



**Business Plan for the year ended  
December 31, 2008**



**BLUELINE**

**S A F E T Y**





## Executive Summary

Blueline Safety is a registered partnership currently beginning its third year of operations. The Company is managed by qualified business and safety professionals with experience in the construction industry.

Blueline currently offers Occupational Health and Safety services to construction companies on southern Vancouver Island. Blueline's services help clients to save money, reduce workplace accidents, and allow customers to concentrate on managing their businesses. The Company plans to expand beyond the construction market to offer safety services to other industry sectors, including municipalities and school boards.

The business is based on the need for occupational health and safety knowledge in construction and other industries. All companies that operate in high-risk industries are required to have a health and safety program, and businesses with more than nine employees require a designated safety person. Blueline provides a wealth of safety knowledge and experience to companies who do not know what the government requires or how to improve their safety.

The Company is well positioned within the market due to the Island's geographical isolation, the lack of effective competition, and Blueline's knowledge of both safety and the construction industry.

Services are divided into three categories which include OHS Program Auditing, OHS Training, and OHS Program Support Services. The Company's OHS Program Support Services account for 71% of the company's revenue, with contributing income provided by its other services. The secondary services also promote the Company's OHS Program Support Services.

Gross income of \$104,281 in 2007 yielded a small net profit of \$4,000. The Company's 2008 forecasted growth will lead to a gross income of \$523,100. With better cost control measures in place, Blueline expects to earn a profit of \$45,100.

The Company's growth will occur as a direct result of its 2008 objectives. The main goals will be to hold a minimum of two OHS Training courses and to gain at least one new OHS Program Support contract per month.

This growth will be supported in part by the cooperative relationships the Company has developed with training partners and industry associations. These relationships provide Blueline Safety with significant industry recognition and frequent sales lead opportunities.

Blueline will maintain quality and stability as it grows by standardizing its procedures in a new operations manual. Employees will receive extensive professional development training as the Company matures. Blueline will also become a registered corporation by the end of 2008.

Labour costs are expected to increase as new employees are hired to handle the company's growth; however, with refined knowledge of labour costs, the Company plans to incorporate the cost of this growth directly into client pricing.

In 2008, Blueline Safety will continue to operate as a cash-based business and will not seek financial support. The Company expects 2008 to be a year of managed growth that will produce a profit as a result of disciplined control of all expenses.



# Confidentiality Statement

All information contained within this plan including data, documents, charts, tables, graphs, and appendices is strictly confidential. This document has been supplied on the understanding that the information will be held confidentially and not shared with third parties.

This business plan may not be circulated or disclosed, in whole or in part, without the prior written consent of Cameron Hacault and Trevor Scarfo of Blueline Safety.

This document is supplied without representation or guarantees. All values are approximate. Forecasts and projections are subject to change.





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# Background

## Mission Statement

To create injury-free work environments by providing the highest quality Occupational Health and Safety (OHS) services, including OHS Program Support, OHS Program Auditing, and OHS Training in British Columbia.

It is Blueline’s mission and philosophy to help companies improve their safety programs so they can concentrate on their core business activities. Blueline strives to ensure that clients have the education, resources, and expertise necessary to achieve a healthy and safe work environment.

Blueline Safety offers the highest quality customer support to meet the constantly changing occupational health and safety needs of the modern workplace.

## Vision Statement

To be the largest provider of Occupational Health and Safety services in Western Canada.

## Ethics and Business Practices

Blueline Safety Services is committed to providing transparent, high quality safety support with an unparalleled dedication to customer service.

Blueline’s goal is to create win-win situations in all business transactions. Whenever Blueline makes

an agreement or provides a service, the Company ensures that everyone benefits, including clients, vendors, peers and employees.

Blueline seeks to be a respected member of the safety industry and to be known for its ability to create dynamic partnerships with complementary businesses to provide the best quality service.

***Blueline’s Vision:  
To be the largest provider  
of Occupational Health  
and Safety Services in  
Western Canada.***

## Business Overview

Blueline Safety Services is a full-service Occupational

Health and Safety consulting firm which specializes in construction safety management. Blueline Safety provides combined OHS Program Support, OHS Program Auditing and OHS Training services. This differentiates the Company from other providers who offer a more limited range of services. Not only does Blueline develop clients’ safety programs—it also ensures that they are effectively managed.

