 7: Targeted and Aligned Training/Education

4.7.1. High-level strategy

Early on, the community identified training and education as an economic development pillar. It should be understood, however, that this is a highly competitive sector. Going head-to-head with the competition in this sector, without a unique value proposition, is a tall order.

The Region has a location advantage that could be leveraged to provide these services to residents of the province’s three major cities. There are emerging segments in training/education that are not necessarily well served, and the Region could potentially differentiate itself as a specialty centre for such offerings.

One example is experience-based customer service training. The trends in tourism converge on delivering memorable experiences. This is different from simply delivering good customer service. Developing an adept workforce will be absolutely critical, and the larger training entities in the province will take years to turn their attention towards this requirement.

Another example is leadership development facilities. There are few facilities in the province that excel at supporting innovative and creative knowledge transfer. Experienced facilitators often use sterile facilities found in institutions and even hotels. There may be an opportunity to leverage our physical assets and become a leader in this space.

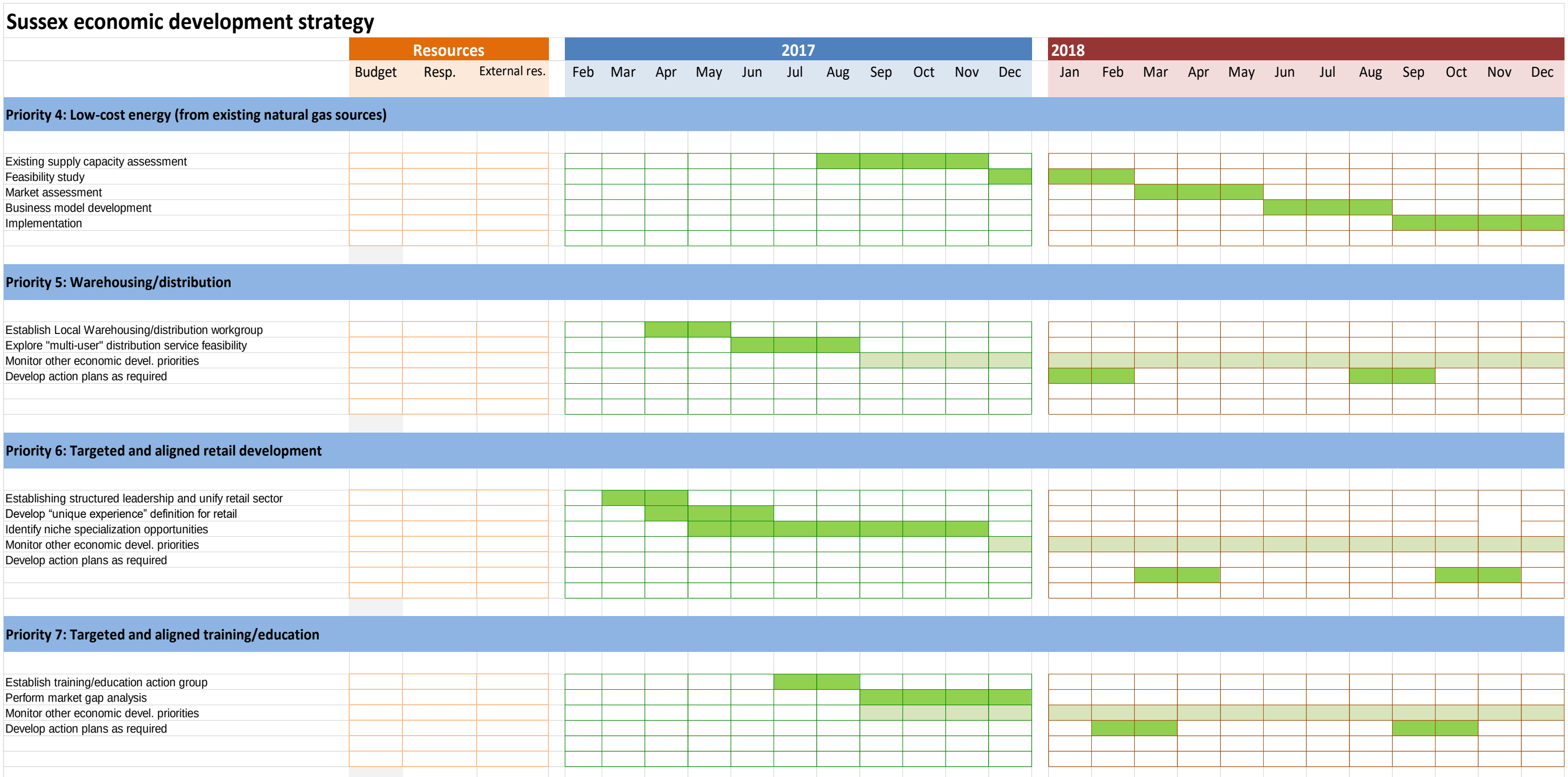
There are likely more or even better opportunities; a proper opportunity assessment will be required. We must identify opportunities that are synergistic with our other economic development strategies, keeping in mind that we will need to differentiate ourselves in the market with a specialty.

A dedicated champion will have to be identified to pursue this strategy.

4.7.2. High-level action steps

- Establish a training/education working group.
- Monitor economic development activity, particularly for tourism and arts & culture.
- Perform market gap analysis for other needs.

4.8. Priority 4-7 implementation plans (Full size in appendix G)



5. Conclusion

The Greater Sussex-Hampton Region has taken the initiative to determine its economic future in the face of the potash mine closure. Led by the Sussex and District Chamber of Commerce, the community engaged in strategic brainstorming sessions to initiate the process of identifying a new economic prosperity path. That work constituted a foundation for the development and completion of this mandate.

Clearly, great opportunities lie within the region's reach –not only to mitigate the negative impact of the Picadilly operations suspension, but also to reposition the region economically.

This strategic plan is key in realizing a new economic future for the region. A comprehensive communication plan will be instrumental in bringing these strategies to life.

Implementation of the plan rests in the capable hands of the Greater Sussex-Hampton Region leaders. They must ensure that each priority has the right champions in place to shift plans and priorities into action.

This is just the beginning. The real work is ahead of us and will require tremendous effort, courage and sustained commitment.

And those are the strengths of this community.

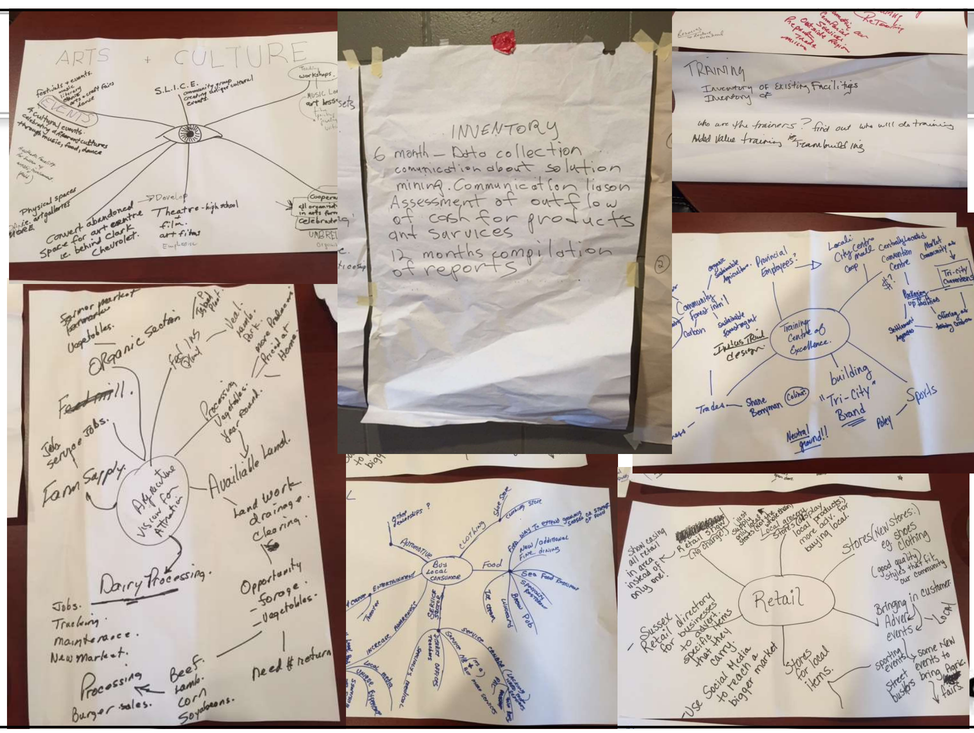
APPENDIX A – Chamber of Commerce Brainstorm Compilation

ECONOMIC DEVELOPMENT STRATEGIC PLAN

Discovery Process Update:
Chamber of Commerce brainstorm compillation

September 15, 2016

NuFocus



Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) Manufacturing
3) Distribution
4) Education & Training
5) Retail
6) Tourism
7) Arts & Culture
8) Buy Local

NuFocus

Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) Manufacturing
3) Distribution
4) Education & Training
5) Retail
6) Tourism
7) Arts & Culture

NuFocus

MINING, FORESTRY AND AGRICULTURE

External Market Expansion

- Increase Exports
- Increase agri-tourism (cider, micro-brewing, trade fair, etc)

Local Market Expansion

- Expand farmers' market (organic selection)
- Youth Internships

Local Land Development

- Find affordable land for planting forage vegetables
- Create agricultural land (drainage and clearing)

NuFocus

MINING, FORESTRY AND AGRICULTURE

New Product Initiatives

- Vegetable processing storage (more growers)
- Vegetable processing plant (year-round)
- Dairy processing (trucking, dairy farms, maintenance)
- Processing plant (beef and lamb)
- Fed inspection plant (Veal, lamb, pork, ground beef)
- Develop niche agricultural markets (new cultures)
- Farm supply centre (jobs, service jobs)
- Create sustainable agriculture & forestry hub (CFI)
- Demonopolize of forestry (introduce small business)

NuFocus

MINING, FORESTRY AND AGRICULTURE

Asset Inventory Analysis

- **Mining** - Create Inventory
  - 6 month action plan:
    - Data collection
    - Communication about solution mining
    - Assessment of outflow of cash for products & services
  - 12 month action plan:
    - Compile reports

- **Agriculture** - Create Inventory of Assets & Requirements
  - 6 month action plan:
    - Data collection
    - Communicate with Dept of Agriculture
  - 12 month action plan:
    - Find funding - ACOA; angel investors
    - Letters of intent
    - Parnter with NSAC; apprenticeships

NuFocus

HIGHLIGHTS – MINING, FORESTRY AND AGRICULTURE

- Market expansion – locally and externally of the RSC8 region
- Explore possibilities to produce new products
- Conduct asset inventory analysis

NuFocus

Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) **Manufacturing**
3) Distribution
4) Education & Training
5) Retail
6) Tourism
7) Arts & Culture

NuFocus

MANUFACTURING

Local Collaboration

- Networking projects (tenders, exports)
- Create local awareness of services/website
- Promote local industrial cleaners
- Offer specialized support (mentoring, IT, HR, tradespeople)
- Share resources (marketing, distribution, technology, training)
- Create an independent buying group (high volume; lower costs)
- Offer best practice tracking service (business intelligence)

Entice Outside Investment

- Promote the region (trade mission)
- Offer tax breaks, grants, training, retooling, etc

NuFocus

MANUFACTURING

New Development Opportunities

- Create local helicopter charter company (remote locations)
- Develop bottled water plant, recreational rentals, flood prevention
- Find/create cheap sources of energy
  - Create geo-thermal plants (power for residents, mine)
  - Solar, renewables, wind, natural gas
  - Power grid infrastructure
- Develop airport, shopping mall, train station
- Create Energy Park
  - Rezone; designate industrial park
  - Pharmaceuticals
  - Manufacturing
  - Forestry/furniture
  - Food Processing
  - Seeks assistance from gov't
- Develop Poely Mountain
  - Waterpark
  - Bikes
  - Motocross

NuFocus

HIGHLIGHTS – MANUFACTURING

- Numerous development initiatives to consider
- Increase local collaboration
- Entice outside investment

NuFocus

Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) Manufacturing
3) **Distribution**
4) Education & Training
5) Retail
6) Tourism
7) Arts & Culture

NuFocus

DISTRIBUTION

Local Asset Inventory & Collaboration

- Create catalog or website directory of local businesses
- Create networking opportunities
- Develop shared warehousing (co-op)
  - 6 month action plan:
    - Survey needs of local warehousing (dry, cold, fridge, internet)
    - Develop group charter
    - 12 month action plan:
      - Investors, shareholders
      - Business model
  - Decide on site & implement

NuFocus

DISTRIBUTION

Potential Target Industries

- Reintegrate salt distribution through Sussex (storage, infrastructure)
- Develop relationship in big box distribution
  - 6 month action plan:
    - Industry coaltion; identify leaders and gov't partners
    - Develop business plan and target list
    - Coordinate site visits of targest list
- Warehousing and distribution (rail spur, building 32 ft high)
- Become industrial goods distributor (rail, port, hub/corridor)
- Attract/invest in Purolator, UPS
  - Develop cost/benefit analysis
- Transportation: Drop offs - empty vans/trucks coming back to Sussex

NuFocus

HIGHLIGHTS – DISTRIBUTION

- Inventory of local assets & increase collaboration
- Potential target industries to consider

NuFocus

Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) Manufacturing
3) Distribution
4) **Education & Training**
5) Retail
6) Tourism
7) Arts & Culture

NuFocus

EDUCATION & TRAINING

Subjects to Consider

- Agri-training (technical, mechanical, cultivating)
- Oil and Gas training (drilling, welding, IRP13, CNG)
- Safety training (First Aid, WHMIS, etc.)
- Heavy equipment operation, hair design, carpentry/construction, food safety
- Forestry: Technicians, millwrights, harvesters
- Teambuilding and industrial design
- Stock trading, commodities, options, futures
- Adventure training for youth (survival, firearms, ATV)
- Arts & Crafts (leather, wood, pottery, fiber, metal)
- Mining certification program
- Build a safety and testing facility

NuFocus

EDUCATION & TRAINING

Action Plan

- Build/attract centrally located convention centre to become Tri-City Training & Convention Centre hub
- 3 months:
  - Create inventory of facilities
  - Create inventory of training requirements
- 6 months:
  - Review potential revenue generation
- 12 months:
  - Find trainers
  - Revisit facilities requirements
- 24 months:
  - Determine possible user market

NuFocus

HIGHLIGHTS – EDUCATION & TRAINING

- Numerous subjects to consider
- Market gap analysis required to identify opportunities

NuFocus

Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) Manufacturing
3) Distribution
4) Education & Training
5) **Retail**
6) Tourism
7) Arts & Culture

NuFocus

RETAIL

Initiatives to Support Local Business Growth

- Hire high school coop students
- Offer tours to cruise ship passengers
- Offer convenient hours for shoppers, consistent
- Create pricing buffer (comparison)
- Encourage growth of Chamber of Commerce
- Offer local discount coupons and vouchers
- Offer loyalty programs (community rewards program)

NuFocus

RETAIL

Marketing and Awareness

- Develop branding for local retail community
- Host business open house/open door (sample products)
  - 30 day action plan:
    - Organize and signup retailers
    - Contact Martime Travel
  - 6 month action plan:
    - Host the social
    - Pitch to Saint John Tourism
- Create business welcome wagon
- Promote the "Sussex Experience" (unique, indigenous)
- Celebrate Sussex and its people

RETAIL

Marketing and Awareness (cont.)

