

TOWN OF GANANOQUE BUSINESS MIX ANALYSIS



**TOWN OF GANANOQUE
BUSINESS MIX ANALYSIS**
Prepared by: Town of Gananoque
Economic Development Department
2014

1.0 Background

1.1 TOWN OF GANANOQUE

The Town of Gananoque is internationally renowned as the “Gateway to the 1000 Islands” and is recognized as one of Eastern Ontario's most stunning waterfront communities. The community is comprised of 5200 people and welcomes over 300 000 visitors each year. Strategically located on the Hwy 401 corridor and near the U.S border, Gananoque is centrally located between major urban centre’s including Toronto, Montreal and Ottawa. With its unbeatable quality of life and larger centers only minutes away, Gananoque has developed into a world class destination for travelers, businesses and residents.

The Town of Gananoque is home to approximately 250 business and has opportunities for many other exciting businesses. The Town of Gananoque is experiencing significant growth with over 200 condo units proposed in three different developments in addition to investment in existing businesses including hotels and restaurants. For a full business listing please refer to the following link:

<http://www.gananoque.ca/invest-in-gananoque/business-directory>

1.2 DOWNTOWN CORE

The downtown area in the Town of Gananoque is defined as the area that runs east from the King Street Bridge to Charles Street. This area is comprised of approximately 78 businesses and employs over 200 people. This area is also part of the Gananoque Business Improvement Area (BIA) which was established by the municipality to oversee the improvement, promotion, beautification and maintenance of the designated downtown area.

Figure 1: Gananoque Downtown

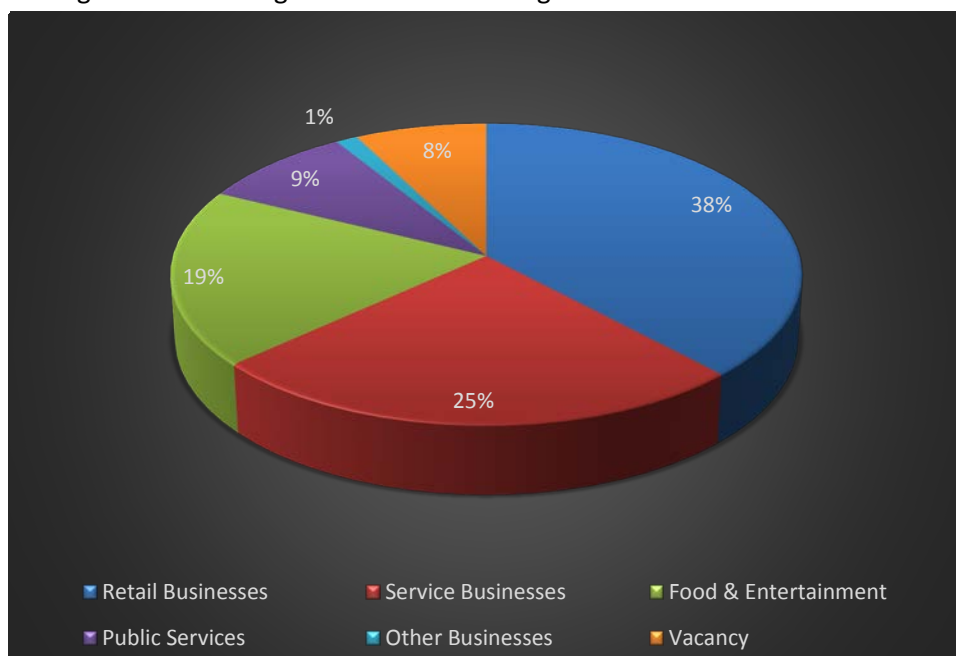


2.0 Downtown Commercial Categories

For the purposes of this report there are six commercial categories.

- Retail Businesses:** Businesses that sell physical merchandise such as a grocery store or shoe store.
- Service Businesses:** Businesses that provide services to a consumer market such as a hair stylist or lawyer.
- Food & Entertainment:** Businesses include restaurants and theatres that sell goods that are consumed on site.
- Public Services:** These are not businesses but may attract or employ people in the downtown such as municipal office, church or library.
- Vacancy:** Vacant space available for business

Figure 2: Percentage of commercial categories in the downtown area



SOURCE: Economic Development Department May 2014

Overall retail is the largest category for the downtown area. The vacancy rate is 7.5% which is less than the reported rate of 10% in 2007.

