

Insight

Will bringing multiple agencies together under one roof provide a much-needed boost for regional economic growth plans? Ahead of this month's official opening of the Hawke's Bay Business Hub in Ahuriri, we profile the groups involved in the move and ask key players what they hope it will achieve.



OPEN FOR BUSINESS: Business Hawke's Bay chief executive Susan White at the new Business Hub in Ahuriri.

PHOTO / DUNCAN BROWN

New biz hub a one-stop shop

By Simon Hendery
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It used to be the place to go if you wanted to buy a new sofa. But the furniture sales staff have moved to new premises down the road and these days visitors to 36 Bridge St, Ahuriri, are most likely to be offered a cup of coffee and ushered into one of several meeting rooms to talk about business development. The former bonded store, which became a Big Save Furniture retail outlet, has had another refit and is now the

Hawke's Bay Business Hub — a group of business support services aimed at growing the region's economy. The hub has its official opening on May 14 but the agencies involved — including Business Hawke's Bay, economic development divisions of the local councils, and government departments — have been in the building for the past two to three weeks. The combined space has been well received by the new tenants, says Business Hawke's Bay chief executive Susan White, and offers a valuable mix of office space and break-out meeting

rooms, as well as a well-equipped "front-of-house" private cafe and reception area. Having a single point of entry for business development in the region, and making it accessible, will help achieve the region's goals for attracting new business initiatives and growing those which are already here, Ms White says. Business Hawke's Bay has driven the hub initiative but acknowledges it has been a collaborative effort from across the business community. An example of the support the project has received is the enthusiasm shown by its landlord, the McKimm family — major

Ahuriri property owners, including of the hub's Bridge St building. "An empathetic landlord is a definite requirement to make a service like this work. They've been outstanding," Ms White says. But the new building is only part of the plan for economic growth. A range of groups, including central and local government, business and iwi, are currently working on a regional economic development strategy for Hawke's Bay. At the same time, a "targeted industry study" is investigating the types of businesses to focus on for a marketing

campaign to attract new opportunities to the region. While there was no point reinventing the wheel, and the work was unlikely to throw up too many surprises about Hawke's Bay's business strengths, it was also important to ensure previous economic development studies were refreshed, Ms White said. Hawke's Bay's primary sector focus clearly meant development of agri-business opportunities would come to the fore and the region needed to ensure it was getting the most out of one of its major assets — the port.

Developing the Business Hub:

- Mid 2012**
■ As part of its move to set up in Hawke's Bay, business growth facilitator The Icehouse undertook a market validation survey. This revealed that while local business owners knew there were skills available to help them improve their businesses, it was not clear who provided those services, how to engage them, or in what order.
- Business Hawke's Bay concluded that establishing a Business Hub would close the gap between business services and government agencies and business owners.
- End of 2013**
■ Business Hawke's Bay formalised its vision for growth in the region through a collaborative model and committed to driving the Business Hub project.
- March 2014**
■ After completing a preliminary feasibility study that identified factors including who, what, and where, a bus tour took all interested parties to four possible sites. A democratic vote determined a site at the Hawke's Bay Airport was first choice, with Ahuriri as the second location preference.
- Work began with the Hawke's Bay Airport board and architecture firm HDT to determine the design build requirements and cost.
- April 2014**
■ Business Hub potential members met with business advisor and Waikato University academic Dr Mike Pratt in a day-long process to co-create our purpose, beliefs, spirit, focus and other key ingredients underpinning how the Business Hub operates.
- June 2014**
■ Government agency New Zealand Trade and Enterprise contributed funding for project management and marketing. Terry May was appointed Business Hub project manager.
- After extensive investigations it was determined the airport option exceeded available budget. Other options in Hastings and Napier were then considered but subsequently proved unfeasible. In the meantime, Big Save Furniture owners, the McKimm family, contacted Business Hawke's Bay and offered its site in Ahuriri as a possibility.
- August 2014**
■ Business Hawke's Bay board confirmed the soon-to-be vacated Big Save store as the preferred Business Hub home.
- Late 2014**
■ The preferred site, 36 Bridge St Ahuriri, was confirmed as the home of the Hawke's Bay Business Hub.
- Early 2015**
■ The building was gutted and reconstructed by the McKimm family with lead contractor Alexander Construction to designs prepared by Paris Magdalinis Architects.
- Board members canvassed the Hawke's Bay business community for financial and in-kind support to ensure the building was business fit and friendly.
- April 2015**
■ Business support agencies moved into the Business Hub.
- May 2015**
■ Official opening scheduled for May 14.