- Advertise (social media, signage, radio)
- Offer Friday farmer's market
- Digitial advertising
- Create retail directory, website & mobile app
  - 30 day action plan:
    - Develop list of retailers and products
    - Town's summer student to compile?
  - 6 month action plan:
    - Publish booklet and launch website
    - Create list of events
    - Opportunities for business to advertise
    - Allow people to post reviews

RETAIL

Shows and Events

- Create free retail show
  - 30 day action plan:
    - Determine interest from retailers
  - 6 month action plan
    - Establish date for show
- Create a sporting event
  - 30 day action plan:
    - Determine interest from community
  - 6 month action plan:
    - Make contact with suppliers
- Host celebrate Sussex week (parade, concerts, street fair)
  - 6 month action plan:
    - Start a new festival or event
- Increase home show attendance
  - Contact Kiwanis for cooperation

NuFocus

RETAIL

New Stores to Consider

- Open new high quality stores (shoes, clothing)
- Office office depot products and books
- Find a replacement for Black's (seniors, swimwear, etc.)
- Attract/build retail outlets
- Offer specialty retail (medical supplies, dancewear, scooters)
- Expand food retail (brewery, ethnic food, bulk, seafood restaurant)
- Franchises: Offer business packages for corporations

NuFocus

HIGHLIGHTS – RETAIL

- Different initiatives possible to support local business growth
- Marketing support required to increase awareness – local and outside of the RSC8 region
- New stores to consider

NuFocus

Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) Manufacturing
3) Distribution
4) Education & Training
5) Retail
6) **Tourism**
7) Arts & Culture

NuFocus

TOURISM

Improve Industry

- Keep tourism center open
- Improve tourism in Sussex region
  - 6 month action plan:
    - Attract foreign investment
    - SEED program
    - Young Entrepreneur grants
    - Create town map/directory
- Hire Event Coordinator
  - 6 month action plan:
    - Appeal to churches, business, non-profits

NuFocus

TOURISM

Marketing Initiatives

- Become bigger online presence (Trip Advisor, etc.)
- Update town website re tourism/create new site
- Promote youth oriented activities (social media)
- Work with NB to change perception of NB to tourists
- Consider online ads and TV spots
- Target bus tours (Sussex Experience)
- Bringing spirit (advertise)
  - 30 day action plan:
    - Radio ads, Facebook videos
  - 6 month action plan:
    - Research videos in market, i.e. Only here - UNB
- Digital advertising

NuFocus

HIGHLIGHTS –TOURISM

- Different initiatives could help improve the industry's health and appeal to potential outside visitors
- Tourism industry's strength must be better communicated through marketing to raise awareness of RSC8's offering.

NuFocus

Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) Manufacturing
3) Distribution
4) Education & Training
5) Retail
6) Tourism
7) **Arts & Culture**

NuFocus

ARTS & CULTURE

Encourage Industry Growth

- Sponsor an art prize; annual or semi-annual
- Create a theatre film society - partner with drive-in
- Convery abandoned space behind Clark Chevrolet for Arts Centre
- S.L.I.C.E. (community group sponsoring cultural events)
- Develop theatre in high schools; Easier access to SRHS theatre (Develop dinner theatres; film)
- Create an umbrella org for the arts; unite business and the arts
  - 6 month action plan:
    - Connect with ArtsLink, Craft Council
- Create studio directory; website
- Teach media arts - tv and film
- Promote arts education
  - 6 month action plan:
    - Create directory

NuFocus

ARTS & CULTURE

Arts & Culture Tourism

- Become Arts & Culture hub
  - 6 month action plan:
    - Gallery destination for viewers and artists
- Host music competition
- Host Plein Air festival (art, crafts, literary)
- Hold workshops by invitation with NSCAD, NBCCD
  - 6 month action plan:
    - Music, art, fiber, pottery, jewelry, writing
- Promote arts tourism
  - 6 month action plan:
    - Studio tours, exhibitions - horse barns, farmers' markets,
    - 8th Hussrs, AX, travelling exhibits
- Host music and literary festivals, arts & craft fairs, dance
- Host 4 cultural events/year celebrating different cultures
- Position Sussex area as retirement community

NuFocus

HIGHLIGHTS – ARTS & CULTURE

- Numerous possible initiatives to help industry growth
- There is a natural relationship between arts & culture and tourism

NuFocus

Major Economic Sectors of Sussex

1) Mining, forestry and agriculture
2) Manufacturing
3) Distribution
4) Education & Training
5) Retail
6) Tourism
7) Arts & Culture
8) **Buy Local**

NuFocus

BUY LOCAL

Ideas to Raise Awareness

- Create directory and website for local businesses
- Promote local farmers' meat
- Promote local cheese to restaurants
- Promote dairy products
- Create business recognition awards

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OVERVIEW HIGHLIGHTS

- Industry growth through market expansion
- Wide range of new initiatives to consider
- Increase local collaboration
- Marketing, increased awareness and better communication is key

NuFocus

APPENDIX B – SWOT Assessment Notes

SWOT ANALYSIS / SECTORS

Sussex economic development research

Abstract

Document containing SWOT analysis for the sector of agriculture, forestry, mining, retail, tourism, arts & culture, manufacturing, training & distribution

NuFocus Strategic Group

October 27, 2016

Table of Contents

Colour coding Index:
Green – NuFocus team sourced opportunities
Blue – Opportunities identified by Chamber of Commerce Brainstorm
Red – Identified by both sources

Introduction

The notes below represent an initial gathering of available data from multiple sources. It has been organized by individual sector in a SWOT structure to provide some initial context to this information in the value assessments that will follow. It is included in this report as a reference only.

Agriculture

Strengths	Weaknesses
• The majority of farms reporting beef production in NB are in the Kings and Westmorland County (Areas surrounding Sussex and Moncton) • Sussex is home to the Livestock Development Centre (location for the Provincial Livestock Specialists and Livestock Feed) • Sussex is the dairy centre of the province with a lot of the quota located in the area • Atlantic Canadian Foods have a positive image in domestic and international markets. • The location and transportation	• Dairy processing in Atlantic Canada is primarily controlled by large producers such as Agropur, ADL, Saputo. • Canadian milk and dairy products exports are usually low, since Canadian Production is intended for the domestic market primarily. • Many farmers identified the need for farmers to be able to access and use more crown land (outside of blueberries and maple syrup) • The cost associated with farmland clearing, consolidation and levelling is a significant barrier to bring in more land

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infrastructure available to serve major markets.
Microclimates in Atlantic Canada provides opportunity for diversity in crop and livestock production.
Provincial departments of Agriculture are a source of technical, marketing, BD information and advice for agricultural clients who are interested in Direct marketing of their products
The Agri-Food Market Development Program provides dedicated funds for marketing activities such as signage and advertising for farmers interested in agritourism.
The low Canadian dollar will make exports to the US not subjects tariffs profitable.

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production.
High cost of food transformation (e.g. energy, infrastructure, and labour)

High cost of energy is slowing down expansion (ex: Dairy Town)

Lack of capital investment in efficient equipment and facilities
Cumbersome regulatory environment
Atlantic region farms in general lack processing and storage infrastructure enabling the to provide a consistent supply of high-quality produce on an extended season or year-round.

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<tr>
<th>Opportunities</th>
<th>Threats</th>
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High demand for milk protein not currently met by the Canadian market (We import it from the US)

Increase production capacity (through government quotas) to meet market demand

New products

Growing demand for nutraceuticals

Plant based
Animal fats & oils

Pulses (chickpeas, dry beans, dry peas, etc) products are gaining popularity and in NB, the production of such products is low compared to other provinces.
As new cultures arrive in Canada, opportunities to develop niche markets through special meats transformation, etc.
Farmers’ markets and other direct retail outlets provide a good opportunity to test new products with consumers.

Develop Youth internships in agriculture through the Agricultural Youth Green

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The Dairy sector is highly regulated with quotas.
Removal or stripping of topsoil on farmland is the most recurring concern for farmers in NB.
The sector needs more farmers and more workers. The whole country expects workforce shortages in the near future.
Corporate concentration of food producers and retailers
Volatility of the Canadian Dollar
Competition from lower-cost food production areas.
The development of global marketing contributes significantly to increased foreign competition.
Large grocery distributors will develop ways to compete with direct-farm sales in effort to protect market shares.
Aging farmers are less inclined to change and move to direct-marketing channels.

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</table>

Jobs Initiative (funding for post-secondary internships)[1]
• Agro-tourism
  ○ There are opportunities for small & medium sized farmers to gain sales through agro-tourism. And use government programs to gain advantage. See Tourism SWOT for more.
  ○ Development of NB's fruit and berry winery industry as a major agritourism attraction in the province.
  ○ (cider micro-brewing, trade fair)
• Possibilities to develop bioenergy throughout agriculture practices (see Manufacturing SWOT)	

[1] http://www.agr.gc.ca/eng/programs-and-services/list-of-programs-and-services/agricultural-youth-green-jobs-initiative/?id=1459879253586

Forestry

Strengths	Weaknesses
• Expertise in sustainable forest management sciences and technologies. • Robust forest resource characterized by species and ownership diversity. • Experience cadre of forest managers • Well developed public-private partnerships within New-Brunswick • Well established forest research and educational institutions. • Geographically well positioned to serve European and North Eastern American markets • Strong Canadian brand recognition in international markets. • Sustainable Forestry Initiative (SFI) certification of all Crown and industrial freehold lands. • Access to Acadian forest species with inherent structural strength qualities and diverse forest species to support a wide array of specialty product markets	• Limited capacity for basic research and technology transfer. • Reliance on a limited number of products. • Reliance upon a dominant trade partner (US) • Exposure to currency risk • Relatively low biological productivity • Eastern Canada has a higher fibre cost compared to the rest of the country • History of poor co-operation amongst affected stakeholders (between provincial governments) • The forestry industry is substantially monopolized in New Brunswick • Lack of Forestry Stewardship Council (FSC) certification as required by select markets ○ **Create a sustainable agriculture & forestry hub.** • Loss of critical mass in sawmills • Loss of workers in harvesting and low uptake of sector jobs by youth • High cost of energy and transportation • Aging workforce • Few companies investing in research and development for new products.
Opportunities	**Threats**

• Explore new technologies
    ○ Heat treated lumber
    ○ Heating technologies (Bio Coal, wood pellets, biomass / biofuels)
    ○ Forest derived nutraceuticals and pharmaceuticals.
    ○ Green building products
    ○ New engineered building technologies (cross-laminated
	• Intensively managed fibre plantations are replacing natural forests as a source of raw materials.
	• Some of Atlantic Canada's competitive advantages are disappearing. New biotechnology is beginning to overcome some of the limitations of semitropical fibres.
	• The combination of fast-growing conifers

timber) • Modular homes and building systems ○ Conduct Market Needs Analysis in Asia and South America (increasing demand in China and other emerging nations)	and eucalypts and investment in new, large facilities means that manufacturing can be more profitable in developing countries than in North America. • Possible erosion of the "social licence" to practise forestry. • Potential changes in climate patterns. • Increase risks associated with introduced insects and pathogens. • Trade restrictions • Conversion of some forests to other uses caused by reduced ROI. • Expiry of the Softwood Lumber Agreement and protectionist trade policy in key markets • Loss of domestic and traditional market to low-cost imports • High public demand for increased area set aside for non-timber objectives.

Mining

<table>
<tr><th>Strengths</th><th>Weaknesses</th></tr>
<tr><td>In NB, available resources are zinc, lead, gold, potash and tungsten
Canada possesses sophisticated financial institutions
Available Labour force. Canada ranks 2nd in the G-7 for the availability of qualified engineers in its labour force.
Legislation in Canada requires publication of all publicly funded geological surveys. Making geoscientific data available for free.</td><td>Very few mining activities in Atlantic Canada.
The value of mining (GDP) in New Brunswick has been going gradually down since 2008.</td></tr>
<tr><th>Opportunities</th><th>Threats</th></tr>
<tr><td>Possibilities to transform the closed Sussex mine into a geothermal power operation.[2] (See Manufacturing SWOT)
Repurposing of mining services and products
Numerous gravel and sand pits within 500 km of Sussex
The Sisson Partnership (this project will create a significant new North American tungsten. May have opportunities for storage or transportation.
Trevali Mining Corporation – Caribou Mine & Mill (services)
Corridor Resources - Natural Gas project in Sussex (depending on political climate)</td><td>Strong opposition to the development of fracking activities in New Brunswick.
World commodity price fluctuations</td></tr>
</table>

[2] Case study of a geothermal power plant creation in a flooded mine (Springhill Nova Scotia), https://www.geothermal-energy.org/pdf/IGAstandard/WGC/1995/1-jessop2.pdf

Arts & Culture

<table>
<tr><th>Strengths</th><th>Weaknesses</th></tr>
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Strong presence of arts and culture in the community
Laid-back lifestyle that attracts artists to live in the area.
Almost 65% of jobs in Information, Culture and Recreation are distributed in Southern New Brunswick.
Strong presence of loyalist heritage & culture.
First Nation Heritage and Culture in New Brunswick and other Canadian provinces.

</td><td>

The number of jobs in this section has decreased by 1.8% from 2004 to 2013 (no growth)
Lack of francophone heritage and culture for a bilingual province.
Unavailability of French-speaking services.

</td></tr>
<tr><th>Opportunities</th><th>Threats</th></tr>
<tr><td>

Opportunity to develop tourism with arts & culture infrastructure in Sussex (studio tours, exhibitions, farmers' market...)

