



CORPORATE PLAN
2022-2023



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JOINT MESSAGE FROM THE CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

It is our pleasure to present the Northwest Territories Business Development and Investment Corporation's (BDIC) Corporate Plan 2022-2023. This plan outlines objectives, strategies, and actions for the second year of our Strategic Plan 2021-2024. It builds on our past successes and adapts to a rapidly changing environment.



Denny Rodgers
Chairperson

With the COVID-19 pandemic, the business community in the Northwest Territories has been deeply impacted. During the next year, the BDIC will focus on revitalizing businesses and helping entrepreneurs emerge from the COVID-19 crisis and be ready to take advantage of future opportunities. Key areas will include the BDIC continuing to provide access to capital, offering enhanced programs and services, and supporting digitization.

During the last two years, the BDIC responded to quickly changing needs and supported businesses during challenging times. The BDIC implemented COVID-19 working capital loans, the loan deferment/reduction initiative, and most recently BDPF Aftercare Relief which was introduced within weeks of new public health measures being announced. As part of this Corporate Plan, the BDIC will continue this shift to being more responsive and client-focused - to understand unmet needs and provide innovative solutions.



Joyce Taylor
Chief Executive Officer (CEO)

In 2022-2023, we will also look to modernize the organization - from updating the legislation, regulations, and policies; to reinventing our brand and communications; and to contributing to a digital transformation internally and then applying learning and best practices externally to benefit our clients. In everything we do, we will be guided by our values and will partner and collaborate with others to support the local economy.

Although we cannot know for certain how COVID-19 will unfold in the future, we are confident that with this Corporate Plan, the BDIC will be able to help businesses persevere and set them up for success in the future - whatever that may hold.

We look forward to working with you and all of our partners to bring this plan to life in the year ahead.

ABOUT THE BDIC

The BDIC was established as a Crown Corporation of the Government of the Northwest Territories on April 1, 2005 by the Northwest Territories Business Development and Investment Corporation Act.

The BDIC is a territorial economic development organization that has a legislative mandate to help create and develop business enterprises in all industries promoting the economic development of the Northwest Territories.

Mandate

To support the economic objectives of the Government of the Northwest Territories (GNWT) in a manner that benefits the people and the economy of the Northwest Territories, by:

- Encouraging the creation and development of business enterprises
- Providing financial assistance to business enterprises, either on its own or as a complement to private sector or other financing
- Directly investing in business enterprises
- Providing information to business enterprises and members of the public respecting the establishment and operation of businesses, and other business matters

Vision

A stronger, more resilient business sector in the Northwest Territories.

Mission

Promote business growth and diversification by providing flexible financing options and targeted financial programs and services that support businesses throughout their lifecycles.

Values

DRIVEN TO MAKE A DIFFERENCE IN THE NWT



What we do matters. Through our work, we help enable and empower NWT businesses to succeed, thrive, and reach their potential. We are motivated by results; we help support the creation of jobs and opportunities in the NWT which builds strong and healthy communities.

SERVE WITH INTEGRITY



We follow through on what we say we will do and take ownership of our work. We build and foster relationships by sharing information in an open and transparent manner. We abide by BDIC and GNWT legislation, regulations, policies, and processes.

RESPECTFUL AND INCLUSIVE



We are considerate and ensure everyone is treated fairly and with dignity. We value diversity and create an environment where everyone feels important and included.

INNOVATIVE



We pursue new ideas and value different perspectives. We are creative, exploring and introducing new approaches and programs that provide solutions to make things better for each other, our clients, partners, and stakeholders.

PROGRAMS AND SERVICES OVERVIEW

The BDIC provides debt and equity financing and contributions to NWT businesses. Additionally, the BDIC offers business support services to help entrepreneurs in the Northwest Territories.



Credit Facilities Program

The BDIC applies sound risk management practices to assess clients accessing credit facilities to ensure they have demonstrated an ability to repay the BDIC and build sustainable businesses.

Loans

The BDIC supports entrepreneurs and business owners with loans. Repayment terms can be customized and interest rates are based on the risks. The BDIC can offer loans up to \$2 million* to a qualified business or related group.

Working Capital Guarantee

The BDIC can provide guarantees to help entrepreneurs secure a business line of credit or operating line from a conventional financial institution. Clients pay an annual commission based on credit risks.

Standby Letter of Credit

A Standby Letter of Credit (SLC) gives a third party the assurance that the BDIC will make a payment in the event the client (who contracted the SLC) is unable to meet their obligations. Clients use a SLC to secure contract bids or provide securities to suppliers.

*(*may exceed \$2 million but requires the approval of the Financial Management Board, the committee of the Executive Council established by the Financial Administration Act)*

Contribution Program – Business Development Project Fund (BDPF)

Core BDPF assists businesses by funding expenses that are related to start-up or expansion including short-term projects that create employment. The maximum in any 5-year period is \$10,000 for level 1 and \$20,000 for level 2 communities.* Only businesses with \$500,000 or less in annual gross revenues are eligible to apply.