3.0 Comparative Business Mix

The Town of Gananoque is comprised of 5200 people and approximately 250 businesses. Due to the size of the community it is important to analyse the community as a whole in regards to business mix and subsequent business gaps. The comparator communities were selected based on similar population sizes.

Table 1: Comparative Business Mix Analysis

NAICS Code	Description	Gananoque	Prescott	Brighton	Perth	Meaford
531	Real estate	41	39	56	75	61
722	Food services and drinking places	33	15	21	38	27
238	Specialty trade contractors	26	30	68	36	68
541	Professional, scientific and technical services	24	48	65	66	76
721	Accommodation services	21	4	6	5	5
445	Food and beverage stores	16	9	11	20	17
813	Religious, grant-making, civic, and professional and similar organizations	15	12	10	20	14
551	Management of companies and enterprises	15	6	7	20	11
523	Securities, commodity contracts, and other financial investment and related activities	13	6	15	23	32
236	Construction of buildings	13	14	1	17	38
561	Administrative and support services	12	16	21	18	40
453	Miscellaneous store retailers	12	8	8	16	8
812	Personal and laundry services	11	4	19	22	12
621	Ambulatory health care services	11	16	23	37	28
441	Motor vehicle and parts dealers	9	9	4	8	8
811	Repair and maintenance	8	14	24	10	18
484	Truck transportation	8	18	28	7	21
446	Health and personal care stores	8	3	4	8	4
624	Social assistance	7	4	3	8	6
237	Heavy and civil engineering construction	7	2	4	0	14
713	Amusement, gambling and recreation industries	6	3	5	5	9
448	Clothing and clothing accessories stores	6	2	4	14	2
711	Performing arts, spectator sports and related industries	5	1	2	7	3
623	Nursing and residential care facilities	5	2	4	7	2
522	Credit intermediation and related activities	5	4	2	9	7
447	Gasoline stations	3	5	5	8	3
488	Support activities for transportation	4	2	2	1	1
452	General merchandise stores	4	4	5	7	4
443	Electronics and appliance stores	4	2	0	4	2
611	Educational services	3	1	2	9	9
444	Building material and garden equipment and supplies dealers	3	6	6	5	3
417	Machinery, equipment and supplies merchant wholesalers	3	1	8	5	6

NAICS Code	Description	Gananoque	Prescott	Brighton	Perth	Meaford
814	Private households	2	0	1	2	1
524	Insurance carriers and related activities	2	4	6	11	7
512	Motion picture and sound recording industries	2	0	2	1	1
511	Publishing industries (except internet)	2	4	3	6	1
492	Couriers and messengers	2	0	1	0	1
487	Scenic and sightseeing transportation	2	0	0	0	0
485	Transit and ground passenger transportation	2	4	1	2	1
419	Business-to-business electronic markets, and agents and brokers	2	1	1	2	3
418	Miscellaneous merchant wholesalers	2	1	5	0	2
415	Motor vehicle and motor vehicle parts and accessories merchant wholesalers	2	1	4	1	3
321	Wood product manufacturing	2	1	1	3	3
311	Food manufacturing	2	2	2	2	1
221	Utilities	2	3	0	0	2
913	Local, municipal and regional public administration	1	2	0	2	1
562	Waste management and remediation services	1	2	5	0	2
532	Rental and leasing services	1	3	1	2	4
519	Other information services	1	1	1	1	1
483	Water transportation	1	0	0	0	0
451	Sporting goods, hobby, book and music stores	1	1	1	4	5
442	Furniture and home furnishings stores	1	1	3	4	5

Data Source: Canadian Business Patterns December 2013

4.0 Market Threshold Analysis

Market threshold analysis is a systematic approach to examining the average number of people that support a business type based on the population of Ontario. It is important to note this approach only accounts for the number of registered businesses and does not account for size variation of the business. The following tables (2 and 3) are analysed based on the North American Industry Classification System (NAICS). NAICS is a classification system that identifies the types of businesses by sector, subsector, industry group, industries and Canadian industries. In this report the 3-digit and 6-digit NAICS is used to examine the subsector groups and the Canadian industries respectively. The Tables below identify the areas that Gananoque has greater than capacity and the fewer than capacity numbers. The fewer than capacity areas are those that exemplify business gaps and opportunities.