Opportunities for local artists to receive government funding for projects[3]
Use targeted digital resources and technology to promote the community's arts & culture sector.

Convert abandoned space behind Clark Chevrolet for Arts & Culture (studio space, workshops, recording, etc)
Work with high school to develop theatre classes and performances.

</td><td></td></tr>
</table>

References

[3]Tourism, Heritage and Culture, Services
http://www2.gnb.ca/content/gnb/en/departments/thc/services.html (2016-09-22)

Major components of the Industry in New Brunswick
http://www2.gnb.ca/content/dam/gnb/Departments/thc-tpc/pdf/Culture/NB_Sketch.pdf

Creative Futures, A renewed cultural policy for New Brunswick,
http://www2.gnb.ca/content/dam/gnb/Departments/thc-tpc/pdf/Culture/2014CulturalPolicy.pdf

Retail

Strengths	Weaknesses
• Location – in the centre of Moncton, Fredericton and Saint John • Access to a large market within 100kms of over 500,000 shoppers • Numerous anchor stores present to attract masses to specific areas •	• Limited primary (local) market to small market (30,000 within 35kms) • Current market landscape makes for investment in new business development difficult • Doesn't have direct highway access to all shoppers within its proximity.
Opportunities	**Threats**

- Possibility of opening new stores to address local needs
    - Office Depot,
    - High quality clothing,
    - Specialty retail
        - (medical supplies, dancewear, scooters)
    - Food retail
        - (brewery, ethnic food, bulk, seafood restaurant)
- Possibility to open outlet centre
- Support local entrepreneurs through numerous initiatives
    - Commence a "Buy Local initiative"
    - Business Centre
- Meeting facility doubled as an entertainment venue
- Boutique hotel
- Bed and breakfast
- Attract a new "Big Chain" hotel
	• Offering erosion – closing of small local businesses with arrival of big-box stores
	• Strong shopping offer in Moncton, Fredericton and Saint John already
	• Growth of e-commerce

Note (: According to a Mississippi State University publication by Dr. Al Myles in December 2015, retail itself isn't an economic driver, but is a part of an enviable economic ecosystem that includes numerous criteria, including:

- Positive Community Appearance
- Local trade centre (large malls with numerous added value such as restaurants and health facilities)
- Direct access to major highways: In good transportation circumstances, shoppers will drive up to 200kms to major trade centres, but the distance travelled is greatly reduced when secondary roads are used
- Natural Resources: Having quality natural resources surrounding the retail environment increases retail development, as shopping is part of the "vacation" where specialty products must be purchased
- Educational Institutions: Secondary and higher education institutions add to retail sales by bringing students, parents, and friends to the area
- Multipurpose arenas: Regions with auditoriums, convention centres, and agriculture facilities can draw people and retail spending to the area
- Sport Entertainment

Distribution & Supply Chain

Strengths	Weaknesses
- Located inside the *Golden Triangle* of NB (proximity to other regions) - Access to required infrastructure nearby (road, rail, port in Saint John, air in Moncton / SJ / Fredericton) - New infrastructure nearby for USA crossing - Already a large volume of exported goods passing on Highway 1, which goes through Sussex (same $ amount as Houlton crossing)	- Is not currently known as having a major role in the industry - Does not have warehousing set up - Lack of support (logistic businesses, industrial park, etc.) compared to neighbouring areas - No airport or port on site, which will add handling and time to transport - Only located on 1 of the 2 major highways (Moncton has access to both) - Cost of handling is increased when distribution centres aren't built at most efficient point - which is in Moncton area - Does not have an anchor (ex: 1 large distribution activity) presently
Opportunities	**Threats**
- Short haul transportation for agriculture industry (logistics and distribution cooperative for local producers) - Develop warehousing centre in industrial part o Short carries from / to all 3 major centres (ideally located to split cargo and deliver to different regions)	- Very competitive market with very well-established competition in Moncton (ideally located to access other provinces) and Saint John (port & proximity to USA border) - From 1980 to 2002, container trade has increased 8.5% per year while bulk cargo has increased by 3.5% per year (not a lot)

Manufacturing

<table>
<tr><th>Strengths</th><th>Weaknesses</th></tr>
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Diversified companies with the versatility to adapt to changing market demand leveraging short lead times and small production runs
Nearby presence of leading engineering firms with solid reputations in global markets and supported by design expertise at local university engineering faculties (Industrial Fabrication
NB possesses strategic infrastructure assets including ice-free, deep-water seaports
Highly educated population and availability of local training capacity at community colleges, private institutes and within the private sector.
High capacity in animal feed production, multiple companies.
The country has a high quality reputation - Can sell to the high-end market around the world.
Must focus on high-value-added & high-quality goods.
Success Factors - large amount of natural resources, diverse economy, high quality public education and political stability.
With the EU trade deal and ALENA - Canada will have access to 800 million consumers (with high buying power)

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High transportation and input material costs.
Share resources between manufacturers (marketing, distribution, technology & training)
Inexperience of new industry entrants
Shortages of skilled labour in certain fabrication trades.
Offer specialized support (mentoring, IT, HR, tradespeople)
Image of low productivity (Atlantic Canada - for the Industrial fabrication sector)
Many of Canada's manufactured goods are sold in the United States, and the country is missing out on emerging markets.
Manufacturing productivity outpacing sales globally
Cold climate that permits certain industries to work only during certain seasons.
Small domestic market
Our level and system of taxation and the associated impact on the cost of capital for Canadian enterprise slows down Canadian competitiveness.
Lack of sufficient entrepreneurial culture and ambition.[4]
Potentially create internships for high school students with entrepreneurs in the region

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</table>

[4] [9] Reuven Brenner and Gabrielle Brenner, "How to Attract, Groom and Retain Talent in Canada," research paper prepared for the Competition Policy Review Panel, March 2008.

Opportunities	**Threats**

• Creation of strategic business alliances within the local supply chain (e.g., joint venture, consortium)
    ○ Capitalize on large projects in the Maritimes, Northern Quebec, Newfoundland and Labrador and Alberta, related to natural resource development and the National Shipbuilding Procurement Strategy by providing materials and equipment.
        ■ Industrial Cleaning Services
    ○ Opportunities to develop biofuels & Bioenergy technologies with livestock and plant products waste.[5]
    ○ Food processing plant for local foods - high number of experienced labour (most common manufacturing job)
    ○ Proximity to Canada's second largest military base, CFB Gagetown (high demand in supplies
	• Licensing and certification costs can be barriers to market entry
	• Reduction in market demand resulting from the end of government stimulus funding and the global economic downturn
	• American protectionism
	• Highly competitive market with well-established companies in other jurisdictions
	• Speed of global innovation
	• Recruiting, retaining engineers due to competition from other well-paying sectors

[5] Renewables NB - manure & Food Waste in St. André. http://renewablesnb.ca/en/2013/manure-food-waste-st-andre/

- Growing demand for non-GMO livestock feed. - Growing demand for pet food in the United States, as spending went up 22.5% from 2014 to 2015, baby boomers being the largest spenders.[6] - The total number of exhibitors in the "Natural" Section increased 30.7%. This parallels the strong "Natural" trend in the overall U.S. consumer market[7] - Explore geothermal technology. - Possibly create a geothermal plant to power manufacturers in the area. - Bottled water plant development - Market Research (needs analysis) - Marijuana plant	

[6] Pet Food Sales Update: US Spending 22% in 2015 http://www.petfoodindustry.com/blogs/7-adventures-in-pet-food/post/6038-pet-food-sales-update-us-spending-up-22-in-2015

[7] 2015 US PET FOOD SPENDING http://www.petbusinessprofessor.com/petmarket/2015-u-s-pet-food-spending-29-5bup-5-4b/

Tourism

Strengths	Weaknesses

• Good strategic location. Good number of cars drive on HWY 1 next to Sussex every year.
  o American tourists crossing from St. Stephens border
  o Ontario residents
  o Saint-John residents
  o Moncton residents
  o Oromocto residents
• The region is well located within a one-hour drive of Moncton, Saint John and Fredericton: the three major population centres in the province providing an opportunity to attract visitors who are staying in these communities as well as residents of these areas. (day trips)
• The region benefits from its position en-route to the Fundy Coast and as a gateway to the Fundy experience.
• The region has great scenery
• Sussex is a service centre with a mix of services; it is also a centre for agricultural activity and home to Princess Louise Park Show Centre that is a major site for horse shows and other agriculturally based exhibitions and shows.
• The region is home to several unique festivals and events
  o the Atlantic Balloon Fiesta
  o the Giant Flea Market
  o the Covered Bridge Festival
  o Mountain Bike Marathon
  o Cross Country Ski Loppet
• There are opportunities for a variety of outdoor adventure activities:
  o hiking,
  o walking,
  o canoeing,
	• While proximity to the three major urban centres and the Fundy Coast is a strength, it is also a weakness in that there is competition from these areas for tourism markets.
	• There is little in the way of organized tourism products or experiences (packages, programs) that are market ready and easy for visitors to find and purchase.
	• There is only a small base of tourism businesses and, for some, the decline in visitor activity in the past few years has placed significant pressure on their viability. A number of businesses have closed and the ability of others to invest in marketing and product development is limited.
	• There is limited accommodation capacity and most of it is in motel-style accommodation.
	• There are no signed scenic routes or suggested itineraries through the region. (lack of signage in general on the highway)
	• There is little coordination of effort; while there are several organizations and committees involved in tourism, there are activities often overlap. There does not appear to be a strong spirit of 'working together' for the good of the entire region.
	  o **Hire Coordinator**
	• There are numerous brochures and maps on the area as well as several websites but no comprehensive guide, map or websites that provide easy to access information on the full scope of

○ ATV touring, ○ snowmobiling, ○ downhill, ○ cross-country skiing and snowboarding ○ birdwatching and a number of outfitters/adventure operators that offer packages around these activities. ○ Golfing ○ Camping • The region offers a quiet and peaceful rural ambience – a getaway from the hustle of urban life. • The Covered Bridge Information Centre has been successful in attracting visitors off the highway and encouraging them to spend some time in the area. ○ **Keep tourism Centres open.** • Websites and search engines make global marketing an affordable reality. ○ **Update town's tourism webpage.** ○ **Focus on online advertising (Trip Advisor, Google search…)**	experiences available or a complete event listing. • Financial and human resources for tourism marketing are very limited and there is a high dependence on volunteers. ○ **Attract foreign investments** ○ **Seed programs** ○ **Young entrepreneur grants** • Marketing of the area has been limited and there is limited profile in the provincial travel guide; as a result there is little awareness of what the area has to offer. • There is no strong draw to encourage travellers to exit the main highways – no 'hook' to capture their interest. • There are limited financial resources available for tourism – the tourism industry is small; the towns are small with a limited tax base and much of the area is in a Local Service District which severely limits the opportunity for municipal contributions to tourism marketing. • With its central location in the southern part of New Brunswick and the fact that it is bisected by the main routes through the province from the US and Ontario, only a small number of visitors are currently stopping in the area. • Tourism industry is increasingly competitive as more communities and regions look to tourism as an economic engine. ○ Competition is particularly strong from within NB and from other maritime destinations.

Opportunities	**Threats**
• Grow the Sussex Murals initiative • Develop the River Trails Network opportunity • Develop the Fossil Interpretive Centre opportunity	• The inability of tourism-related organizations and committees, as well as individual tourism businesses, to truly work together to further develop and promote tourism in the area.

- There is an opportunity to combine many of the 'little' things into itineraries or packages to help create reasons to stop and travel in the area. - New tourism initiatives - There are several emerging market trends that areas such as South-central New Brunswick could capitalize on – interest in rural areas, back roads, farming and the agricultural community and Slow Travel. - Attract the kinds of tourists that will visit the Fundy Park & Similar attractions (eco-tourism and adventure tourism) - The millennials is a segment of the population that is growing fast. - They travel for frequently and further than other age groups. - Millennials are pioneering travellers who discover and promote destinations not yet visited by traditional tourists. - Most popular activities amongst this segment available in Sussex area: eat drink locally, attend events & festivals, get off the beaten track, hiking, trekking. - There is a need for a much more extensive marketing effort, and one that is coordinated and involves all the tourism organizations and committees in the area working together to attract more visitors. - A new demand for accommodations after the Fundy Parkway is built in the area. - Resident population of three cities represent an important market for the area. (day trip adventures)	- Create town map directory - Continued severe restrictions on directional and informational signage on the main highways. - Continued decline in tourism activity in the Maritimes generally and various external events that severely impact travel activity. - Decrease in tourism from the United States (steady decrease since early 2000's)

◦ Target bus tours (Sussex experience) • Develop Poley Mountain for summer use (Waterpark, bikes, motocross to attract adventure tourists.	

References

Strategic Directions for Tourism in South-Central NB, THE ECONOMIC PLANNING GROUP of Canada Tourism Consultants, (2006)
http://coveredbridgevic.com/Strategic%20Directions%20for%20Tourism.pdf

http://www.statcan.gc.ca/pub/11-402-x/2012000/chap/tt-ut/tt-ut-fra.htm
Les résidents américains ont fait plus de 11,7 millions de voyages avec nuitées au Canada en 2010, soit une augmentation de 0,7 % par rapport à 2009. Cela constitue une première hausse annuelle en six ans, mais représente une baisse de 22,1 % par rapport aux 15,1 millions de voyages enregistrés en 2004.

http://en.destinationcanada.com/sites/default/files/pdf/Research/Industry-research/millennialreport_en.pdf

http://www2.gnb.ca/content/dam/gnb/Departments/petl-epft/PDF/PopGrowth/AccommFood-F.pdf

Training

Strengths	Weaknesses
● Multiple larger facilities available to transform into training facilities for various applications ● Large pool of trained teachers available in New-Brunswick	● Not a large number of students in the area
Opportunities	**Threats**

- Create a facility that can accommodate different training programs for rental opportunities
- Opportunities in niche training markets underserved in other markets, such as
    - Niche training for tourism (Adventure training for youth (survival, firearms, ATV))
    - Agri training
    - Oil and Gas training (drilling, welding, IRP13, CNG)
    - Tourism
    - Night classes to develop certain specific skills (partnership with current educational institutions)
	● Strong competition in surrounding areas from private and public institutions
	● Very difficult to compete with institutions with a known reputation in specific sectors
	● Strong government regulation regarding opening certified training facilities.