BDPF Aftercare can provide funding to businesses to support the purchase of accounting software and services, help with succession planning, and attend business training programs. The lifetime maximum for BDPF Aftercare funding is \$3,000 for level 1 and \$5,000 for level 2 communities.*

BDPF Aftercare Relief came into effect in September 2021 in response to recent COVID-19 outbreaks and extended public health measures. It provides enhanced flexibility and one-time funding through BDPF Aftercare, up to \$2,500 for level 1 and up to \$3,500 for level 2 communities.*

** Level 1 communities include Yellowknife (including Ndilo), Hay River, Fort Smith, and Inuvik. All other NWT communities are considered level 2.*

Venture Investment Program

The BDIC invests in businesses through preferred shares or revenue-based investments. The program is designed to support businesses looking for a partner who can provide some assistance with management or board oversight. The funds can also be used as leverage to obtain additional financing.

Subsidiary Program

The BDIC invests in business and community initiatives that create employment opportunities across the NWT. The BDIC owns 100% of five operating subsidiaries: Acho Dene Native Crafts Ltd., Fort McPherson Tent and Canvas, Ulukhaktok Arts Centre, Dene Fur Clouds Ltd., and the Arctic Canada Trading Company Ltd.

Business Support Services

The BDIC operates Canada Business NWT (CBNWT) in partnership with the Canadian Northern Economic Development Agency (CanNor). CBNWT provides information about business and government services, programs, and regulations. Free resources include a business centre, a business library, online learning sessions, and a variety of tools and industry publications. The BDIC also provides general business support such as helping clients understand business fundamentals important for success, for example, comprehending basic financial statement information, choosing and communicating with professional advisors, and developing key marketing strategies and tactics.



HIGHLIGHTS: BY THE NUMBERS

Since 2005, the BDIC has disbursed approximately

\$111
MILLION




in communities across the Northwest Territories to

550 BUSINESSES*

**April 1, 2005 to March 31, 2021*

FROM APRIL 1, 2005 TO MARCH 31, 2021

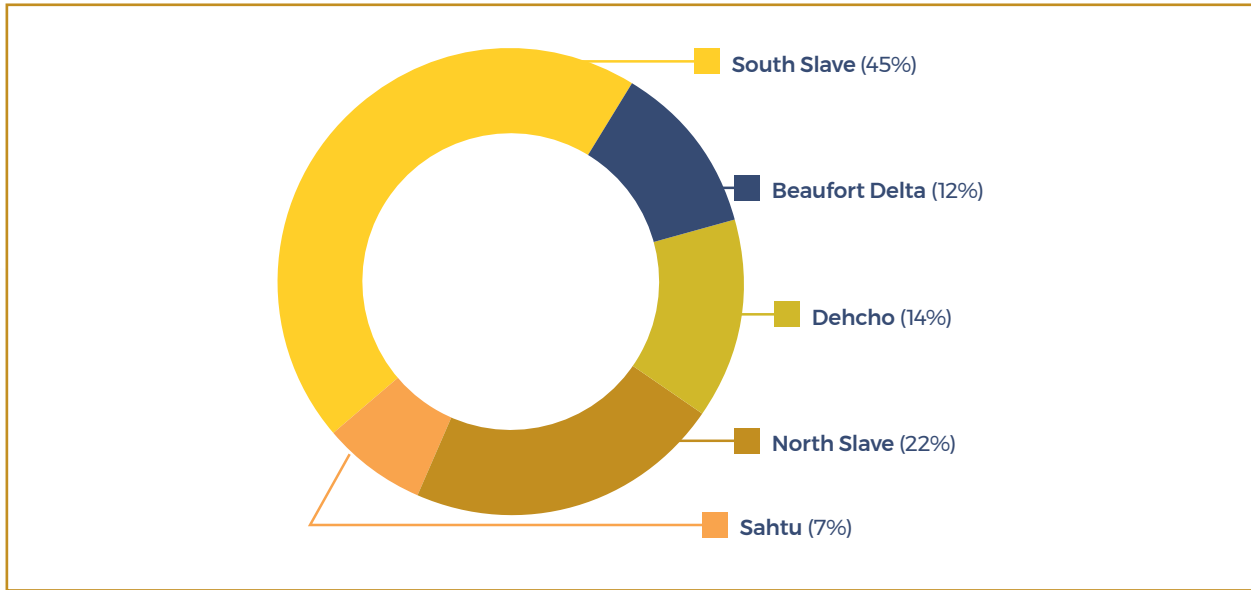
Region	Amount	Number of Businesses	Population Estimates**	Amount per Capita
Beaufort Delta	\$13,630,510	102	6,846	\$1,991
Dehcho	\$15,673,500	48	3,365	\$4,658
North Slave	\$24,228,051	245	25,198	\$962
Sahtu	\$7,650,253	23	2,668	\$2,867
South Slave	\$49,787,386	132	7,427	\$6,704
Total	\$110,969,700	550	45,504	