The businesses that are identified as greater than capacity primarily include accommodations and restaurants. This is reflective of the tourism industry that is prevalent in the community. The areas of opportunity identified include professional services, bookkeeping and payroll, and retail opportunities as detailed in the 6-digit NAICS table. Please note catering was identified as an opportunity however many non-profit organizations and restaurants offer catering services that are not reflected in the numbers. Additionally, beauty salons are identified as an opportunity however unisex hair salons are greater than capacity so collectively the Town is at its theoretical capacity for hair salons.

Table 2: Market Threshold Analysis, NAICS 3 digits

NAICS Code	Description	# Businesses Ontario	# people per business Ontario	Theoretical Capacity of Community	Actual Number in Gananoque	Greater Than Capacity	Fewer Than Capacity
721	Accommodation services	17580	763	6.8	21	14.2	
722	Food services and drinking places	83166	161	32.2	36	3.8	
453	Miscellaneous store retailers	22484	597	8.7	12	3.3	
487	Scenic and sightseeing transportation	753	17811	0.3	2	1.7	
445	Food and beverage stores	36896	364	14.3	16	1.7	
441	Motor vehicle and parts dealers	20632	650	8.0	9	1.0	
483	Water transportation	529	25353	0.2	1	0.8	
452	General merchandise stores	8606	1558	3.3	4	0.7	
623	Nursing and residential care facilities	11713	1145	4.5	5	0.5	
446	Health and personal care stores	19782	678	7.7	8	0.3	
913	Local, municipal and regional public administration	4477	2996	1.7	1		-0.7
814	Private households	17164	781	6.7	2		-4.7
813	Religious, grant-making, civic, and professional and similar organizations	59668	225	23.1	15		-8.1
812	Personal and laundry services	45616	294	17.7	11		-6.7
811	Repair and maintenance	67505	199	26.2	8		-18.2
713	Amusement, gambling and recreation industries	16679	804	6.5	6		-0.5
711	Performing arts, spectator sports and related industries	22073	608	8.6	5		-3.6
624	Social assistance	23285	576	9.0	7		-2.0
621	Ambulatory health care services	97409	138	37.8	11		-26.8
611	Educational services	22507	596	8.7	3		-5.7
562	Waste management and remediation services	22507	596	8.7	1		-7.7
561	Administrative and support services	105330	127	40.8	12		-28.8
551	Management of companies and enterprises	87082	154	33.8	15		-18.8
541	Professional, scientific and technical services	328867	41	127.5	24		-103.5
532	Rental and leasing services	15883	844	6.2	1		-5.2
531	Real estate	258717	52	100.3	41		-59.3
524	Insurance carriers and related activities	17511	766	6.8	2		-4.8
523	Securities, commodity contracts, and other financial investment and related activities	95286	141	36.9	13		-23.9

NAICS Code	Description	# Businesses Ontario	# people per business Ontario	Theoretical Capacity of Community	Actual Number in Gananoque	Greater Than Capacity	Fewer Than Capacity
522	Credit intermediation and related activities	21667	619	8.4	5		-3.4
519	Other information services	4148	3233	1.6	1		-0.6
512	Motion picture and sound recording industries	15993	839	6.2	2		-4.2
511	Publishing industries (except internet)	8117	1652	3.1	2		-1.1
492	Couriers and messengers	9663	1388	3.7	2		-1.7
488	Support activities for transportation	13704	979	5.3	4		-1.3
485	Transit and ground passenger transportation	22075	608	8.6	2		-6.6
484	Truck transportation	74236	181	28.8	8		-20.8
451	Sporting goods, hobby, book and music stores	11678	1148	4.5	1		-3.5
448	Clothing and clothing accessories stores	30384	441	11.8	6		-5.8
447	Gasoline stations	16595	808	6.4	3		-3.4
444	Building material and garden equipment and supplies dealers	12147	1104	4.7	3		-1.7
443	Electronics and appliance stores	13797	972	5.3	4		-1.3
442	Furniture and home furnishings stores	10991	1220	4.3	1		-3.3
419	Business-to-business electronic markets, and agents and brokers	9328	1438	3.6	2		-1.6
418	Miscellaneous merchant wholesalers	16612	807	6.4	2		-4.4
417	Machinery, equipment and supplies merchant wholesalers	23398	573	9.1	3		-6.1
415	Motor vehicle and motor vehicle parts and accessories merchant wholesalers	6438	2083	2.5	2		-0.5
321	Wood product manufacturing	5573	2407	2.2	2		-0.2
311	Food manufacturing	7451	1800	2.9	2		-0.9
238	Specialty trade contractors	160954	83	62.4	26		-36.4
237	Heavy and civil engineering construction	30627	438	11.9	7		-4.9
236	Construction of buildings	89767	149	34.8	13		-21.8
221	Utilities	9375	1431	3.6	2		-1.6