APPENDIX C – Opportunity Assessment Matrix


ECONOMIC DEVELOPMENT STRATEGIC PLAN
Opportunity assessment Matrix
November 23-24, 2016
NuFocus

Opportunity Analysis Matrix

Potential Opportunity	Economic Impact Potential	Industry Landscape	Industry Trends	Resource Capacity/capability	Government Priority	Data confidence index

- Direct economic revenues that may be available to the region through such activities.
- Factor of market size and what share we could access.

State of the industry:
- Which part of the lifecycle (emergent-mature-decay)
- Fragmented vs consolidated
- Room for new entrants?
- Specialty niches?

- Which way is the market going?:
  - Growing/flat/receding trends

- Do we have the capabilities, skills, knowledge available to enter this space?
- Do we have the necessary infrastructure available?

- Alignment with government initiatives and investment strategies

- Based on the quantity and quality of the information available.

NuFocus

Opportunity Analysis Matrix

Potential Opportunity	Economic Impact Potential	Industry Landscape	Industry Trends	Resource Capacity/capability	Government Priority	Data confidence index

For example, "Economic impact potential" was assessed as follows:

- We looked at the market size and asked ourselves, "What share of that could we possibly access?"
- Used the scale below

+3	$50M+
+2	$25-50M
+1	$10-25M
0	$5-10M
-1	$1-5M
-2	Less than $1m
-3	$0 direct impact

- A score from -3 to +3 was assigned based on the research data available.
- The primary focus is to maintain relative consistency
- Quantitative and/or qualitative
- A written rational was recorded for each assessed score.

NuFocus

Opportunity Analysis Matrix

	X 1.5	X 1.2	X 1.2	X 1.3	X 1	%
Potential Opportunity	Economic Impact Potential	Industry Landscape	Industry Trends	Resource Capacity/capability	Government Priority	Data confidence index

- Since the impact of individual factors may vary in importance, each criterion was assigned a weight in order to calculate an overall score
- The overall score simplifies the comparison of opportunities.

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APPENDIX D – Assessment Details and Notes

ASSESSMENT DETAILS & NOTES

Sussex Economic Development Opportunities Scoring

NuFocus Strategic Group
Pierre Babineau
Jonathan Keeley

December 14, 2016

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Corporate Analysis Disclaimer

This report has been prepared by NuFocus Strategic Group on a best effort basis and reflects the conditions prevailing at the time of our analysis, which was completed in October 2016. The projections, recommendations and conclusions contained in this report are, to some degree, based upon opinions and assumptions that are, of course, subject to variation, depending upon evolving events. Therefore, we cannot represent them as results which will necessarily be achieved, but only as those which could be attained, provided the opinions and assumptions relied upon remain valid. This report may not be referred to, or quoted, in any public communication or release. In the permitted uses, this report may be presented only in its entirety; any partial presentation and/or reproduction by any means are strictly prohibited.

NuFocus Strategic Group
December 2016

Assessment process overview

The assessment tool used to objectively correlate the potential value of each individual opportunity was a five-factor matrix. The five factors considered were as follows:

- Economic impact potential
- Industry landscape
- Trends
- Resources
- Government priorities

<u>Economic impact potential</u>:

- Direct economic revenues that may be available to the region through such activities.
- Factor of market size and what share we could access.
- We looked at the market size and asked ourselves, "What share of that could we possibly access?"
- The scale below was used

+3	$50M+
+2	$25-50M
+1	$10-25M
0	$5-10M
-1	$1-5M
-2	Less than $1m
-3	$0 direct impact

<u>Industry landscape</u>

What is the state of the industry:

- Which part of the lifecycle (emergent-mature-decay)
- Fragmented vs consolidated
- Room for new entrants?
- Specialty niches?

<u>Trends</u>

- Which way is the market going?:
    - Growing/flat/receding trends

<u>Resources</u>

- Do we have the capabilities, skills, knowledge available to enter this space?
- Do we have the necessary infrastructure available?
- How difficult is it to bridge any gap?

<u>Government Priorities</u>

- Alignment with government initiatives and investment strategies

Confidence index: We added a factor that measures the comprehensiveness and perceived reliability of the data sources.

Research summary and scoring notes

The notes below provide an overview of the assessment rational for the five factors for each opportunity considered. The notes summarize the background data reviewed and in many cases, a link to the reference source is included. Also, the information is organized by sector.

Agriculture:

Alternative crops (pulse):

- Pulses are part of the legume family, but the term "pulse" refers only to the dried seed. Dried peas, edible beans, lentils and chickpeas are the most common varieties of pulses.
  - http://www.pulsecanada.com/about-us/what-is-a-pulse
- **Economic importance[1]: Huge global market (0)**
  - $100 Billion at the retail level and over 60 million tons in pulse production and distribution in over 55 countries.
    - http://iyp2016.org/about-us/global-pulse-confederation-cicils-iptic
  - Approx. 20,000 acres of farmland converted for Pulse agriculture (2% of total NB farm land) to reach $5M mark.
  - Average Ton per acre = 4,67T worth 70$ per ton (20,000 X 4,67 X 70 = $6,5M)
  - http://iyp2016.org/about-us/global-pulse-confederation-cicils-iptic

- **Industry Landscape: Strong competition, high volume industry, changes in consumer habits, numerous "substitute" products (-2)**

  - Consumption of pulses has seen a slow but steady decline in both developed and developing countries. By contrast, consumption of dairy products and meat has increased, and is predicted to continue to rise considerably (competition; substitute products). No major changes are foreseen in per capita consumption of pulses.
    - http://www.fao.org/pulses-2016/news/news-detail/en/c/381491/
- **Trends: Up (2)**
  - This trend is expected to continue as production of pulses lags behind trade. In India and China, the consequences of this imbalance are already manifesting. China recently transitioned from a net exporter to net importer of pulses, and

[1] Economic importance scale: **3** = $50M +; **2** = $25M - $50; **1**= $10M - $25M; **0** = $5M - $10M; **-1**= $1M - $5M; **-2** = Less than $1M; **-3** = $0 direct impact

India—the world's largest producer and importer of pulses—is experiencing massive price hikes in pulses after a poor harvest this year.
        - http://www.fao.org/pulses-2016/news/news-detail/en/c/381491/
- **Resources: (1)**
    - Pros: Fertile land present, rotational crop
    - Cons: farming land limited (for high volume industry); expensive to develop
- **Gov Priorities: (3)**
    - "AAFC - New trade opportunities are being created for Atlantic Canada by developing more varieties of value-added crops, such as short-season soybeans. These new varieties could increase farm revenues by an estimated $100 million."
        - http://www.agr.gc.ca/resources/prod/doc/info/pdf/aafc-aac_brochure_mar2013_eng.pdf
    - Boosting new farmers a key in the Growth Strategy of NB
        - http://www2.gnb.ca/content/dam/gnb/Departments/eco-bce/Promo/Economic%20Growth%20Plan/PDFs/EconomicGrowthPlan2016.pdf

Confidence: .9

Farmers Market:

- **Economic Importance: limited market (-2)**
    - Small market: Population around 6,000 with (Sussex and Sussex Corner) + Tourists
    - The Sussex Farmers Market opens in early May and runs every Friday through to the end of October. Hours (11am-4pm). There is already a farmers' market.
    - *Opening longer would require more demand. Other towns are doing:*
        - Grand Falls NB, Population 5,700: Open from May to October on Saturdays 8am-1pm
        - Sackville NB, Population 5,500: open year round, Saturdays 9am-1pm
        - Woodstock NB, population 5,200: Open year round all week. 7 am to 7 pm
            - ** there is an opportunity to open longer hours, more days and during the year.
            - Additional direct & indirect impact on local producers & artisans
    - The economic impact of farmers' markets in BC is estimated to be over $170M, including $ 113M in direct sales. The economic impact
        - http://www.demonstratingvalue.org/sites/default/files/basic-page-attachments/The%20Value%20of%20Farmers%20Markets%20Report%20Aug%2030.pdf
- **Industry Landscape: (-3)**
    - Growing offer (life cycle)
    - Direct competition with large grocers and other alternatives (restaurants)

- **Trends: (3)**
    - Buy local and organic is trending upwards
    - The economic impact of farmers' markets in BC has increased 147% in 7 years (2013)
        - http://www.demonstratingvalue.org/sites/default/files/basic-page-attachments/The%20Value%20of%20Farmers%20Markets%20Report%20Aug%2030.pdf
- **Resources: (3)**
    - Sussex has farmers present with products to sell and a facility in place to hold the event
- **Gov Priorities (3)**
    - Local food and beverage strategy is part of the NB Economic Growth Plan
        - http://www2.gnb.ca/content/dam/gnb/Departments/10/pdf/Publications/Agr/NB-Agriculture-Strategy.pdf

Confidence: .85

Milk Protein Isolates:

- **Economic Importance (0)**
    - In 2009, dairy processors shipped nearly $13.6 billion worth of products making up 15% of all products shipped by the Canadian food and beverage industry.
    - The volume of milk protein isolates coming into Canada quadrupled between 2008 and 2012 – to 15,300 metric tonnes from 3,700 tonnes. Volumes of slightly less potent "concentrates" have also increased. Canada's protein isolate imports were worth more than $113 million in 2012.
    - http://www.theglobeandmail.com/report-on-business/economy/canadian-dairy-farmers-skirt-supply-management-import-rules/article13706612/
    - Taking over production of only 5% of the milk protein isolate importations could create $5,65M in revenue a year.
    - There is evidence that Canada lags behind in Milk protein isolates compared to other countries, it is one of the main dairy product imports for Canada. Main sources for these products are the U.S., New Zealand and Europe. Why the country lags in production of MPIs is unclear, but a good understanding of the process from producers and manufacturers could create opportunity to satisfy demand.
- **Industry Landscape: Limited by quotas (-2) ****
    - Producers are limited to compete because of quotas and high regulations compared to the US
    - Canadian imports of U.S. milk protein isolates have jumped 10 times by volume over five years to 2,700 tonnes in January 2016, according to Farm Credit Canada. The proteins are a cheap alternative to skim milk for Canadian

processors such as Saputo Inc and Parmalat Canada Inc, who must meet federal standards for milk and protein content in cheese.
    - http://business.financialpost.com/news/agriculture/canada-weighs-options-as-farmers-spar-over-u-s-milk-proteins
  - Industry is controlled by large scaled producers such as Kraft Canada, Saputo
  - http://www.cdc-ccl.gc.ca/CDC/index-eng.php?id=3802
- **Trends: (2)**
  - Desserts, baked goods, low-fat spreads and toppings, ice cream, protein and nutrition bars, sports and nutritional beverages and meal replacements, cheese production, yogurt, weight management foods…
  - Multiple applications for trendy products
  - per capita consumption of milk has fallen by 18 per cent to 74 litres a year between 1995 and 2014, amid changes to the palate and makeup of Canadian society.
    - http://www.theglobeandmail.com/report-on-business/milk-sales-continue-to-slide-as-diets-society-shift-away-from-dairy/article26117550/
  - http://www.usdairy.com/~/media/USD/Public/MPC-Tech-Report-FINAL.pdf.
- **Resources:** (3)
  - Sussex has a strong cow farming community and facilities.
- **Gov't Priority:** (-3)
  - Quotas limit production

Confidence: .70

Nutraceuticals:

Nutraceuticals is a broad umbrella term that is used to describe any product derived from food sources with extra health benefits in addition to the basic nutritional value found in foods.

Functional Food	Functional Beverages	Dietary Supplements	Personal care and pharmaceuticals
- Probiotics fortified foods - Omega fatty acid fortified food - Branded ionized salt - Branded wheat flour market - Others (nuts, grains, garlic)	- Fruits and vegetable juices - Dairy & dairy alternative drinks - Non-carbonated drinks - Other (herbal tea, sports drink, energy drinks)	- Proteins and peptides - Vitamins & minerals - Herbals - Other	

- **Economic Importance (-1)**
    - the global nutraceuticals market to reach US$278.96Bn by the end of 2021 from a valuation of US$165.62Bn in 2014. North America represents 75% of the global market.
    - With limited biomass & agricultural resources, we believe extracting nutraceutical ingredients from raw materials could generate between $1M-$5M a year for the community. R
- **Industry Landscape (1)**
    - The nutraceutical market is projected to exhibit a compound annual growth rate of 7.3% from 2014 to 2015.
    - Consolidation within the industry expected to continue: The top five players of nutraceutical ingredient industry capture a share of 35.2% whereas other players capture a huge share of 64.8%. (small & medium producers) The report says players like BASF, Danone, Nestlé, Amway, General Mills, and Kellogg's are looking at partnerships, mergers and acquisitions

http://www.nutraingredients.com/Markets-and-Trends/In-the-year-2020-Global-nutraceuticals-market-to-be-worth-35bn-7-annual-growth-forecast

    - Aging global population and rising healthcare costs have shifted consumer focus to healthier living, preventative care, and secondary source diagnosis/medication
    - http://bourne-partners.com/content/media/articles/38.pdf

- **Trends (3)**
    - With a share of 39.6% by value, North America emerged as the dominant geographical segment in the market in 2014.
    - Consumer shift towards natural ingredients may increase the nutraceutical market
        - https://www.google.ca/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwja9brk4vPPAhWLdT4KHWPeB38QFggeMAA&url=http%3A%2F%2Fwww.transparencymarketresearch.com%2Fpressrelease%2Fglobal-nutraceuticals-product-market.htm&usg=AFQjCNGwkid94ulL99W4ePtNfIiGw86N0A&sig2=gcxbEGlYLMitFZU7uWCNvA
    - High prices and lack of awareness may limit widespread use of nutraceuticals
        - http://www.transparencymarketresearch.com/pressrelease/global-nutraceuticals-product-market.htm

- **Resources (-1)**
    - Available derived products from animal and vegetable agriculture
    - Available biomass to transform into nutraceuticals
    - Need for specific expertise in sciences and nutrition
- **Gov't Priorities (1)**
    - Possibility to work with NRC (national research council) and Industrial Research Assistance program (IRAP) to transform ideas into reality.

Confidence: 70%

Youth Internships

- **Economic Importance (-3)**
  - Does not have large immediate impact on economy
  - Does help to grow skilled workforce for future economic development
- **Industry Landscape (-2)**
  - The region has an overage of the available workforce; older and more experienced workers are having trouble finding employment
- **Trends: (-3)**
  - Youth are generally moving out of suburb areas and towards larger cities
    - Between 2001 and 2006, approximately 28% of the youth population (15-19 years) migrated out of rural Canada. In the most rural and remote areas (excluding the territories), 34% of youth out migrated between 2001 and 2006
      - http://www.cid-bdc.ca/rural-facts?page=5
- **Resources (-1)**
  - Companies are limited in quantity
  - Not all companies are willing to dedicate their time and effort to train youths for a short work placement
- **Gov't Priorities (3)**
  - Creating jobs, and developing skilled workers, are key in government practices, and numerous programs support this initiative (SEED program, wage subsidies, etc.)