FROM APRIL 1, 2005 TO MARCH 31, 2021

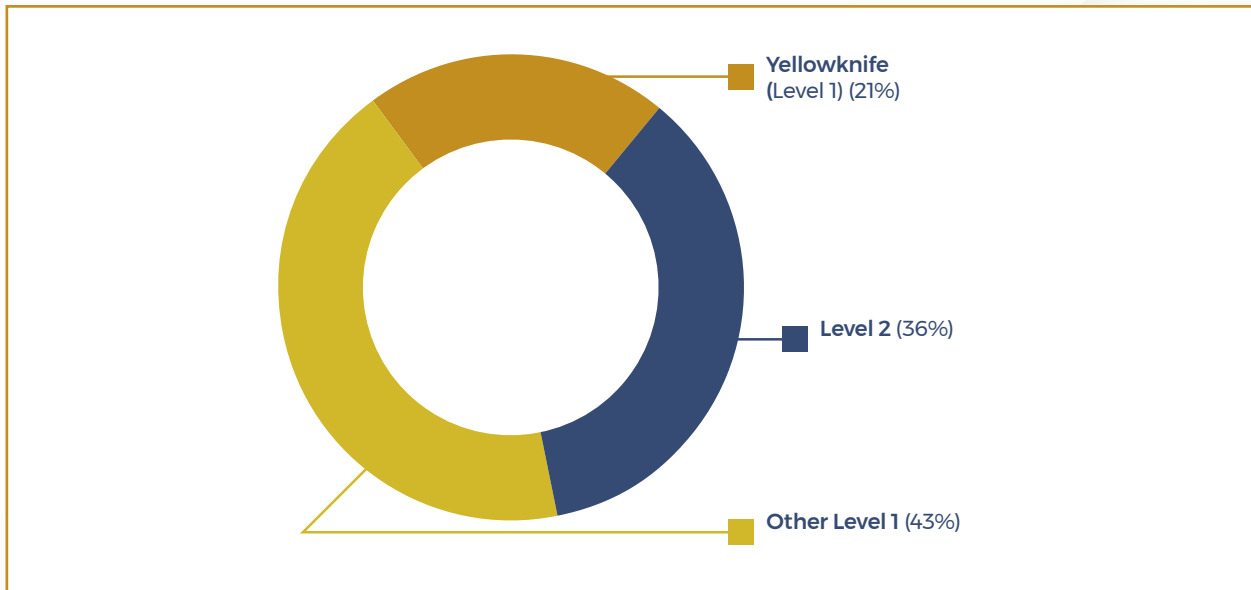
Community Level	Amount	Number of Businesses	Population Estimates**
Level 2	\$39,736,378	182	13,502
Other Level 1	\$47,875,923	130	9,705
Yellowknife	\$23,357,399	238	22,297
Total	\$110,969,700	550	45,504

***Source: NWT Bureau of Statistics, population estimates as of July 1, 2021*

% of Total Financial Disbursements by Region



% of Total Financial Disbursements by Community Level



FROM APRIL 1, 2005 TO MARCH 31, 2021

Program	Amount
Contribution	\$2,823,874
Credit	\$97,464,689
Subsidiary	\$10,681,137
Total	\$110,969,700

Level 1 Communities

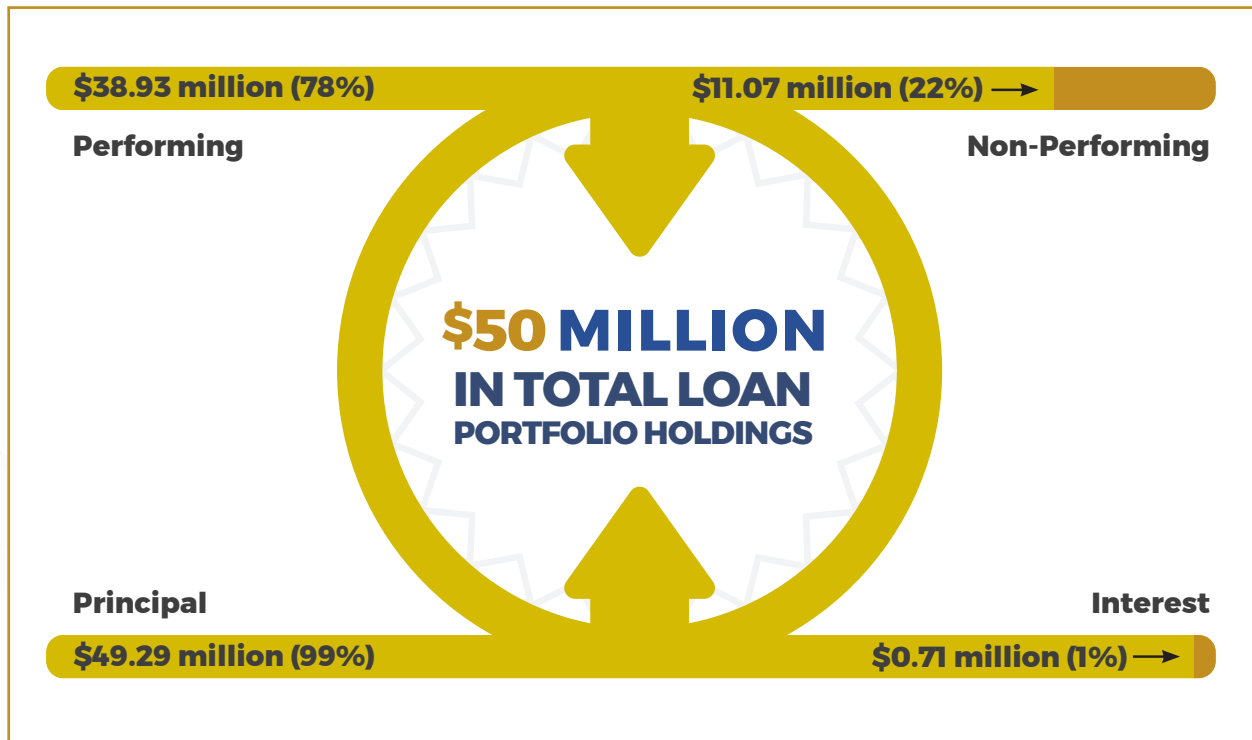
Communities with well developed business infrastructure and air/road transportation links and includes Yellowknife (including Ndilo), Fort Smith, Hay River and Inuvik.