Groups club together to benefit Bay businesses

By Roger Moroney
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The 13 organisations, including full-time agencies and council representation, which will comprise the remarkable business hub share a united philosophy of why they are there, what they want to achieve, and the benefits through such a set-up which is unique for a region to establish. It is effectively a combination of business agencies under one umbrella — an inspiration and expertly equipped single stop point for people who have business challenges or aspirations to follow.

It is, as it is described, a hub. A central point angled toward sharp business advice. ● **HAWKE'S BAY CHAMBER OF COMMERCE:** The Hawke's Bay Chamber of Commerce has a lot of history on its side — 122 years to be exact when it first partially emerged as the Napier Chamber. The Hastings Chamber was formed in 1907 but it was not until 1993 that the pair merged into what it is today. It has since grown into an active and respected organisation with more than 500 members. The philosophy is straight forward and to the point — "to promote business vitality in Hawke's Bay". The chamber's CEO Wayne Walford is passionate about seeing the region evolve with opportunities, jobs and economic vitality, and he is enthusiastic about their new "home" in Ahuriri. "We are looking forward to working from the business hub," Mr Walford said. "All the agencies will be working with industry groups to grow the commercial pie in Hawke's Bay." He said having so many agencies housed together made it easier to connect and support the needs of business and economic development. The Hawke's Bay Chamber of Commerce is accredited to the New Zealand Chamber of Commerce and Industry Inc which serves the interests of 32 chambers across the

country and they in turn represented some 20,000 small to medium-sized businesses which effectively form the backbone of business throughout the country. ● **HAWKE'S BAY REGIONAL COUNCIL:** Like all those across the face of business development, the Hawke's Bay Regional Council's economic development manager Tom Skerman is enthusiastic about the development of the unique hub. "I am hugely positive about the initiative," he said, adding that he was anticipating spending a day a week at his desk there. His council colleague Jenny Brown would be full-time at the hub as part of the Callaghan Innovation within the Regional Business Partner set-up. The council also works alongside New Zealand Trade and Enterprise and Business Hawke's Bay. "We need agencies to have a one-stop shop and Business Hawke's Bay has successfully led this." Mr Skerman said it was essential for local government to ensure the economic development of regions was not held back. The council was there to answer the questions businesses may have regarding the challenges from the resource management point of view. Every approach was worked through on a case by case basis with the underlying philosophy being "support local businesses by protecting our local environment for future generations and promoting resilient and sustainable business practices". ● **NAPIER CITY COUNCIL:** Napier City Council's economic development officer James Rowe has what he described as a "hot seat" at the hub and intends to spend as much time as he can there. "This is a remarkable initiative and a classic example of working together," he said. The three councils had been involved in partially underwriting and guaranteeing the hub and he praised the way it had been steered by Business Hawke's Bay. "It is the only one in the country with all



ON THE SAME PAGE: Napier economic development officer James Rowe, Hawke's Bay Regional Council economic development manager Tom Skerman, and Icehouse Hawke's Bay manager Michaela Vodanovich.

the agencies you could want under one roof — that is a wonderful achievement." The unity was paramount, Mr Rowe said, adding that economic development across the cities and the region as a whole was something which had to be pursued collectively. Mr Rowe intends holding the council's regular economic development meetings at the hub. The council's approach is centred around policy and strategy development, business attraction and promotion, funding key local economic development and tourism organisations. It also champions a "whole of organisation" approach for particular economic development requirements and issues such as timely resource consent approvals for job creating developments. ● **HASTINGS DISTRICT COUNCIL:** Like the Napier and Hawke's Bay



Regional councils, the Hastings District Council is right behind the combined "under one roof" approach of the business hub. "People running enterprises are often short of time and the hub should make it easier for people wanting assistance to find it," the council's special projects manager Tony Gray said. "It's excellent that so many business-orientated groups are under one roof for the good of business in our region and we are pleased to be involved." The council's economic development unit takes the stance that the Bay has a vibrant economy, with the agricultural industry thriving alongside manufacturing, retail, hospitality and tourism. It is all about marketing the region's businesses to the rest of the country and the world "to attract trade



and investment". ● **BUSINESS CENTRAL INC:** The Business Central Council was established to bring people in business, or stepping into business, highly personal support, on a local level. Part of the organisation's rallying cry is providing the ingredients required to "grow your business". The council is affiliated with the New Zealand Chambers of Commerce and Business New Zealand, and also part of the group are Business Mentors New Zealand, New Zealand Trade and Enterprise and the Wellington Employers Chamber of Commerce. It stages a variety of approaches in setting up regional and national initiatives, lobbying, representation and resources that are aimed at building enterprise capability "and success for all New Zealanders". In-