Confidence: 95%

Agro-tourism

- **Economic Importance: (-2)**
  - Tourism represented more of Canada's GDP than agriculture, forestry and fisheries combined
  - Visits to the province of NB in 2012 contributed an estimated 1.1$ Billion in tourism-related spending. 36% of this spending was on restaurants, entertainment and groceries (agro-related)
  - Single-handedly, this opportunity cannot generate over $1M, It's by bringing together multiple tourism opportunities through bundling that we can create more value.
    - http://www2.gnb.ca/content/dam/gnb/Departments/thc-tpc/pdf/RSP/NBTourismIndicatorsSummaryReport2013.pdf
- **Industry Landscape (1)**
  - At 1.5% growth in Canada, the general tourism sector looks superficially healthy, but we are losing share of the international travel market.
    - http://tiac.travel/advocacy_global.htm

- Although Agro-tourism is trending upwards, finding specific numbers for the importance of the latter is difficult. We did find the following confirmation : *"Agritourism is a prominent part of the tourism industry in countries like United States, Australia, Canada and Philippines"*
    - http://www.hotelresortinsider.com/news_story.php?news_id=139947&cat_id=8
- High competition with PEI Food tourism offering

- **Trends: (3)**
    - U.S. leisure travellers actively seeking out culinary experiences increased from 40% in 2006 to 51% in 2013.
    - Up to 77% of all U.S. travellers (about 131 million) could be considered as culinary journeyers, based on their participation in food-related activities during trips away from home over a three-year period.
        - http://rendezvouscanada.travel/bigger-bites-for-culinary-tourism-in-canada/
- **Resources (3)**
    - The region has a wide offering for agro-tourism, ranging from farmers to various experiences
    - The region is also rich in complementary activities (outdoor, scenic, etc.)
- **Gov't Priorities (3)**
    - Tourism is a key priority sector in the NB Economic Growth Plan
        - http://www2.gnb.ca/content/dam/gnb/Departments/10/pdf/Publications/Agr/NB-Agriculture-Strategy.pdf

Certainty: .9

Specialty Meats:

- **Economic Importance (0)**
    - Based on the comparable business (Bonté Foods), we expect such a business could be in the $5M - $10M range
        - The North American market for Halal meat is estimated at $12 billion, $200 billion in Kosher certified food products are sold in North America annually http://www.agr.gc.ca/eng/industry-markets-and-trade/statistics-and-market-information/agriculture-and-food-market-information-by-region/canada/the-specialty-food-market-in-north-america/?id=1410083148460
        - The Canadian Meat processing industry is worth $23.6 billion in 2011
            - http://www.capi-icpa.ca/pdfs/2014/CAPI-PFRP_P3a.pdf
- **Industry Landscape (1)**

- Large competition and consolidation within the market
- In the meat manufacturing sector, there was a 3% decrease in GDP for 2015.
    - http://www.theglobeandmail.com/report-on-business/canadians-eating-less-meat-taking-a-bite-out-of-food-industrys-margins/article26373758/

- **Trends (3)**
    - Annual per capita meat consumption has declined since 1999, led by a 31-per-cent drop in pork and a 19-per-cent reduction in beef, even though disposable incomes rose steadily in the same period. Meanwhile, consumption of chicken rose more than 11 per cent, Statistics Canada says.
        - http://www.theglobeandmail.com/report-on-business/canadians-eating-less-meat-taking-a-bite-out-of-food-industrys-margins/article26373758/
    - An interest toward healthier food products among specialty consumers is also occurring in Canada, with increasingly healthier and 'lite' product offerings appearing in the market. This health trend is occurring across a wide variety of products, resulting in consumer demand for "free-from" or "reduced" products, as well as organic and "natural" products, and simplified ingredient lists.
    - Canada's visible minority groups currently account for approximately 16.2% of the population
        - The South Asian and Chinese population could expand dramatically in the coming 20 years, possibly by more than twice the current size within Canada.
            - http://www.agr.gc.ca/eng/industry-markets-and-trade/statistics-and-market-information/agriculture-and-food-market-information-by-region/canada/the-specialty-food-market-in-north-america/?id=1410083148460
- **Resources (-1)**
    - Fertile land & farming land is limited in quantity and expensive to develop
    - We don’t currently have the plant available
- **Govt Priorities (1)**
    - http://www2.gnb.ca/content/dam/gnb/Departments/eco-bce/Promo/Economic%20Growth%20Plan/PDFs/EconomicGrowthPlan2016.pdf

Confidence: .85

Distribution

Short haul transportation for agriculture *(attached to buy local trend)*

- **Economic Importance (-2)**
  - Does not have great impact on economic growth, other than increase smaller, local volume sold. (less than $1M)
- **Industry Landscape (-3)**
  - Very high competition (Midland, UPS, etc.)
  - Maturity of market
- **Trends (1)**
  - Shorter lengths of hauls reported over the last 5 years
    - Only 15% reported longer hauls
      - http://www.overdriveonline.com/short-and-sweet-pros-cons-of-length-of-haul-trends/
- **Resources (-3)**
  - the industry is facing a looming labour shortage that could reach 48,000 drivers by 2024, according to the Canadian Trucking Alliance.
    - http://www.theglobeandmail.com/report-on-business/canadas-trucking-industry-struggles-to-attract-next-generation-of-drivers/article30044886/
- **Government Priorities: (0)**

Confidence: .6

Warehousing

- **Economic Importance (-1)**
  - Market size worldwide not big impact, but for local (Maritime) economy, impact is important.
  - The industry is highly fragmented: the 20 largest companies control less than 30 percent of the market. Typically, warehousing companies operate a single facility of 200,000 square feet and have annual revenue of about $1 million.
  -
  - US warehousing market for 2015 will be US$141 billion. Commercial warehousing will account for $65 billion. The third-party logistic value-added warehousing and distribution market will be $39 billion
    - http://www.mmdonline.com/dc-and-warehouse-operations/us-warehousing-market-to-hit-141-billion-141961/
  -
- **Industry Landscape (-3)** big competitors in the province
- **Trends (1)** Required through economic growth

    - Possibility of competitive advantages through niche warehousing, technology integration.
    - Self-storage market: average 5% growth a year in the last 10 years
        - https://www.google.ca/url?sa=t&rct=j&q=&esrc=s&source=web&cd=4&cad=rja&uact=8&ved=0ahUKEwj6hv3a6_PPAhVEbD4KHYkBBdIQFggyMAM&url=https%3A%2F%2Fwww.storedge.com%2Fthe-growth-of-self-storage-market-for-improved-visibility&usg=AFQjCNEVtL4852L7PiuSy31QQPlWZZCOuw&sig2=cNBJHuL73dsNB45tS8BSsg
- **Resources (-2)** there is room in the industrial park but limited on infrastructure. And geographically not the best spot.
- **Gov't priorities (0)**

Confidence: .6

Forestry

Heat treated lumber

- **Economic importance (0)**
    - Compared to similar NB companies (ThermalWood Canada & CBH Wood) and taking into consideration the large export market available, we are comfortable to conclude a potential of a $5M+ business opportunity
    - Substitute products for multiple applications to worldwide markets, including:
        - Residential construction
        - Commercial construction
        - Renovation sector
        - Value-added products (music, electronics, vehicle finishing, etc.)
    - Construction is an important contributor to the economy. In 2010, Canada's construction industries—residential, non-residential and engineering, repair and other construction services—accounted for 6.0% of Canada's gross domestic product (GDP), contributing $73.8 billion.
        - http://www.statcan.gc.ca/pub/11-402-x/2011000/chap/construction/construction-eng.htm
    - Most common application is for decking use; Canada = $1.5B per year; USA = $4B per year in pressure-treated wood (most common substituted products)
- **Industry landscape : (2)**
    - Strong competition from local and international businesses, including European companies now present in North America
    - From 2000 to 2010, construction GDP increased 42.7%, whereas GDP for all industries increased 20.2%.

- http://www.statcan.gc.ca/pub/11-402-x/2011000/chap/construction/construction-eng.htm
- **Trends (3)**
    - Heat treated lumber = green product
    - European markets (early adopters): 20% - 30% per year growth between 2001& 2008.
        - http://www.thermotreatedwood.com/Library/Market/Market%20for%20thermo-treated%20wood.pdf
- **Resources (-1)**
    - Irving & crown lands non-accessible
    - Limited number of resources available
- **Gov't Priority (2)**
    - green technologies and innovation trending upwards

Confidence: .85

Renewable Heating Technologies (ie. wood pellets)

http://www.biomass-energy.org/wood-pellet-plant-cost

- **Economic Importance (0)**
    - Average pellet plant in Eastern Canada has a production capacity of 50,000 tons (Groupe Savoie @ 55,000 tons)
        - http://www.pellet.org/production/production
    - Retail price is approx. $15M
        - http://www.canadiantire.ca/en/pdp/hardwood-pellets-40-lb-0642776p.html
    - Est. economic impact of $5M - $10M
    - High demand in Europe
    - There is a movement for public and large private buildings in NB to switch from oil heating to wood pellet heating
- **Industry Landscape (2)**
    - New life cycle, competition rare in NB (Groupe Savoie)
        - http://groupesavoie.com/fr/produits/combustibles-ecologiques-et-produits-derives
- **Trends (3)**
    - Green alternative
    - There is a movement for public and large private buildings in NB to switch from oil heating to wood pellet heating
        - (http://www.afmnb.org/index.php/grands-dossiers/action-changement-climatique)
- **Resources (0)**
    - Primary wood products highly available, high cost to transform (not profitable)

    - In 2010, NB government allocated 1,276,000 cubic metres of biomass to produce renewable energy or be incorporated into value-added products. (Twin River, Irving, Av Cell, Av Nackawic, Lake Utopia Paper, Groupe Savoie
    - The RFP requesting allocations to biomass far exceeded the level of biomass material that can be harvested on a sustainable basis
        - **THIS COULD CAUSE RESOURCE SHORTAGE…**
- **Gov't Priority (2)**
    - Green technologies and innovation

Confidence: .75

Green building products

- **Economic Importance (1)**
    - Having access to large markets in a multi-billion industry – including but not limited to New England (NAFTA) and Europe – allows potential growth in manufacturing of green building products to easily potentially surpass the $10M mark
    - Construction is an important contributor to the economy. In 2010, Canada's construction industries—nonresidential, residential and engineering, repair and other construction services—accounted for 6.0% of Canada's gross domestic product (GDP), contributing $73.8 billion.
    - Provincially, Nova Scotia (14.5%), and New Brunswick (12.2%) had the largest gains in non-residential investment
        - http://www.statcan.gc.ca/pub/11-402-x/2011000/chap/construction/construction-eng.htm
- **Industry Landscape:** (2) Highly competitive, but product's life cycle is in the growth phase
    - The US market for green building materials could reach $69 Bn by 2019. An estimated growth rate of 9.5% per year between now and 2019.
        - http://www.businessgreen.com/bg/news/2419377/us-green-building-materials-sector-worth-usd69bn-by-2019-predicts-study
- **Trends (3) :** green technologies trending upwards
    - High energy prices are driving consumers demand for more energy-efficient building products
    - Declining resources of fresh water and conventional energy is driving a global demand for building materials to help conserve these valuable resources.
    - More stringent environmental regulations across governments are creating a greater need for greener building products
        - http://www.albertacanada.com/business/industries/bp-green-building-products-and-technologies.aspx
- **Resources (1):** depending on products, not all resources, facilities, manufacturing technologies, innovation…
- **Gov't priorities (3)**: green tech and innovation

- Government programs exist for consumers to incentivize green product installation. http://oee.nrcan.gc.ca/corporate/statistics/neud/dpa/policy_e/results.cfm?programtypes=4&regionaldeliveryid=5&attr=0

confidence: .85

Engineered building products (cross laminated timber)

- **Economic Importance** (1) limited market size due to construction regulation BUT a very new industry that, according to experts, will have a high demand developing over the next few years.
    - North American market potential is $1.5B to $5B; rated at potential of being a large player in the market while only taking 1% of the revenue gives us $15M target
    - http://www.fpac.ca/publications/Value-CLT-2011%20NABC%20anaylisfinal.pdf
- **Industry Landscape**: (1) Product is in the early stages of its life cycle but a starting company would lag behind established competitors in terms of R&D
- **Trends (2)** green alternative, still have difficulties to change public perceptions
    - Construction is an important contributor to the economy. In 2010, Canada's construction industries—nonresidential, residential and engineering, repair and other construction services—accounted for 6.0% of Canada's gross domestic product (GDP), contributing $73.8 billion.
    - Provincially, Nova Scotia (14.5%), and New Brunswick (12.2%) had the largest gains in non-residential investment
        - http://www.statcan.gc.ca/pub/11-402-x/2011000/chap/construction/construction-eng.htm
    - Cross laminated timber has good environmental credentials, good seismic, acoustic and fire performance.
- **Resources (1)**: Requires specific skills & resources, but innovation strong (UNB)
- **Gov't Priorities (3)** : NB economic & growth plan supports projects like this.

confidence: 0.75

Modular Homes

- **Economic Importance: (-1)**
    - Taking into consideration that a unit will greatly vary in value depending on the project, we've based the assumption of a $150K unit price tag, which brings us easily in a $1M - $5M range
        - In 2014, the value of manufactured building production in Canada (residential and non-residential combined) was over $1.7 billion, up about 2.5% from a very strong 2013

Table I - Factory-built housing production, 1993-2004

	2004	Market share[1]	1993	Market share[1]
Total units	24,440		17,330	
Non-residential[2]	7,550		2,343	
Multi-family units	2,090		1,289	
Single-family units	14,800		13,698	
Manufactured homes	3,420	23 %	3,033	22 %
Modular homes	6,160	42 %	4,679	34 %
Other	5,220	35 %	5,986	44 %

[1]Percentage of total single-family unit production.

[2]Non-residential uses include uses such as work camps and community centres.