Level 2 Communities

Communities with less developed business infrastructure and air/road transportation links and includes all other NWT communities not listed above.



As of **December 31, 2021**, the loan portfolio holdings of the BDIC are
\$50 MILLION



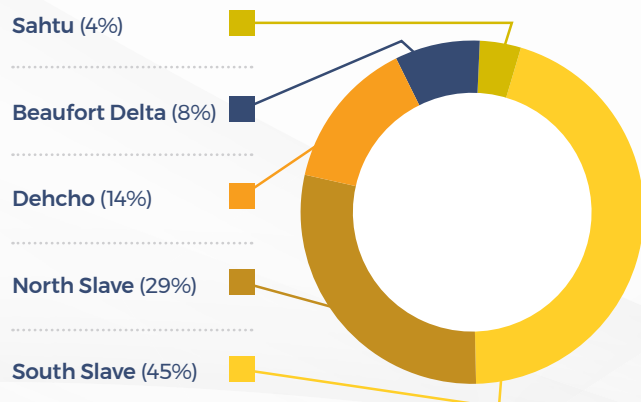
LOAN PORTFOLIO HOLDINGS BY REGION

as of December 31, 2021

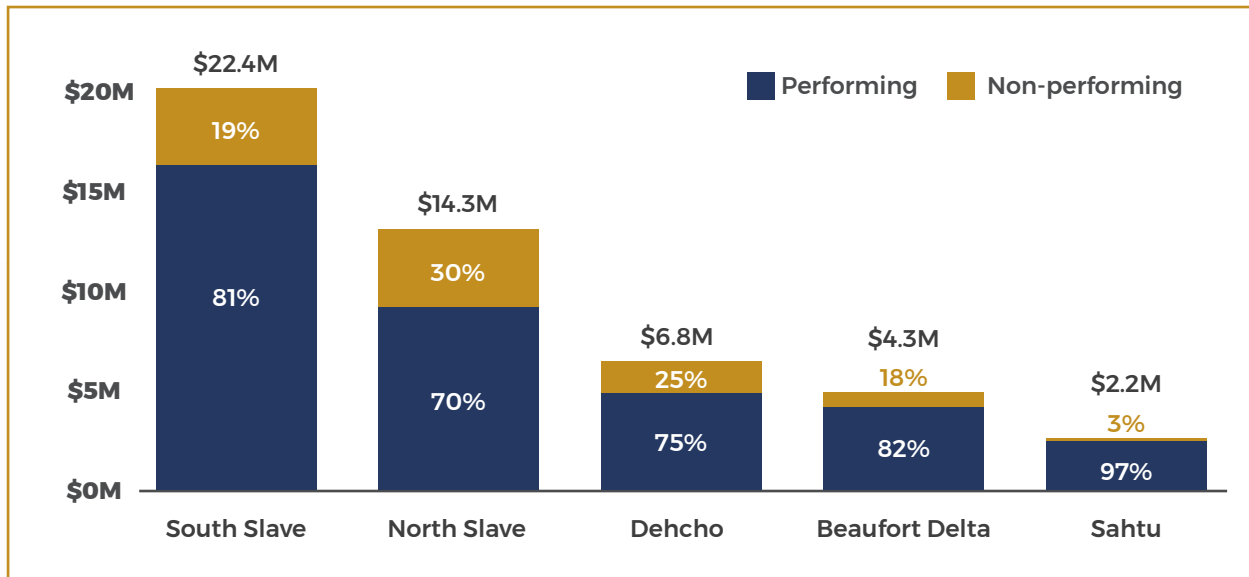
Region	Amount
South Slave	\$22,398,051
North Slave	\$14,314,702
Dehcho	\$6,794,087
Beaufort Delta	\$4,288,000
Sahtu	\$2,209,232
Total	\$50,004,072