house training programmes, export training and specialist business events are all part of that. Council president Vaughan Renner leads a six-strong team of directors — Linda Cox, Justine Martin, Richard Stone, Trevor Goodwin, Cas Carter and Pierre Woolbridge. Clive Thomson and Anne Rocard will form the hub crew, along with Amanda Liddle who is part of the Export New Zealand sector. ● **BUSINESS HAWKE'S BAY:** Business Hawke's Bay has driven the hub quest. The organisation sparked into life in August 2011 in the wake of an initiative of the Hawke's Bay Chamber of Commerce and what chairman Stuart McLaughlin said was "intensive" discussion with sponsors and local governments across Hawke's Bay. The aim was a focused and determined one — to operate and deliver a collaborative approach in using the best of the region's resources to fulfil its vision. That vision being to retain, grow and attract "vibrant" business and talented people to the Bay and thus making it the best regional spot in the land in which to work, invest, grow and live. The driving team behind Business Hawke's Bay are well known and respected across the region's business landscape. Chris Collins, Robert Darroch, Doug Ducker, Chris Bain, Hamish White, Mike Purchas, Ken Sutherland and Hamish White, with CEO Susan White, executive assistant Nicky Williams and Catherine Rusby on the strong staff. Many Bay businesses had achieved national and international success by leveraging their entrepreneurial expertise and the regional resources available to them. ● **EXPORT NEW ZEALAND:** Export New Zealand, led by chief executive Phil O'Reilly, has been set up in 12 regions across New Zealand, with Amanda Liddle representing Hawke's Bay. It is essentially the "voice" of New Zealand exporters and became a division of

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Hub can be 'real point of difference'

By Simon Hendery

The new Hawke's Bay Business Hub's landlord is also one of its biggest supporters.

Big Save Furniture owners the McKimm family began talking to Business Hawke's Bay in the middle of last year about locating the hub on part of the former British American Tobacco site the family owns in Ahuriri.

Big Save's managing director, Ray McKimm, is a former Business Hawke's Bay board member and believes the hub is set to become "a real point of difference" in the region's economic development aspirations.

"We absolutely believe in it and we're going to make sure it's a success," Mr McKimm says. The family know a bit about growing businesses in the Bay — having seen the potential of the former BAT facilities in 2006, they bought the 5.4ha site and shifted Big Save's headquarters there the following year.

Since then their own business in Ahuriri has grown strongly, as have a number of the businesses they lease premises to on the site.

"When we started there were four security staff working here [after BAT's departure]. There are now about 1400 people working on-site in all sorts of different businesses," Mr McKimm says.

"We've got 55 tenants around here and last year 43 of them took more staff on. We took on 16. That's where the growth is going to come in Hawke's Bay."

A more conservative landlord would have steered away from offering space to a project such as the Business Hub, because of the potential headaches involved. But the McKimms' belief in the concept, and the family's desire to see Hawke's Bay boost its economic potential, led to them offering up their former retail store site as a potential home for the hub.

The Bridge St site is across the road from the art deco Rothmans building that was once the icon of the BAT operation.

"We put a proposition to Business Hawke's Bay that we thought would be conducive to get all of these bodies under one roof and they liked it, so we've fitted it out. We're incredibly proud to be part of it," Mr McKimm says.

"From a landlord's point of view it's a difficult situation because you've got five or six incorporated societies — for want of a better word — under one roof but

because we felt there was huge value in getting economic development under one roof it was worthwhile spending the money and the effort to get it off the ground. From a Government point of view, when their people are coming to the Hawke's Bay they are now going to be under the one roof, so, as opposed to having to spend two or three days here which they may have had to do in the past, they now have the ability to talk to all the interested economic development people in Hawke's Bay within four or five hours.

"The feedback so far — certainly from government agencies and everybody working there — is that they're now having to talk to each other because they're all under one roof. They're having to interact and I just think it's going to be the start of something incredibly good for Hawke's Bay."

Mr McKimm says Business Hawke's Bay and the Business Hub have an attractive pitch to make in their bid to bring new businesses to the region, and strong assets to utilise in growing those already here. "There's no question we have an incredibly efficient port here and that port has the ability to attract logistics. It's one of the reasons we're here," he says.

"From a logistics point, the Business Hub has some models it can put in front of importers or exporters that are very soundly based."

He believes the key to improving the region's economic prospects will be ensuring small business growth, rather than relying on attracting large, established firms to the Bay. It is the type of growth the family have seen from tenants of their Ahuriri precinct.

"At the end of the day, business growth in Hawke's Bay is going to be about getting enough small businesses employing one or two people," he says.