- http://www.cmhi.ca/sites/default/files/cmhi-2014-annual-survey-statistics-report-for-web.pdf

- **Industry Landscape: (1)**
  - Competition is strong but sector is still growing.
  - The manufactured housing industry segment has seen a decline in its market share of the U.S. residential construction sector throughout its' current product life cycle period.
    - https://theses.lib.vt.edu/theses/available/etd-12062009-113959/unrestricted/Wherry_GD_T_2009.pdf
  - In Canada, manufactured homes now account for 23% of single-family-factory-built residential production. And modular homes account for more than 40% of single-family homes in Canada.
    - https://www.cmhc-schl.gc.ca/odpub/pdf/65220.pdf

- **Trends (3)**
  - The homeownership rate was similar to the rate in the 2006 Census—indicating stabilization in the homeownership rate after a period of increasing growth between 1991 and 2006. (statistic Canada)
  - Prefabricated housing is projected to reach 1.1 million units by 2020, driven by renewed interest in manufactured and modular homes
  - Japan represents the largest single market worldwide, supported by distinct consumer preference for modular homes. (Pacific-Asia also large potential)

- http://www.strategyr.com/pressMCP-1066.asp
   - Emerging markets demand for modular homes increasing importantly
   - Strong demand in the USA
      - http://www.proudgreenhome.com/news/prefab-housing-market-expected-to-grow-through-2018/
- **Resources (1)**
   - Transferable knowledge to other modular home manufacturers.
   - Would need considerable investment for infrastructure
- **Gov't priorities (0)**
   - Affordable housing for first nations (?)

Confidence: .75

Manufacturing

Large Natural Resources & Shipbuilding

- **Economic Importance (-1):**
   - Contracts have mostly been assigned (IRVING) go through this company to become a supplier and contractor. http://www.irvingshipbuilding.com/irving-shipbuilding-suppliers.aspx
   - Limited growth (one-off projects, not long-term answer to local economy)
   - Moderate growth for industrial cleaning chemicals
- **Industry Landscape (-1):**
   - Shipbuilding just starting, heavy competition and limited growth
   - US demand for **industrial and institutional (I&I) cleaning chemicals** is forecast to grow 2.3 percent per year to $11.7 billion in 2020. Though the pace of growth will moderate from that experienced between 2010 and 2015, advances will remain healthy as steady economic growth supports rising cleaning chemical usage across all markets.
      - http://www.freedoniagroup.com/Industrial-And-Institutional-(iAndi)-Cleaning-Chemicals.html
   - Canada's natural resource sectors accounted for 17% of the Canadian GDP in 2015. There are over 400 major resource projects under construction or planned over the next 10 years in Canada, worth $691B in investments
      - http://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/files/pdf/10_key_facts_nrcan_2016-access_e.pdf
   - Value of New Brunswick mineral production has come down from 702.5$M to 656.1$M between 2003 and 2013 (no growth). Quebec has had the most growth in mining.
- **Trends (-1):**

- Natural resource extraction is old sector, shipbuilding manufacturing often sources labour in emerging countries.
- **Resources (3) :**
  - Companies in Sussex have workforce and equipment to supply natural extraction projects.
    - Cleaning services (Sussex janitorial services Ltd. and Industrial commercial sanitation supplies)
    - Mine workforce and equipment
- **Gov't Priorities: (0)**

confidence: .7

Biofuels + Bioenergy

- **Economic Importance:** (1)
  - Direct economic output from advanced biofuels production would rise to $113 billion by 2030. The total economic output effect would be $300 billion.
    ** In the United States. This counts research, capital investment, processing operations, feedstock production…
    - https://www.bio.org/articles/us-economic-impact-advanced-biofuels-production-1
  - A new report claims that biofuel could be the answer to several of NB's economic woes. (Atlantic Council for Bioenergy Cooperative.) **With 13 plants in 5 years we could have 10,000 jobs and provide 1.5B to the provincial economy.**

- 1 plant only could provide around $115M in 5 years. This is an opportunity for Sussex to generate more than 10M a year, if the project goes forward.
  - Sussex will be producing at small scale (not enough waste resources), the economic importance will be limited. Revenu
  - http://www.cbc.ca/news/canada/new-brunswick/biofuel-industry-ripe-for-growth-in-province-report-says-1.1361895
    -
- **Industry Landscape (-2)**
  - the International Energy Agency predicting in its latest five-year outlook that Canada's ethanol production will plunge 38 per cent, from about 1.68 billion litres a year in 2015 to around 1.04 billion litres by 2020
    - http://globalnews.ca/news/2563701/canadas-biofuels-industry-facing-headwinds/
  - The US industry is concentrated: the 50 largest companies generate more than 75% of revenue.

- **Trends (0)**
  - Bioenergy is mainly used in homes (80%), to a lesser extent in industry (18%), while liquid biofuels for transport still play a limited role (2%).

    - n spite of their limited overall volume, the strongest growth in recent years has been in liquid biofuels for transport, mostly produced using agricultural and food commodities as feedstocks. The most significant are ethanol and biodiesel.
- **Resources: (1)**
    - Bioenergy is energy derived from biofuels. Biofuels are fuels produced directly or indirectly from organic material – biomass – including plant materials and animal waste. With agriculture in Sussex, such waste is available.
        - http://www.greenfacts.org/en/biofuels/l-2/1-definition.htm
    -
- **Gov't priorities (3)**
    - Various programs available for biofuel generation:
        - NextGen Biofuels funds, sustainable development (SD) technology fund, AAFC growing forward 2…
            - http://www.biofuelnet.ca/2013/10/03/an-overview-of-canadian-federal-biofuels-programs/

confidence: .7

Food processing plant

- **Economic Importance: (0)**
    - Food and beverage processing is the second-largest manufacturing industry in Canada in terms of value of production
    - In NB only, food processing contributes 643$M to the GDP. Creating a processing plant with 1% of the NB Market share would create $6,43M in revenue for Sussex.
    - https://www.ic.gc.ca/app/scr/sbms/sbb/cis/gdp.html?code=311&lang=eng#gdp2a

- **Industry Landscape (-3):**
    - very large competition and consolidation in the industry. McCain, Cavendish, APB…
    - a 7.9% increase between 2013 and 2014 in GDP for food processing industry in NB.
    - https://www.ic.gc.ca/app/scr/sbms/sbb/cis/gdp.html?code=311&lang=eng#gdp2a
- **Trends: (-1):**
    - trends of consolidation and outsourcing production. Consolidation is occurring at every level of agri-food supply chains. It is particularly prevalent anywhere there are significant economies of scale and where firms have difficulty differentiating themselves and their products
        - http://www.capi-icpa.ca/archives/pdfs/papid11_dsparling.pdf
- **Resources:**
    - Sussex has agricultural products but Not enough livestock and produce to create a large-scale operation to be competitive(-1)
- **Gov't priorities: (-1):**

- Not in the provincial gov't strategy but usually the province supports initiatives to create economic growth and generate exports.

confidence: .7

Military Base Gagetown: Food and cleaning products

- **Economic Importance (-2) :**
    - Realistic value of potential contracts / year in cleaning products would be less than $1M
    - low ceiling, specialized workforce needed to manufacture big-ticket items.
    - 6000 of military and civilian personnel
    - The base contributes over 220 million $ to the community and more than 500 million to the provincial economy annually.
        - http://www.army-armee.forces.gc.ca/en/5-cdsb-gagetown/index.page
- **Industry Landscape:(-2)**
    - Very competitive, not a growing market. In terms of military spending: NATO reported this week that Canadian defence spending hit record lows last year, falling to 0.98 per cent of gross domestic product. That is less than half the two per cent target that all NATO members, including Canada, agreed to in 2014.
        - https://www.thestar.com/news/canada/2016/07/05/trudeau-defends-canadas-military-spending-record-points-to-nato-contribution.html
- **Trends: (1)**
    - US demand for **industrial and institutional (I&I) cleaning chemicals** is forecast to grow 2.3 percent per year to $11.7 billion in 2020. Though the pace of growth will be moderate from that experienced between 2010 and 2015.
- **Resources (3)**:
    - limited resources depending on demand but can supply food and cleaning products.
- **Gov't priorities: (2)**
    - Local food strategy can be applied to this case

confidence: .6

Growing Demand For non-GMO livestock feed.

Note – Organic feed mill opened in Sussex in 2009 (http://www.organicagcentre.ca/extension/ext_organic_feedmill_ff.asp)

- **Economic Importance (-2)**: Important growth but still a limited market.
    - http://www.foodnavigator-usa.com/Markets/Global-non-GMO-market-could-reach-800bn-by-2017-demand-not-unanimous
    - Total feed production in Canada is 30 million tons; 1 billion in the world

- Pricing at approx. $4 / ton
- http://www.ifif.org/pages/t/Global+feed+production
- The annual revenue for animal feed manufacturing companies in Canada is between $30,000 - $5,000,000
- https://strategis.ic.gc.ca/app/scr/sbms/sbb/cis/establishments.html?code=311119&lang=eng
- With 79% of feed processing being considered "small" operations, we believe that Sussex could realistically attain revenues less than $1M.

- **Industry Landscape:** (1)
    - Competitors well established and is a volume industry
    - US and Canada have no labelling law for consumers to choose non-GMO products.
- **Trends (2):** Depend on products, some are in demand and some are over-supplied.
    - http://non-gmoreport.com/articles/no-longer-just-chicken-feed-non-gmo-feed-market-growing/
- **Resources (1)**:
    - Located in an agricultural area, and there is space for development in the industrial park and also distribution opportunities at Coop and Shur-grain
    - Would need to source non-gmo products to be able to produce at a larger scale.
- **Gov't Priority:** (0)
-

confidence: .8

Pet food plant

- **Economic Importance (-1)**
    - Comparison to Corey Nutrition (5-10 M revenus), we would be a niche and less diversified. Sales could attain between 1 and 5 Million $.
    - 70B$ global market, North America being the largest consumer.
    - http://www.petfoodindustry.com/blogs/7-adventures-in-pet-food/post/5609-global-pet-food-trends-sales-and-volume-rose-4-in-2015
- **Industry Landscape (-3)** : Heavy competition, low growth
    - http://www.agr.gc.ca/resources/prod/Internet-Internet/MISB-DGSIM/ATS-SEA/PDF/6245-eng.pdf
- **Trends (2)**: Niche market, Pet ownership is popular in North America, the "healthy and organic" side of the sector is growing
- **Resources (-1)**: We have some raw materials locally but also access to suppliers; no factory
- **Gov't priorities: (0)** Not in the provincial gov't strategy but usually the province supports initiatives to create economic growth and generate exports.

confidence: .8

Geothermal

- **Economic Importance (-2)**
  - For local use, limited amount of energy to be sold. If we compare with Springhill case study, less than $1M can be generated (saved) through geothermal heating.
  - E.g. Reduces capital costs compared to conventional systems, annual energy savings of CAD $45,000 and the energy source is non-polluting (Ropak Can Am Ltd. plastic manufacturer using geothermal energy from floodwater in abandoned mines in Springhill NS)
    - http://www.nrcan.gc.ca/sites/oee.nrcan.gc.ca/files/pdf/publications/infosource/pub/ici/caddet/english/pdf/R122.pdf
- **Industry Landscape (1)**
  - The industry of geothermal heating is mainly used to power individual homes, agriculture installations (livestock, greenhouses, mushroom culture) and in industrial settings. **(small operations)**
    - http://www.cangea.ca/about-geothermal.html
- **Trends (3)**
  - New Carbon pricing to be implemented in Canada, need new ways to reduce emissions.
- **Resources (3)**
  - Sussex has an abandoned mine that could be repurposed into a geothermal energy operation
- **Government priorities (3)**
  - **"**NB Power says as part of its goal to generate 40% of its in-province sales from renewable sources by 2020. It will encourage locally owned, small-scale green energy"
    - http://www.cbc.ca/news/canada/new-brunswick/nb-power-looks-to-small-scale-renewable-energy-1.3038598

Water Bottling Plant

- **Economic Importance: (-1)** limited geographic market
  - http://www.bottledwater.org/economics/bottled-water-market
  - Retail sales of bottled water in Canada in 2014 was 2,4 Billion.

  https://www.statista.com/statistics/481516/forecasted-retail-sales-of-bottled-water-canada/
  - Spending in NB approximately $60M, If Sussex can capitalize on 2% or more of the NB market share. They could generate over $1M
- **Industry landscape: (-1)**
  - Heavy competition from Pepsi and Coca-Cola but market growing strongly

- **Trend: (2)**
    - steady growth of the sector
        - According to BMC, in 2015 the total volume of bottled water consumed in the United States was 11.7 billion gallons, a 7.6% increase from 2014. That translates into an average of 36.3 gallons per person.
        - http://www.bottledwater.org/economics/bottled-water-market
- **Resource: (2)**
    - large quantities of water available
        - Less than 10% of the available water is withdrawn from the earth in NB
            - https://www.ec.gc.ca/indicateurs-indicators/default.asp?lang=en&n=1B1433B4-1
- **Gov't priorities: (0)** :
    - Not in the provincial gov't strategy but usually the province supports initiatives to create economic growth and generate exports. + importance of buy local initiatives.

confidence: .8

Marijuana Plant

- **Economic Importance:** (0) limited market 2.5B and uncertainty for export.
    - http://www.theglobeandmail.com/globe-investor/investment-ideas/research-reports/growth-opportunities-abound-in-canadian-marijuana-market/article29573393/
        - in a 9-month period in 2016, OrganiGram (Marijuana grower in Moncton) generated over $4M in sales (We believe that since the industry is still new. There is an opportunity for Sussex to build a large facility and generate between $5M-$10M in sales.
- **Industry Landscape (3)**
    - emerging markets and new life cycle. Competition cannot be from other countries.
    - The life cycle for this industry is in the introduction stage
    -
- **Trends (2)**
    - Over the 10 years, the percentage who ever used marijuana fell among 15- to 17-year-olds and 18- to 24-year-olds, remained stable among 25- to 44-year-olds, and increased among older age groups.
        - http://www.statcan.gc.ca/pub/82-003-x/2015004/article/14158-eng.htm
    - Past-year use of cannabis among the general population was 10.6%11 in 2013, which is down from the 11.4% reported in the 2008 Canadian Alcohol and Drug Use Monitoring Survey (CADUMS 2008).
        - http://www.ccsa.ca/Resource%20Library/CCSA-Canadian-Drug-Summary-Cannabis-2016-en.pdf

- **Resources (1)**
    - Technical expertise required to grow, and operate plant
    - Consumes large amount of energy and requires strict security measures to operate
    - Can transfer knowledge from agriculture to marijuana growing.
    - Space for a plant in Sussex industrial park.
- **Gov't priorities (2)**
    - In the Provincial government's economic growth plan
    - Uncertainty regarding laws and regulation for legalization
    - Large number of regulations and restrictions associated with the sector.