Data Source: Canadian Business Patterns December 2013

Table 2: Market Threshold Analysis, NAICS 6 digits

NAICS Code	Description	# Businesses Ontario	# People per Business Ontario	Theoretical Capacity of Community	Actual Number in Gananoque	Greater Than Capacity	Fewer Than Capacity
721191	Bed and breakfast	1582	8478	0.6	7	6.4	
721114	Motels	2516	5331	1.0	5	4.0	
722511	Full-service restaurants	37586	357	14.6	19	4.4	
722330	Mobile food services	1144	11724	0.4	4	3.6	
721112	Motor hotels	969	13841	0.4	2	1.6	
453220	Gift, novelty and souvenir stores	5255	2552	2.0	4	2.0	
721113	Resorts	1073	12500	0.4	2	1.6	
311811	Retail Bakeries	1199	11186	0.5	2	1.5	
812116	Unisex hair salons	8963	1496	3.5	4	0.5	
721111	Hotels	4105	3267	1.6	5	3.4	
451310	Book stores and news dealers	2071	6476	0.8	2	1.2	
722410	Drinking places (alcoholic beverages)	5210	2574	2.0	3	1.0	
448310	Jewellery stores	5280	2540	2.0	3	1.0	
453110	Florists	3188	4207	1.2	2	0.8	
451113	Cycling equipment and supplies specialty stores	683	19637	0.3	1	0.7	
721310	Rooming and boarding houses	782	17151	0.3	1	0.7	
453210	Office supplies and stationery stores	1373	9768	0.5	1	0.5	
541920	Photographic services	4737	2831	1.8	2	0.2	
713940	Fitness and recreational sports centres	5132	2613	2.0	2	0.0	
485310	Taxi service	18096	741	7.0	7	0.0	
722512	Limited-service eating places	33246	403	12.9	10		-2.9
	Administrative management and general management						
541611	consulting services	43847	306	17.0	2		-15.0
541690	Other scientific and technical consulting services	19186	699	7.4	2		-5.4
812115	Beauty salons	14456	928	5.6	4		-1.6*
523920	Portfolio management	18768	715	7.3	4		-3.3
541215	Bookkeeping, payroll and related services	13514	992	5.2	2		-3.2
524210	Insurance agencies and brokerages	13193	1017	5.1	2		-3.1
541810	Advertising agencies	5026	2669	1.9	0		-1.9
	Research and development in the physical, engineering						
541710	and life sciences	3776	3552	1.5	0		-1.5
451119	All other sporting goods stores	3614	3711	1.4	0		-1.4

NAICS Code	Description	# Businesses Ontario	# People per Business Ontario	Theoretical Capacity of Community	Actual Number in Gananoque	Greater Than Capacity	Fewer Than Capacity
541930	Translation and interpretation services	2835	4731	1.1	0		-1.1
561510	Travel agencies	5289	2536	2.1	1		-1.1
445210	Meat markets	2493	5380	1.0	0		-1.0
446191	Food (health) supplement stores	2339	5734	0.9	0		-0.9
541940	Veterinary services	4846	2768	1.9	1		-0.9
451120	Hobby, toy and game stores	2156	6221	0.8	0		-0.8
451130	Sewing, needlework and piece goods stores	1498	8953	0.6	0		-0.6
541612	Human resources consulting services	3974	3375	1.5	1		-0.5
541910	Marketing research and public opinion polling	1342	9994	0.5	0		-0.5
451140	Musical instrument and supplies stores	1051	12761	0.4	0		-0.4
448210	Shoe stores	3618	3707	1.4	1		-0.4
722320	Caterers	3491	3842	1.4	1		-0.4*
448140	Family clothing stores	6024	2226	2.3	2		-0.3
721211	Recreational vehicle (RV) parks and campgrounds	814	16477	0.3	0		-0.3
452110	Department stores	751	17859	0.3	0		-0.3
448320	Luggage and leather goods stores	662	20260	0.3	0		-0.3
445110	Supermarkets and other grocery (except convenience) stores	10721	1251	4.2	4		-0.2

Data Source: Canadian Business Patterns December 2013