"If we can create more quality employment then this region is going to grow. There are a lot of people who want to come back to Hawke's Bay if they could get good employment. What we've done, anybody could do."

He is confident the Business Hub is a step in the right direction. "We as a family absolutely believe in the Business Hub. Hawke's Bay is blessed to have it here. We've got some great business leaders and we now just need to get on and get employment going," he said. "It will happen."



BIG PLANS: Big Save Furniture managing director Ray McKimm believes the Business Hub will provide a strong boost to Hawke's Bay's economic development aspirations. PHOTO/PAUL TAYLOR

United philosophy at hub of Bay business initiative

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Business New Zealand in 2008 to strengthen the services that organisation offered to exporters. Those services include national and international representation, promoting exporters' interests via the media, and championing policies that encourage export growth and free enterprise. At the regional, level networking events, training and services are provided by the export divisions of Business New Zealand's business associations in those areas. Mr O'Reilly said those who became involved with Export New Zealand were joining a supportive network of like-minded business people, and those people could help them reach new heights by "opening doors".

Recently, the Hawke's Bay group staged a "Made in New Zealand" roadshow which highlighted the opportunities available in Taiwan. A trade delegation from Taiwan was in the Bay to see for themselves what the region had to offer.

● **THE ICEHOUSE:** Icehouse, the country's leading business growth organisation, set up shop in Hawke's Bay back in 2012 and in the first year alone drew the attention of about 120 businesses, large and small, which sought feedback and help across a range of business fronts. Michaela Vodanovich, a programme facilitator and business coach, was at the forefront of getting Icehouse established in the Bay and took on the role of its regional manager. She was joined by Kate de Lautour who had been the communications manager for Business Hawke's Bay and she works in closely with other support agencies across the region including the Regional Business Partner (NZTE voucher scheme) and Callaghan Innovation. Icehouse runs a series of initiatives complemented by special events like the upcoming Owner Management Programme aimed at businesses with a \$2.5 million-plus turnover and will feature various topic experts and speakers. It is an in-depth event and forms the flagship of Icehouse's many strategies. Icehouse runs programmes such as the Owner Operator Programme which consists of workshops and one-on-one coaching, as well as an Effective Leadership Programme, and Business Coaching where action plans and goal-seeking initiatives are worked on for businesses of all sizes.

● **FOOD HAWKE'S BAY:** As the title says — this is all about what Hawke's Bay has to offer on a plate, as well as everything along the production, promotions and delivery way of course. The organisation was set up to promote the region's food industry as well as get the word out about how rich a culinary destination the Bay is. It has widespread backing among food-orientated

"This is a remarkable initiative and a classic example of working together. It is the only one in the country with all the agencies you could want under one roof."

James Rowe, Napier City Council economic development officer

businesses. There are around 130 members and they encompass vineyards, cafes, restaurants, orchards, bakeries, gourmet dealers, chocolate makers, seafoods — the list of large and small businesses is a diverse one. Food Hawke's Bay, led by manager Patricia Small, works to assist food companies in selling their wares across the country and is heavily involved in organising events to promote food producers and the hospitality sector. These events are well established and draw national attention — like the annual F.A.W.C.I, the Hawke's Bay Regional Signature Dish, the Hawke's Bay Hospitality Awards and a string of one-off culinary events. It also runs a series of courses like Food HB Social Media Training, Customer Sales Service Training and One-on-One Master Class.

● **NEW ZEALAND FOOD INNOVATION NETWORK:** The New Zealand Food Innovation Network (NZFIN) is what the title describes. It is a network of five main regional organisations which cover the country and which are designed to create an accessible network of science and technology resources to encourage growth and support of food and beverage businesses. Businesses of all sizes. They are Foodbowl, Foodpilot, Foodsouth, FoodWaikato and Foodeast — the latter steered by business development manager Sally Gallagher with the region covering the central North Island and the eastern coast stretch from Gisborne to Wellington. Each region has a specific focus gauged by their individual strengths and capabilities and between them are able to offer a series of services designed to grow the nation's food and beverage businesses. Part of that approach includes strategies like Process Optimisation where NZFIN assists by connecting businesses to experts in the required fields who can potentially enhance production techniques. There is also funding advice and opportunities, export advice, new product development and commercial production.