Confidence: .7

Arts & Culture

Arts & Culture Tourism

- **Economic Importance (-2)** : http://www.arts.on.ca/Page4922.aspx
    - Single-handedly, this opportunity cannot generate over $1M, It's by bringing together multiple tourism opportunities through bundling that we can create more value.
    - Example (ONTARIO)
    - Arts/culture tourist spending generated:
        - $3.7 billion in GDP province-wide in 2010
        - 67,000 jobs and $2.4 billion in wages
        - $1.7 billion in taxes
- **Industry Landscape (1)** : Strong competition is present for tourism (Moncton, other provinces, etc.)
- **Trends (3)** : Strong growth in this sector
    -
- **Resources (1)** : We have some, but not a large volume
- **Gov't Priorities (3)**

confidence: .7

Convert abandoned building to arts & Culture space

- **Economic Importance (-3)**
- **Industry Landscape (-3)**

- **Trends (1)**
- **Resource (3)**
- **Gov't Priorities (0)**
    - http://www2.gnb.ca/content/gnb/en/departments/thc/services/services_renderer.201404.Arts_-_Community_Cultural_Centres_-_Core_Support_Program_-_C.html

confidence: .7

High School Musical theatre

Economic Importance (-3)
Industry Landscape (-3)
Trends (-3)
http://www.arts.on.ca/AssetFactory.aspx?did=6861
Resources (1)
Gov't Priorities (0)

Confidence: 80%

Tourism

Grow the Sussex Murals initiative

- Economic Importance (-2)
    - Does not have a big economic impact on overall targets; will support tourism initiatives
    - Single-handedly, this opportunity cannot generate over $1M, It's by bringing together multiple tourism opportunities through bundling that we can create more value.

- Industry landscape (0)
- Trends (1)
- Resources (3)
- Gov't resources (0)
- http://canadacouncil.ca/~/media/Files/Research%20-%20EN/Facts%20About%20the%20Presence%20of%20the%20Visual%20Arts%20in%20Canadians.pdf

confidence: 85%

Develop the River Trails Network opportunity

Economic Importance (-2)

- Single-handedly, this opportunity cannot generate over $1M, It's by bringing together multiple tourism opportunities through bundling that we can create more value.

Industry Landscape (1)
Trends (3)
Resources (1)
Gov't Priorities (3)

Create vacation packages

- **Economic Importance (-2)**

- Single-handedly, this opportunity cannot generate over $1M, It's by bringing together multiple tourism opportunities through bundling that we can create more value.

- **Industry Landscape (0)**
- **Trends (2)**
- **Resource (3)**
- **Gov't priorities (3)**

confidence 80%

New Tourism Initiatives

- **Economic Importance (-2)**
  - the tourism industry in Atlantic Canada, which today represents $4.69 billion annually for the region's economy and employs over 110,000 people. http://actp-ptca.ca/
  - Single handedly, this opportunity cannot generate over $1M, It's by bringing together multiple tourism opportunities through bundling that we can create more value.

- **Industry Landscape (0)**
  - Hard to compete with surrounding cities, to retain tourists.
  - Canada's international travel deficit has been growing steadily from 2000 to 2015. More and more travelling outside the country.
    - http://www.theglobeandmail.com/report-on-business/canadian-tourism-industry-losing-out-as-millennials-travel-abroad/article29934647/
  - The Bay of Fundy and its surrounding parks, trails and attractions is New Brunswick's most sought-after tourism offering. Fundy National Park already attracts 230,000 visitors per year

        - http://www2.gnb.ca/content/dam/gnb/Departments/eco-bce/Promo/Economic%20Growth%20Plan/PDFs/EconomicGrowthPlan2016.pdf
- **Trends (2)**
    - “The Canadian tourism industry is grappling with a demographic problem that could threaten its future: Millennials are spending far more of their travel dollars outside the country than at home.”
        - http://www.theglobeandmail.com/report-on-business/canadian-tourism-industry-losing-out-as-millennials-travel-abroad/article29934647/
    - Low Canadian dollar brings in more international travellers to Canada.
- **Resources (3)**
    - Outdoors activities
    - Arts & culture
    - Historical attractions
- **Gov’t priorities (3)**
    - Tourism is a selected opportunity selected to grow NB in the province’s economic growth plan.

confidence: 80%

Collaborative Marketing

- **Economic importance (-3)**
- Single-handedly, this opportunity cannot generate direct revenue, It’s by bringing together multiple tourism opportunities through bundling that we can create more value.

- **Industry Landscape (0)**
- **Trends (0)**
- **Resources (0)**
- **Gov’t Priorities (0)**

No data - this is a secondary, value-added initiative that will help increase success probability in conjunction with other related initiatives

Confidence: 50%

Accommodation

- **Economic importance (-2)**
    - Nationally, the accommodation industry generates 17.5 Billion $.
    - Will be difficult to gain market shares. Competition from larger cities with multiple hotels (Moncton, Fredericton, Halifax, St John)
    - Single-handedly, this opportunity cannot generate over $1M, It’s by bringing together multiple tourism opportunities through bundling that we can create more value.

- **Industry Landscape (2)**
  - National annual revenue from accommodations has been stagnant since the last 10 years (2006-2016). Revenue in 2006 was 17.9 Billion and in 2014 17.5 B
    - http://www.hotelassociation.ca/forms/Hotel%20Industry%20Facts%20Sheet.pdf
  - The accommodation industry is expected to see a 32% increase in labour demand between 2010 and 2030.
    - http://www.otec.org/Files/pdf/resources/SupplyDemand_Ind_Acc_Current_EN-(1).aspx
- **Trends (2)**
  - Canada's predominantly rural regions were visited by one half of Canadian tourists, 39 percent of USA tourists and 33 percent of overseas tourists.
  - Canadian tourists tended to be younger tourists and were more likely to visit a predominantly rural region. (2005)
    - http://www.statcan.gc.ca/pub/21-006-x/21-006-x2005005-eng.pdf
- **Resources (3)**
- **Gov't Priorities (0)**

Day trip adventures

- **Economic Importance (-2)**
  - Difficult to calculate as it would be an added offering in tourism bundles
  - Single-handedly, this opportunity cannot generate over $1M, It's by bringing together multiple tourism opportunities through bundling that we can create more value.
- **Industry Landscape (0)**
  - Difficult to calculate as offering can greatly vary, as it is case-by-case
  - Not a lot of comparable current offerings found in the 3 large centres that surrounds the region
- **Trends (0)**
  - Not a trend, but nothing working against it; more of a stand-alone, secondary offering that could benefit from other tourism-related initiatives
- **Resources (0)**
  - The region has many great offerings, but does not greatly stand out to other alternatives (ex: other camp sites / wooded areas / etc.)
- **Gov't priorities (0)**

confidence: 50%

Develop Poley mountain for Summer

- **Economic Importance (-2)**

- Difficult to calculate as it would be an added offering in tourism bundles
    - Single-handedly, this opportunity cannot generate over $1M, It's by bringing together multiple tourism opportunities through bundling that we can create more value.

- **Industry Landscape (0)**
    - Although outdoor / adventure tourism trend is growing, the market itself is quite mature & developed in other parts of the region / country (i.e. Maine for hiking, or out West)
    - We must also consider the competition from other tourism types, which some are also growing (ex: agro-tourism)
    - Would be a fairly unique offering for the immediate region (within 100kms)
- **Trends (2)**
    - Outdoor / adventure tourism trend is growing, especially with the "millennials".
    - Outdoor / adventure tourism remains a fairly well-developed market
- **Resources (1)**
    - The region has numerous great natural resources at their disposal, but is not comparable to other areas (ex: mountains / river rafting in Maine, scenic areas in Nova Scotia, PEI and Quebec, etc… not to mention the competition elsewhere in North America and the world).
    - We are, however, ideally located near HopeWell Rocks, which attracts tourists from around the world
- **Gov't Priorities (0)**

Confidence .50

Mining

Repurposing of mining services & products

- **Economic Importance (-2)**
- The association expects the number of wells drilled in 2016 will be 4,728, 58 per cent fewer than the 11,226 wells drilled two years ago – a comparison made, Mr. Scholz explained, because 2014 "was the last good year."
    - There is very little chance to gain market shares in such bleak industry landscape and projections only show lower volumes in the coming years. We believe that Services can be repurposed to serve the Quebec and Atlantic Canadian market, but an additional revenue of less than $1M is to be exp**ected.**
    -
    - Mining contributed $57 billion to Canada's Gross Domestic Product (GDP) in 2014. No growth in New Brunswick since 2004 in mining.

        - http://mining.ca/resources/mining-facts
- **Industry Landscape (-3)**
    - High start-up costs and risky
    - Difficulty to compete with emerging countries such as China
    - Negative impact on the environment
        - http://www.dpcdsb.org/NR/rdonlyres/2FA3A27F-0E8C-42AF-A11E-7BA78ECAD9BD/17065/canadasminingindustry.PDF
- **Trends (-1)**
    - Exploitation of resources in emerging countries
- **Resources (3)**
    - Have trained workers and equipment
- **Gov't Priorities (2)**
    - Not in the New Brunswick strategic plan but natural resources project often have backing from provincial governments.

Confidence 85%

Natural gas project

- **Industry Landscape (3)**
    - Canada is the world's fifth-largest natural gas producers and natural gas meets 30% of the country's entire energy needs.
    - It is forecast that the natural gas industry will generate $2.3 trillion in economic impact over the next 20 years.
        - http://www.canadasnaturalgas.ca/en/natural-gas-potential/economic-benefits
- **Economic Importance (3)**
    - New Brunswick has large pools of natural gas, surrounding the Sussex area: 77.9 TRILLION CUBIC FEET of Technically Recoverable Natural Gas in NB
        - http://www.nrcan.gc.ca/energy/sources/shale-tight-resources/17698
- **Trends (3)**
    - Usage of natural gas around the globe doubled from 1980 to 2010
        - https://www.eia.gov/todayinenergy/detail.php?id=5810
    - World consumption of natural gas for industrial uses increases by an average of 1.7%/year, and natural gas consumption in the electric power sector increases by 2.2%/year, from 2012 to 2040
        - https://www.eia.gov/forecasts/ieo/nat_gas.cfm
- **Resources (3)**
- **Gov't priorities (-3)**
    - Sensible subject in NB, no advances with since elections

Confidence 85%

Retail

Possibility of opening new store:

- **Economic Importance (-1)**
    - Depending on type of store and number of stores;
    - Economic impact will be related to land development (not taking into consideration of "sales", so limited to $1M - $5M
        - Retail accounts for 3.09$B, 10,9% of NB's real GDP
        - http://www2.gnb.ca/content/dam/gnb/Departments/petl-epft/PDF/PopGrowth/RetailWholesaleTrade.pdf
- **Industry Landscape (-3)**
    - Very hard to compete with Fredericton, Moncton, St John, Halifax
    - Almost no growth between 2004 and 2014
        - http://www2.gnb.ca/content/dam/gnb/Departments/petl-epft/PDF/PopGrowth/RetailWholesaleTrade.pdf
- **Trends (2)**
    - It is forecasted that in 2024, real GDP will rise to $3.82 Billion – a 21.8% increase from 2015
        - http://www2.gnb.ca/content/dam/gnb/Departments/petl-epft/PDF/PopGrowth/RetailWholesaleTrade.pdf
- **Resources (2)**
    - Need investment & interest from retailers.
- **Government priorities (0)**

Outlet Centre

- **Economic importance (0)**
    - Although it is important to consider the economic impact of retail, it is also important to remember that retail by itself is not considered an economic driver. That being said, even though this initiative will bring monetary spending and derived spending, the fact that it is not a self-sustainable economic driver forces us to leave this neutral economic importance score.
- **Industry Landscape (-2)**
    - High competition with US outlets in low tax states
    - Well developed and established competition a few hours away
    - Other centres - especially Moncton - have already developed a recognition for offering a well developed (and developing) retail offering
- **Trends (3)**
    - Outlet shopping / discount shopping is increasing, especially since the introduction of e-commerce which introduced an alternative offering for low-priced shopping
- **Resources (-3)**

    - The region does not hold the required infrastructure to develop an offering of this magnitude
    - A very high level of traffic (visitors and locals) is required to maintain a retail outlet, and the area's current mass probably wouldn't suffice (need critical mass)
        - Visitor traffic through cruise ships coming into Saint John could be an alternative (offering tours)
        - Same goes for the "day tour" initiative to increase volume from Moncton, Saint John and Fredericton
    - No anchor store / offering currently driving volume to the area
    - Accessibility is key for outlet centres, which isn't ideal for the Fredericton market
    - The region does, however, have available land to develop this initiative
- **Government priorities (0)**

confidence: 50%

Entrepreneur development

- **Economic Importance (-3)**
    - Entrepreneurship is a powerful force driving innovation, productivity, job creation and economic growth. Countries with a high level of entrepreneurial activity tend to be better off economically.
        - https://www.ic.gc.ca/eic/site/061.nsf/eng/rd02469.html
- **Industry Landscape (0)**
- **Trends (3)**
    - One in 15 working Canadians own an incorporated business
    - High birth rate of new firms lower than the death rate (new business work)
    - There is a high-growth rates for manufacturers
- **Resources (-3)**
    - Need funding, research, entrepreneurs...
- **Government priorities (3)**
    - Various programs from different agencies (CBDC, GNB, Economic Development Agencies…)
    - Various opportunities to collaborate with colleges and universities

Meeting facility & Entertainment venue

- **Economic importance (-3)**
    - This would not be an economic driver, but would rather offer support to other related initiatives
    - The need of this initiative is in question
- **Industry landscape (-3)**

    - Strong competition in other areas for entertainment venues of all sizes (from small venue ie. Capitol Theatre to large venues ie. Magnetic Hill concert site)
    - Not a fast-growing market
- **Trends (0)**
    - No data
- **Resources (-3)**
    - We do not have current infrastructure to deliver on this initiative
    - We do not have critical mass / demand for such an initiative
- **Government priorities (0)**

confidence: 50%

Training & Education

Training facility

- **Economic importance (-1)**
    - In 2009, Canada's public colleges and universities reported revenue of $37.4 billion.
    - Today, colleges and universities account for roughly $40 billion in spending and an estimated economic impact (in GDP) of almost $45 billion (using a similar multiple for aggregate spending) http://www.conferenceboard.ca/Libraries/EDUC_PUBLIC/spse_nov2013_summit paper_economic.sflb
    - Will be hard to have different offerings from existing institutions
- **Industry Landscape (1)**
    - Over 2 million students were enrolled in Canadian post-secondary institutions during the 2012/2013 academic year, up 1.1% from the previous year.
    - In New Brunswick, post-secondary enrolment went down 5.2% from 2012 to 2013
    - Stagnant industry for Canada. Growth coming from international students (83% increase in international student population in Canada from 2008 to 2014)
        - http://cbie.ca/media/facts-and-figures/
        - http://www.statcan.gc.ca/daily-quotidien/141125/dq141125d-eng.htm
- **Trends (3)**
    - Popular fields of study:
        - Social and behavioural sciences and law
        - Business, management and public administration
        - Humanities
        - Health, parks, recreation and fitness
        - Physical and life sciences and technologies
        - Architecture, engineering and related technologies