LOAN PORTFOLIO HOLDINGS - % BY REGION

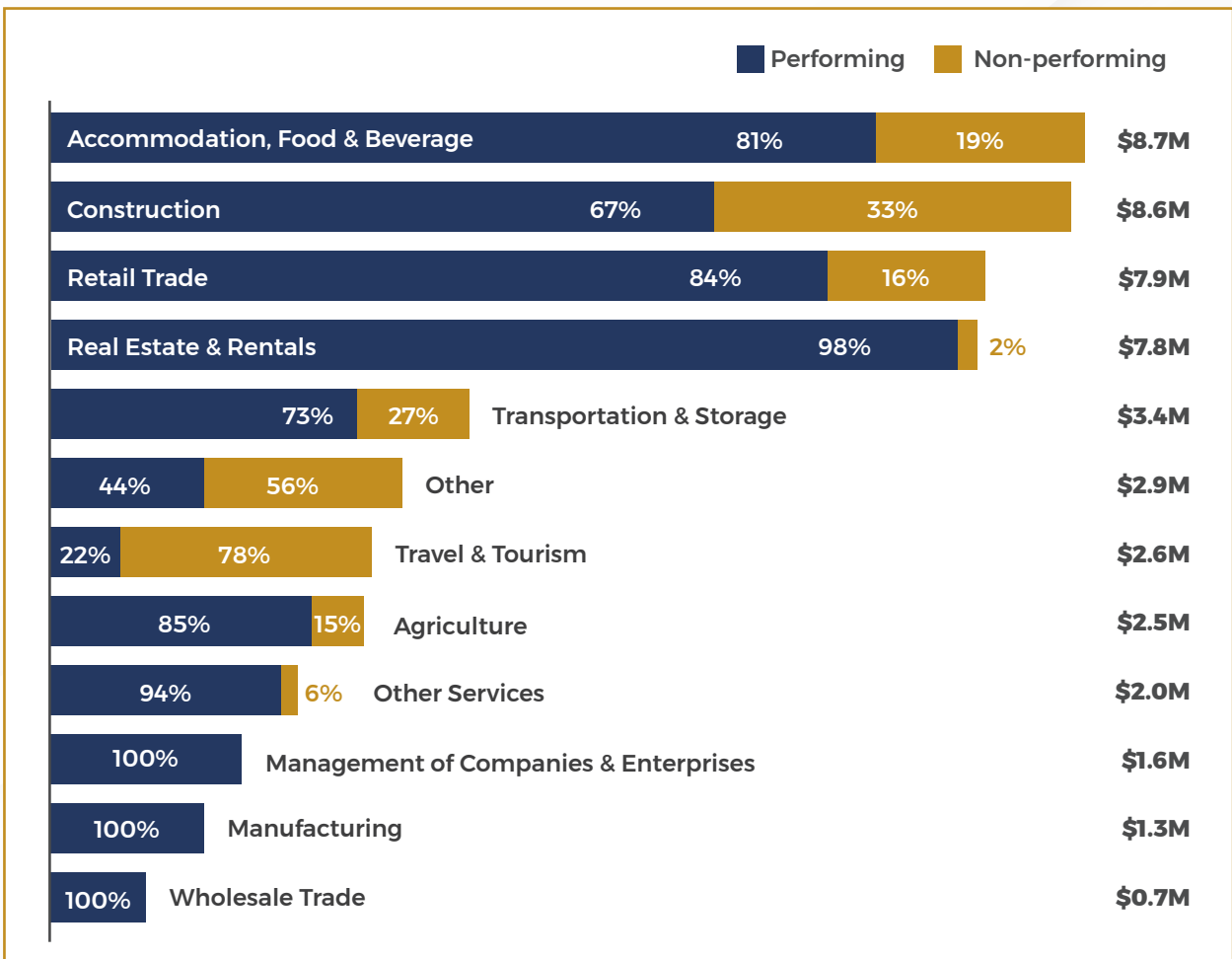
as of December 31, 2021



Performing and Non-Performing Loans by Region (as of December 31, 2021)



Performing and Non-Performing Loans by Economic Sector (as of December 31, 2021)



STRATEGIC PLAN 2021-2024

In early 2021, the BDIC underwent a comprehensive planning process involving BDIC management and staff, the Board of Directors, and key stakeholders to develop the four-year Strategic Plan 2021-2024.

The Strategic Plan 2021-2024 serves as a high-level guidance and decision-making framework to assist the BDIC align resources and objectives to realize its vision of a stronger, more resilient business sector in the Northwest Territories. As part of the development of the Strategic Plan 2021-2024, the vision, mission, and values of the BDIC organization were updated.

The Strategic Plan sets out the broad and long-term goals and priorities whereas the Corporate Plan outlines the shorter-term objectives, strategies, actions, and financial resources for the fiscal year.



The priority areas consist of:



People

Programs

Operations

Communications

CORPORATE PLAN 2022-2023

Operating Environment

It is important that the BDIC adapts to a changing environment and updates its annual Corporate Plan to reflect current realities, emerging issues, and new opportunities.

There have been many significant changes that have taken place since 2020 that have transformed the environment in which the BDIC operates. The most significant developments and changes since the previous Corporate Plan include:

- The effects of COVID-19 have been long-lasting. Businesses continue to be impacted by the pandemic and changing public health measures which has prompted some businesses to close or partially close, change employment levels, or to pivot their business models. There is a continued need for extended relief and supports along with funding for expansion and growth.
- There have been significant changes to the governance and leadership of the BDIC including a new Minister responsible for the BDIC and a new CEO in September 2020, and four new members and two returning members to the Board of Directors in August 2021.
- With new leadership and a dynamic environment, there is strong interest in collaboration and engagement among government entities and departments, partners, stakeholders, etc. Opportunity also exists to evaluate and further define the role and responsibilities of the BDIC (including its role with socio-economic development) and to determine the value proposition of the BDIC to maximize its impact on the economy.
- The BDIC has shifted to become more client-focused. A priority of the organization has been on understanding client needs and gathering feedback to identify issues and opportunities and to develop solutions that are evidence-based. Research and engagement conducted in 2021 and 2022 will provide the foundation for future strategic direction and implementation for the organization.
- There is an opportunity to modernize the BDIC with updates and amendments to the legislation, regulations, and policies (which have not been comprehensively updated since BDIC was founded in 2005); a refresh and revitalization of the brand and visual identity; support for digital transformation; and finally, some new approaches to marketing and communications to drive greater awareness and engagement.
- A re-alignment of human resources based on needs and staffing changes within the BDIC.