● **NEW ZEALAND TRADE AND ENTERPRISE:** New Zealand Trade and Enterprise was set up in July 2003 as the country's international business development agency. Essentially, its role is to make a positive difference for the country by helping businesses grow bigger, better and quicker in the crucial overseas markets. To grow and succeed is what it is all about, and the structure of

New Zealand Trade and Enterprise is a strong one. On the political front Ministers Steven Joyce (economic development), Tim Groser (trade) and Todd MacLay (revenue) are part of the big team which also includes a seven-strong board led by Andrew Ferrier who has leading business experience nationally and internationally. It also operates international directors, trade commissions, service directors and customer directors. Trade and Enterprise delivers strategic advice and access to networks and influencers, research and market intelligence. Its presence at the Hawke's Bay Business Hub will be taken care of by Amanda Martin and Sue Greenwood.

● **REGIONAL BUSINESS PARTNER FOR CAPABILITY DEVELOPMENT (NZTE):** The Regional Business Partner network comprises 14 organisations, which operate under the New Zealand Trade and Enterprise umbrella, that provide information and advice to New Zealand businesses. The Hawke's Bay region's capability development contact at the hub will be Brett Johnson from the Hawke's Bay Chamber of Commerce. He is part of a network of specialist business advisers who are available to help business owners and key managers identify needs and opportunities to grow their businesses. Part of that approach is the access, if eligible, for NZTE capability development vouchers which are available for businesses to use as partial payment toward the cost of development and training as well as business planning.

● **REGIONAL BUSINESS PARTNER FOR R&D (CALLAGHAN INNOVATION):** Also working in partnership with New Zealand Trade and Enterprise is the Callaghan Innovation group. There are 17 regions represented and the emphasis is on helping businesses access funding, training and development across the regions. They offer extensive research and development services to businesses in the high-technology manufacturing and services sector using the skills and knowledge of a diverse team of engineers, technologists, designers and scientists. It is all about providing access to that sort of assistance, and the organisation administers more than \$140 million a year in business research and development through a range of programmes. Heading the organisation at the Hawke's Bay Business Hub will be Jenny Brown from the Hawke's Bay Regional Council.



Problems solved round a cuppa

Two weeks after moving into the Business Hub, Hawke's Bay Chamber of Commerce CEO Wayne Walford says he is already experiencing the advantages of sharing office space with other organisations focused on regional development.

"I've already seen some benefits in the conversations around the coffee machine," Mr Walford says.

"There are conversations that are happening that may not have happened before the move. Already I've got people walking into my office to have a chat or ask a question that we can deal with straight away — there doesn't have to be an email, I don't have to get back to them. That sort of thing is invaluable."

Having related agencies working in the building means issues can be dealt with on the spot "and we can move things along", he says.

It also makes developing relationships between agencies easier, he says. "Efficiency-wise, and for information sharing, it's got to be of value for the region. I imagine it will only grow from here as long as everybody keeps up the positive, empowering support for each other."

COFFEE AND A CHAT: Hawke's Bay Chamber of Commerce CEO Wayne Walford says being able to share a cuppa with others is a powerful benefit of the Business Hub. PHOTO / DUNCAN BROWN

Joyce to wield scissors when ribbon snipped

Economic Development Minister Steven Joyce will officially open the Hawke's Bay Hub on Thursday, May 14.

The two-hour event will start at 1pm. About 200 guests will include local mayors, councillors and MPs, business hub team members, stakeholders, partners and supporters.

Business Hawke's Bay chief executive Susan White will steer the event after a Maori blessing by Mana Ahuriri representatives.

Mr Joyce will address the gathering and unveil a plaque, and Business Hawke's Bay board chairman Stuart McLaughlan will also speak.

An open day on Friday, May 22, from 10am-3pm, will allow the business community to check out the hub.

Hub members will be on hand to discuss the help they can provide, while hub partners and sponsors may be there for discussions.

Bay first region to link up advisory groups

The Ahuriri-based Hawke's Bay business hub is unique.

The Bay is the first region in the country to physically combine a single-stop, go-to place for people seeking answers to business challenges and general advice about how to move ahead.

As Business Hawke's Bay CEO Susan White said, in the regions collaboration was even more important than it was in cities — "because there is nobody else".

There are, however, hubs of actual businesses under one roof in other centres, although that is what they are — separate businesses.

In terms of creating a "one-shop stop" centre to create business advice and guidance, the Dunedin City Council claims to have hit the mark first.

Its economic development unit created a "hub" within its main public library and described it as the first of its type in New Zealand.

The only main difference between it and the Ahuriri set-up is that the Bay's unit is occupied by a string of business advisory groups, along with council representation.

The Dunedin hub is effectively only manned by the council's economic development unit with the team of council business advisers offering free business clinics as well as private sessions.

But it had served its purpose well, according to reports, with people seeking start-up advice, or in businesses already under way but looking to expand or diversify.