        - Education
        - Visual and performing arts and communication technologies
        - Mathematics, computer and information sciences
        - Agriculture, natural resources and conservation
- **Resources (0)**
- Highly regulated sector (need specialists in education and teaching subjects)
- Specialized technical tools are needed

- **Gov't Priorities (2)**
    - Funding available for post-secondary education facilities (the federal research granting councils provided over $1.2 billion in research funding to universities.)
        - http://www.conferenceboard.ca/Libraries/EDUC_PUBLIC/spse_nov2013_summitpaper_economic.sflb

Offer niche training

- **Economic importance (-2)**
    - In 2009, Canada's public colleges and universities reported revenue of $37.4 billion.
    - Today, colleges and universities account for roughly $40 billion in spending and an estimated economic impact (in GDP) of almost $45 billion (using a similar multiple for aggregate spending) http://www.conferenceboard.ca/Libraries/EDUC_PUBLIC/spse_nov2013_summitpaper_economic.sflb
    - Will be hard to have different offerings from existing institutions

- **Industry Landscape (1)**
    - Over 2 million students were enrolled in Canadian post-secondary institutions during the 2012/2013 academic year, up 1.1% from the previous year.
    - In New Brunswick, post-secondary enrolment went down 5.2% from 2012 to 2013
    - Stagnant industry for Canada. Growth coming from international students (83% increase in international student population in Canada from 2008 to 2014)
        - http://cbie.ca/media/facts-and-figures/
        - http://www.statcan.gc.ca/daily-quotidien/141125/dq141125d-eng.htm
- **Trends (3)**
    - Popular fields of study:
        - Social and behavioural sciences and law
        - Business, management and public administration
        - Humanities
        - Health, parks, recreation and fitness
        - Physical and life sciences and technologies
        - Architecture, engineering and related technologies
        - Education

        - Visual and performing arts and communication technologies
        - Mathematics, computer and information sciences
        - Agriculture, natural resources and conservation
- **Resources (0)**
- Highly regulated sector (need specialists in education and teaching subjects)
- Specialized technical tools are needed

- **Gov't Priorities (2)**
    - Funding available for post-secondary education facilities (the federal research granting councils provided over $1.2 billion in research funding to universities.)
        - http://www.conferenceboard.ca/Libraries/EDUC_PUBLIC/spse_nov2013_summitpaper_economic.sflb

Synergy Grouping

Tourism Group

Economic Importance (2)

- Visits to the province of New Brunswick in 2012 contributed an estimated $1.1 billion in tourism-related spending. An estimated 3,000,000 people visited the province for 1 night or more in 2012.
- Indicating an average of 366$ spent per visitor

In order to create revenue between $10M-$25M, Sussex would need to attract an additional 27,000 to the region every year.

Industry Landscape (2)

- Hard to compete with surrounding cities, but Sussex can use its different positioning to attract tourists visiting these cities.
- Canada's international travel deficit has been growing steadily from 2000 to 2015. More and more travelling outside the country.
- http://www.theglobeandmail.com/report-on-business/canadian-tourism-industry-losing-out-as-millennials-travel-abroad/article29934647/
- The Bay of Fundy and its surrounding parks, trails and attractions is New Brunswick's most sought-after tourism offering. Fundy National Park already attracts 230,000 visitors per year
- http://www2.gnb.ca/content/dam/gnb/Departments/eco-bce/Promo/Economic%20Growth%20Plan/PDFs/EconomicGrowthPlan2016.pdf

Trends (2)

- "The Canadian tourism industry is grappling with a demographic problem that could threaten its future: Millennials are spending far more of their travel dollars outside the country than at home."

- http://www.theglobeandmail.com/report-on-business/canadian-tourism-industry-losing-out-as-millennials-travel-abroad/article29934647/
- Low Canadian dollar brings in more international travellers to Canada.
- Eco, agro and adventure tourism is on the rise; tourists are looking of an experience during their visits.
- Canada named #1 country in the world to visit in 2017 by Lonely Planet

Resources (3)

- Sussex will build on existing tourism attractions to develop their offering.

Gov't priorities (3)

- Tourism is a selected opportunity to focus on for the province. Investments in tourism infrastructure will help boost numbers of tourists and their satisfaction rate.
- **http://www2.gnb.ca/content/dam/gnb/Departments/eco-bce/Promo/Economic%20Growth%20Plan/PDFs/EconomicGrowthPlan2016.pdf**

Alternative crops (pulse):

Economic Importance (1)
Pulse : 5-10M
Food proc. 5-10M
warehousing 1-5M
S-H trucking 1M
Train 1M
Industry Landscape (-3)

- volume industry in consolidation, high competition.

Trends (2)

- Good synergy between initiatives.

Resources (-2)

- Missing resources (truckers, land, infrastructure and key players

Government priorities (2)

- Government interest in key initiatives within the bundle

Building Products:

Economic Importance (2)

- heat treated lumber (5-10M)
- Green building products (10-25M)
- Engineered building products (10-25)

- Modular Homes (1-5M)

Industry Landscape (2)

- Growing market, innovative, meets customer demand.

Trends (3)

- Cross laminated trending, green products trending industries

Resources (0)

- Limited access to resources. Infrastructure investments needed to start.

Government priorities (2)

- Green and innovative products, key Gov. priority

Non-Gmo feed

Economic Importance: (0)

- Petfood plant (1-5M)
- Non-gmo feed (less than 1)
- Specialty meats (5-10M)

Industry Landscape (1)

- Multiple niche markets to explore, which continually generates growing demand.

Trends (3)

- Niche products, growing demand for non-gmo options

Resources (0)

- Access to agriculture land, missing infrastructure, will need to source more resources to gain advantages by scale.

Government priorities (0)

- No specific

Marijuana group:

Economic importance: (1)

- Marijuana plant (5-10M)
- Geothermal (less than 1)
- Wood pellets (5-10M)

Industry Landscape (3)

- brand new market, no foreign competitors.
-

Trends (3)

- marijuana trending upwards
- green heating alternatives increase in demand.

Resources (1)

- Mine access for geothermal
- Missing infrastructure for marijuana production

Government priorities (2)

- Marijuana plays key role in the province’s economic growth plan and also green heating alternatives

Biomass

Economic importance: (2)

- Biofuel (10-25M)
- Nutraceuticals 22 (1-5M)
- Wood pellets (5-10M)

Industry Landscape (1)

- Overall market in good health, strong competition.

Trends (2)

- Innovative green heating technologies trending upwards
- Nutraceuticals are a fast-growing market

Resources (0)

- Missing expertise
- Limited access to raw resources

Government priorities (2)

- Plans in place for biomass development in NB (Atlantic Council for Bioenergy Cooperative)
- Government program available to fund green energy alternatives and other green projects

APPENDIX E – Baseline Comparison and Ranking of Opportunities

Baseline Comparison and Ranking of Opportunities

Industry	Initiative	Confidence	Total Score
Synergy group	Tourism group	.75	14.7
Mining	Natural Gas Project	.75	12.6
Synergy group	Marijuana group	.75	12
Forestry	Green building products	.85	11.8
Synergy group	Building Products	.75	11
Forestry	Engineering building products (CLT)	.85	9.4
Forestry	Renewable Heating Technologies	.75	9.3
Manufacturing	Marijuana plant	.7	9.3
Farming	Agro-Tourism	.9	8.7
Synergy group	Biomass Extraction	.75	8.6
Forestry	Heat Treated Lumber	.85	6.7
Tourism	Create vacation packages	.7	6.3
Tourism	New tourism	.7	6.3
Arts & Culture	Grow Arts & Culture tourism	.7	6.1
Tourism	River Trails Network	.8	6.1
Tourism	Grow Arts & Culture tourism	.7	6.1
Manufacturing	Geothermal Technology	.85	5.7
Tourism	New Accommodations	.8	5.7
Synergy group	Non-GMO Feed	.75	4.8
Forestry	Modular Homes	.75	4.6
Farming	Specialty Meats	.85	4.5
Farming	Pulses	.90	4.3
Farming	Farmers Market	.85	3.9
Training	Training Facility	.75	3.8
Training	ffer niche training (Tourism, Agri, Oil + gas, etc	.75	3.8
Manufacturing	Biofuel + Bioenergy	.7	3.4
Manufacturing	Non-GMO livestock feed	.8	3.2
Tourism	Poley Mountain summer offering	.75	3.1
Farming	Nutraceuticals	.70	3
Forestry	Nutraceuticals	.7	3
Manufacturing	Water Bottling Plant	.8	2.3
Tourism	Sussex Mural initiative	.75	2.1
Manufacturing	itary Base (Gagetown) - Food & cleaning produ	.6	1.7
Farming	Milk Protein	.70	0.9
Manufacturing	Large Natural Resources project + shipbuilding	.7	0
Synergy group	Alternative crops group	.75	-0.3
Mining	Repurposing of mining services and products	.75	-0.9
Retail	New Specialty stores	.75	-1.6
Retail	Entrepreneur development	.75	-1.8
Arts & Culture	New Arts & Culture space (Behind Clark Chev.)	.7	-3

Tourism	Fossil Interpretive Center	.8	-3
Tourism	Day Trip Adventures	.8	-3
Manufacturing	Pet food	.8	-4
Tourism	Collaborative Marketing initiative	.7	-4.5
Retail	Outlet center	.75	-5.7
Distribution	Warehousing center	.6	-6.5
Manufacturing	Food processing plant (produce)	.7	-7.1
Farming	Youth Internships	0.85	-8.8
Distribution	Short Haul for Agri.	.6	-9.3
Arts & Culture	Work with high schools (musicals)	.7	-10.4
Retail	Meeting facility / entertainment venue	.75	-12

Synergy Group 1	Synergy Group 2	Synergy Group 3	Synergy Group 4	Synergy Group 5	Synergy Group 6
Tourism Group	**Marijuana Group**	**Building products**	**Biomass**	**Non-GMO Feed**	**Alternative Crops Group**
Agro-tourism	Marijuana plant	Heat treated lumber	Biofuel & bioenergy generation	Pet food plant	Pulse farming
Arts & Culture tourism	Geothermal heating	Green Building products	Nutraceuticals	Non-GMO plant	Food processing plant
River Trails Network	Wood pellets	Engineered building products	Wood pellets	Specialty Meats plant	Warehousing center
Poley Mountain summer offering		Modular homes			Short haul trucking
Sussex Mural initiative					Agri-training
Fossil Interpretive Center					
Collaborative Marketing initiative					
Create vacation packages					
Day Trip Adventures					
New tourism					
New Accommodations					
Niche training for tourism (Adventure training for youth (survival, firearms, ATV))					
Farmers Market					

APPENDIX F – GANTT chart for Priority 1, 2, & 3

Sussex economic development strategy

	Budget	Resp.	External res.	2017 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2018 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Priority #1: Tourism and Art & Culture Strategy																										
Tourism Phase 1(short term)																										
Establish tourism stakeholder task force		Adv Cor.		■	■																					
Bay of Fundy strategy participation		Adv Cor.	Consult.		■	■	■																			
Tourism product review & assessment		Adv Cor.	Consult.		■	■																				
Key product/experience gap assessment	$5k	Adv Cor.	Consult.			■	■																			
Establish broad stakeholder group alignment		Adv Cor.						■																		
Short term positioning development &	$10k	Adv Cor.	Consult.					■	■	■	■	■	■	■												
Tourism Phase 2 (long term)																										
Engage DTHC for tourism strategy support		Adv Cor. T.F.						■	■	■	■	■	■													
Long term Tourism strategy development	$25-35k	Adv Cor. T.F.	Consult.											■	■	■	■									
Develop implementtaion plan																	■									
Implement tourism plan	$10-15k	Adv Cor. T.F.																■	■	■	■	■	■	■	■	■
Art & Culture Strategy																										
Sussex municipal cultural policy proposal		Ax			■	■	■																			
Sussex municipal cultural policy development	$20-25k*	Sussex -Ax	Consult.					■	■	■	■	■														
Sussex municipal cultural policy implementation		Sussex -Ax											■	■	■	■	■									
Hampton municipal cultural policy proposal		Hampton-Ax								■	■	■														
Hampton municipal cultural policy development	$15-20k*	Hampton-Ax	Consult.										■	■	■	■	■									
Hampton municipal cultural policy implementation		Hampton-Ax																■	■	■	■	■				
Assess and plan additional A&C policy reqirements																							■	■		
Develop Art & Culture brand positioning	5-10k	Ax	Consult.																		■	■	■			
Secure sustainable funding		Ax																				■	■	■		
Priority #2: Geothermal energy development																										
Feasibility assessment funding application		EDC		■	■																					
Technical feasibility assessment (incl RFP)	$50k	EDC	Consult		■	■	■	■	■	■	■															
Business model development	$20k	EDC	Consult									■	■													
Business attraction program development	$15-20k	EDC	Consult											■	■											
"Geo Dev" administration structure devel.		EDC													■	■	■									
Implementation		EDC															■	■	■	■	■	■	■	■	■	■
Priority #3: Food production and processing																										
Validate "dairy growth" likelyhood and magnitude		EDC		■																						
Feasibility assessment funding application		EDC		■	■																					
"Dairy growth" opportunity assessment	$5-10k	EDC	Consult			■	■																			
Support infrastructure inventory & assessment	$5-10k	EDC	Consult			■	■																			
Processing capacity capability inventory		EDC	Consult			■	■																			
Agriculture land inventory & assessment.		EDC					■	■	■																	
Establish local working group		EDC								■	■															
-New processing trend watch		EDC- LWG										■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
-Set up regular exchange with food producer sector		EDC- LWG										■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
-Promotion for new company attraction	$5-10k	EDC- LWG	Consult												■							■				

APPENDIX G – GANTT chart for Priority 4 – 7