These changes to the operating environment have informed the development of this Corporate Plan and contributed to several updates with regard to the objectives, strategies and actions for the 2022-2023 fiscal year.



Eighty One Images

Goals, Objectives, Strategies and Actions

Strategic Goal 1: To support NWT businesses throughout their business lifecycles

Objective: Deliver and promote programs and services that meet the needs of NWT businesses at every stage and increase engagement.

Strategies	Actions
Understand needs of NWT businesses by lifecycle stage	<ul style="list-style-type: none"> • Implement on-going evaluation/research tool(s) • Leverage research to inform changes and enhancements to programs and services
Implement and enhance programs and services based on lifecycle	<ul style="list-style-type: none"> • Introduce some new enhancements to programs, services and tools • Simplify and digitize application processes
Enhance communication based on lifecycle and needs	<ul style="list-style-type: none"> • Develop a customer relationship system (CRM) • Develop a client contact strategy • Review and update communication templates with program clients

Strategic Goal 2: To promote entrepreneurial growth and sustainability

Objective: Develop new/enhanced programs and services to support business recovery and growth.

Strategies	Actions
Review and assess current programs and develop value-added products and services	<ul style="list-style-type: none"> • Develop and re-launch a new venture investment program • Redesign the contribution program • Conduct a review of business services and introduce new/enhanced services and tools to build capacity • Introduce value-added services through partnerships • Develop a mentorship initiative and enable networking opportunities
Take a client-centric and integrated approach	<ul style="list-style-type: none"> • Explore new products, services and features that pair with ventures and credit facilities • Package or bundle existing products and services that are complementary
Identify and share trends and opportunities for business investment and growth	<ul style="list-style-type: none"> • Lead the digital transformation project • Conduct engagement with key stakeholders in new or emerging industry sectors

Strategic Goal 3: To support business growth and diversification in the regions including optimizing subsidiary operations

Objective: To optimize the performance of the subsidiaries while maintaining socio-economic benefits.

Strategies	Actions
Improve operational efficiency and effectiveness of the subsidiaries	<ul style="list-style-type: none"> • Continue to identify and implement operational efficiencies • Develop and implement a marketing plan for the subsidiaries • Explore opportunities to leverage infrastructure
Evaluate and define BDIC's future role, mandate and goals for the subsidiaries	<ul style="list-style-type: none"> • Complete a strategic review of the subsidiaries including a cost benefit analysis to present and evaluate options

Strategic Goal 4: To increase awareness and understanding of the BDIC

Objective: Increase awareness and engagement with BDIC and its programs and services.

Strategies	Actions
Undertake a rebrand of the organization	<ul style="list-style-type: none"> • Develop the brand strategy • Introduce a new/refreshed visual identity • Implement new branded materials, creative, messaging, etc.
Optimize marketing and communication activities to maximize reach and relevancy	<ul style="list-style-type: none"> • Develop and execute an updated marketing and communication plan • Implement an updated social media strategy and plan • Conduct a website review and develop a new BDIC website • Develop and implement a partnership strategy
Execute targeted engagement and outreach	<ul style="list-style-type: none"> • Conduct outreach and engagement on key initiatives and projects with key audiences across all regions

Strategic Goal 5: To be an engaged and continuous learning organization

Objective: Continue strengthening internal capacity and collaborating with other organizations to benefit the NWT business community.

Strategies	Actions
Nurture an organizational culture of accountability and continuous improvement	<ul style="list-style-type: none"> • Gather, track and report on KPI's and update reporting metrics • Conduct regular evaluation of programs and services • Implement on-going optimization of activities and process improvements
Build/strengthen internal capacity	<ul style="list-style-type: none"> • Enhanced staff training and performance measurement processes monitored and assessed • Identify and complete focused opportunity areas for training and certification of staff
Leverage key partnerships	<ul style="list-style-type: none"> • Develop and implement a partnership strategy to expand communication and collaboration

Strategic Goal 6: To strengthen corporate governance

Objective: Strengthen corporate governance to enhance management efficiency.

Strategies	Actions
Strengthen board governance and committee oversight	<ul style="list-style-type: none"> • Source/offer and complete training for Board members • On-going alignment of BDIC corporate goals to GNWT mandate and implementation of the Strategic Plan 2021-2024
Monitor the BDIC's enterprise risk	<ul style="list-style-type: none"> • Define and organize the risk management oversight by the Board • Develop a risk management framework for the loan portfolio
Update legislation to align with the BDIC's strategic direction	<ul style="list-style-type: none"> • Implement the draft legislation process and introduce an amended Act in fall or winter 2022-23

Performance Measures

Key Performance Indicators (KPIs) are quantifiable activity measures used to monitor progress toward the strategic goals and objectives of the organization and program effectiveness. The indicators are used to assess whether the BDIC is on target as we work toward our goals.

The BDIC has determined the KPIs based on a logic model which provides a graphical representation of the organization's work, from the resources (inputs) and activities that will take place, to the deliverables (outputs) and goals (outcomes) that the program will produce.

The KPIs are provided by strategic goal and activity. It should be noted that some KPIs may be applicable to multiple goals, however, they are listed only once to avoid duplication.

Overall Statement: If the BDIC invests in businesses and entrepreneurs with flexible financing and business service solutions throughout the lifecycle, we will create the conditions to help NWT businesses thrive and support renewed growth and diversification of the NWT economy.

Strategic Goal: To support NWT businesses throughout the lifecycle

- # financing options and enhancements offered by BDIC
- # applications by program
- \$'s invested by BDIC (loan portfolio amount)
- \$'s invested by others (outside capital)
- Loan repayment rate (business retention)
- Satisfaction or net promoter score
- Average # of programs and services accessed by client*
- # business start-ups supported
- Client businesses – growth in revenues, income, employment*

Strategic Goal: To promote entrepreneurial growth and sustainability

- # inquiries
- # persons accessing business support services
- # people who accessed business support services who started a business or used learning to grow or sustain business*

Strategic Goal: To support business growth and diversification in the regions including optimizing subsidiary operations

- # jobs in communities created or supported
- # of crafters/artisans supported
- \$'s that go to the community*

Strategic Goal: To increase awareness and understanding of the BDIC

- # people participating in research and engagement activities
- # website visitors
- # social media followers
- # e-newsletter subscribers
- # of new clients accessing programs and services*

Strategic Goal: To be an engaged and continuous learning organization

- # and types of program evaluations completed
- # engagements with partners and stakeholders
- # partnerships
- # processes and policies updated or modified
- # projects and \$ investments through partnerships*

Strategic Goal: To strengthen corporate governance

- # board meetings and members trained
- Trust rating in BDIC*

**Measure to be developed and/or is longer-term*



BUDGET 2022-2023

The BDIC's budget is comprised of two separate funds, the Contribution Fund and the Loans and Investments Fund.

Contribution Fund

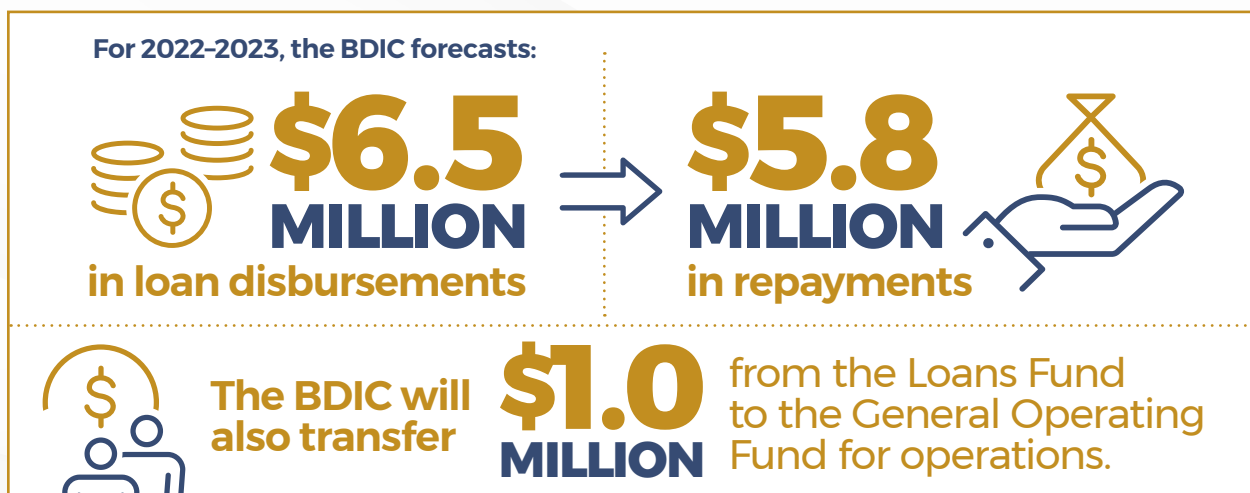
The Contribution Fund is funded through a contribution agreement with the GNWT and through investment income. It is administered through four separate funds:

1. Subsidy Fund – Provides subsidies to BDIC subsidiaries and Business Development Project Fund (BDPF) contribution funds to NWT businesses
2. Capital Fund – Provides start-up costs for new subsidiaries
3. Capital Reserve Fund – Provides capital funds for repairs to existing subsidiaries
4. General Operating Fund – Provides operating costs for the BDIC's delivery of programs and services including the Canada Business NWT (CBNWT) Business Services Centre which also receives partial funding from the Canadian Northern Economic Development Agency (CanNor)

Loans and Investments Fund

The Loans and Investments Fund is funded through client loan repayments, client venture payments, and/or GNWT loans. This fund is administered through two funds:

1. Loans Fund – Provides loan capital to NWT businesses
2. Venture Investment Fund – Provides equity investment to NWT businesses



Exhibits

Exhibit 1 - Contribution Fund Budget Summary (\$000)

Fiscal Year ending March 31, 2023

	Subsidy Fund (Exhibit 2)	Capital Fund (Exhibit 3)	General Operating Fund (Exhibit 4)	Total
Opening Balance	434	1,020	4,601	6,055
Sources of Cash	700	0	2,561	3,261
Uses of Cash	700	0	3,122	3,822
Closing Balance	434	1,020	4,040	5,494

Exhibit 2 - Subsidy Fund (\$000)

Fiscal Year ending March 31, 2023

	Budget 2023	Budget 2022	Actual 2021
Opening Balance	434	434	433
Sources of Cash:			
GNWT Contribution	700	840	802
Subtotal	700	840	802
Uses of Cash:			
Business Dev Projects	200	200	199
5983 NWT Ltd. Ulukhaktok Arts Centre	100	110	100
913044 NWT Ltd. Fort McPherson Tent & Canvas	200	250	220
Acho Dene Native Crafts Ltd.	100	120	150
Arctic Canada Trading Co. Ltd.	0	0	2
Dene Fur Clouds Ltd.	100	160	130
Subtotal	700	840	801
Closing Balance	434	434	434

Exhibit 3 - Capital and Capital Reserve Fund (\$000)

Fiscal Year ending March 31, 2023

	Budget 2023	Budget 2022	Actual 2021
Opening Balance	1,020	1,020	1,020
Sources of Cash:			
GNWT Contribution	0	0	0
Subtotal	0	0	0
Uses of Cash:			
New Subsidiary	0	0	0
Subtotal	0	0	0
Closing Balance	1,020	1,020	1,020

Exhibit 4 - General Operating Fund Budget (\$000)

Fiscal Year ending March 31, 2023

	Budget 2023	Budget 2022	Actual 2021
Opening Balance	4,601	4,569	4,138
Sources of Cash:			
GNWT Contribution	1,372	1,172	1,210
Loan Fund	1,000	1,000	1,000
Interest	92	175	117
Business Service Centre Contribution	97	97	97
Subtotal	2,561	2,444	2,424
Uses of Cash:			
Advertising	43	20	11
Board expenses	76	45	37
Business Service Centre	225	183	168
Compensation and benefits	2,400	1,907	1,530
Computers and communications	115	105	102
Office	45	62	64
Purchased services	198	50	68
Travel and training	20	40	13
Subtotal	3,122	2,412	1,993
Closing Balance	4,040	4,601	4,569

Exhibit 5 - Loans and Investments Fund Budget Summary (\$000)

Fiscal Year ending March 31, 2023

	Venture Investment Fund (Exhibit 6)	Loans Fund (Exhibit 7)
Opening Balance	4,476	5,673
Sources of Cash	0	5,855
Uses of Cash	250	8,000
Closing Balance	4,226	3,528

Exhibit 6 - Venture Investment Fund Budget (\$000)

Fiscal Year ending March 31, 2023

	Budget 2023	Budget 2022	Actual 2021
Opening Balance	4,476	4,676	4,676
Sources of Cash:			
Dividends	0	0	0
Redemptions	0	0	0
Subtotal	0	0	0
Uses of Cash:			
Venture Investments	250	200	0
Subtotal	250	200	0
Closing Balance	4,226	4,476	4,676

Exhibit 7 - Loans Fund Budget (\$000)

Fiscal Year ending March 31, 2023

	Budget 2023	Budget 2022	Actual 2021
Opening Balance	5,673	4,593	6,631
Sources of Cash:			
Repayments Received	5,800	5,510	3,056
Interest Income	55	70	55
Borrowed from the GNWT	0	0	5,500
Subtotal	5,855	5,580	8,611
Uses of Cash:			
Loans Disbursed	6,500	3,500	9,649
Repayment to the GNWT	500	0	0
General Operating Fund	1,000	1,000	1,000
Subtotal	8,000	4,500	10,649
Closing Balance	3,528	5,673	4,593

Exhibit 8 - Consolidated Budgets (\$000)

Fiscal Year ending March 31, 2023

	Budget 2023	Budget 2022	Actual 2021
Revenues			
Government of Canada (CanNor)	97	97	97
Government of the Northwest Territories	2,952	2,782	2,857
Interest on loans receivable	2,160	1,950	2,212
Sales and other income	625	706	468
Investment interest	142	301	139
Subtotal	5,976	5,836	5,773
Expenditures			
Advertising and promotion	47	29	12
Amortization	73	77	75
Bank charges and interest	26	29	39
Board expenses	79	48	39
Business Development Project Fund	200	200	199
Business Service Centre	282	233	223
Compensation and benefit	3,276	2,727	2,363
Computers and communications	137	128	123
Cost of goods sold	625	763	497
Credit loss (net)	750	650	1,709
Insurance	26	24	23
Interest expenses on advance from the GNWT	230	225	373
Office and general	82	98	89
Professional services	248	118	107
Rent	179	176	184
Travel and training	28	53	15
Utilities	59	71	61
Subtotal	6,347	5,649	6,131
Annual (deficit) surplus	(371)	187	(358)



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