There are a variety of vendors who provide some of the same services; however, Blueline Safety is the only company on Vancouver Island that offers a complete solution. Clients know that if they need to address a safety issue—Blueline can take care of it.



Customers' primary safety objectives are to lower injury rates, meet WorkSafeBC legal requirements, and receive COR rebates. Blueline Safety Services develops OHS Programs that meet and exceed the standards set by both COR and WorkSafeBC to help customers achieve these goals.

Blueline Safety currently focuses on its niche market, providing safety services to construction companies in Greater Victoria with plans to expand into Nanaimo and Vancouver.

Managed by experienced construction professionals with education in safety management, the Company began official operations when it was registered in January of 2006, and has grown rapidly. At the close of 2007 the Company had 10 clients under contract and three full-time employees.

In its initial year of operation (2006), Blueline Safety had \$60,000 in sales, which increased to \$104,000 in 2007. In the first two years of operation, the Company developed a firm business concept and a standardized approach to safety program development and management. Through nonstop refinement and perpetual education, the quality of service has continued to improve.

Awareness of the benefits of OHS Programs is rapidly increasing in the construction industry; however, a gap still remains between the need for OHS Programs and the level of knowledge within the industry. Blueline is in an excellent position to bridge this gap by providing a full range of safety services in a geographical market where competition is virtually nonexistent. In the face of tight deadlines, high employee turnover, and a lack of knowledge, many companies are turning to Blueline Safety as the best solution for OHS Program Support services.

## Company History

In October 2004, Cam Hacault worked as a labourer and First Aid Attendant on behalf of [REDACTED]. After working for the company for eight months, Cam was tasked with the management of [REDACTED] OHS Program. As part of his duties, Cam was sent to be trained to be a certified internal COR auditor with the Construction Safety Network (CSN).

After he completed the [REDACTED] OHS Program and its first COR audit, Cam realized there was demand in Victoria's construction industry for safety management services.

In June 2005, Cam formed a new agreement with [REDACTED] to operate as an independent contractor in charge of development and administration of their OHS Program. Once this program was implemented, the president of [REDACTED], [REDACTED], saw the value in the program which had been created and referred Cam to other construction companies in Victoria.

Initially, the base OHS Program outline which had been developed for [REDACTED] was used as a template for new OHS Programs. In December 2005, Cameron Hacault began to work with Trevor Scarfo to jointly develop OHS Programs on behalf of [REDACTED] and [REDACTED].

With three established clients and two full-time partners, Cam and Trevor began to operate as Blueline Safety Services in January 2006 and was officially registered under that name in March of that year.

In May 2006, Cam was recognized as a WorkSafeBC trainer, which allowed Blueline to become an authorized WorkSafe Education Partner. This enabled Blueline Safety to add WorkSafeBC’s safety training to their existing safety services—making Blueline Victoria’s only full service construction-safety company.

In May 2006 Cam submitted an application to the Applied Science Technologists and Technicians of BC (ASTTBC) and became a certified Construction Safety Officer. This certification provided Blueline Safety with a new level of credibility among its clients and demonstrated to potential customers that the Company follows recognized standards.

Seeing deficiencies in BC’s fall protection training resources, Blueline Safety sought out Fall Protection Group, which is recognized across the world for high-quality fall protection training. In July 2007, Cameron Hacault became certified to deliver Fall Protection Group’s training to companies in BC.

By the end of 2007 the Company had grown to include 10 contract clients and had achieved a reputation as a quality full-service safety provider. Blueline Safety is now positioned to achieve considerable growth over the next five years.

**Figure 1: Company History Timeline**

Date	Description
June 2005	[REDACTED]
June 2005	[REDACTED]
Dec 2005	[REDACTED]
Dec 2005	[REDACTED]
Jan 2006	[REDACTED]
Mar 2006	Blueline Safety is formed
Mar 2006	[REDACTED]
Apr 2006	[REDACTED]
May 2006	Certified as a WorkSafeBC Education Partner
May 2006	[REDACTED]
May 2006	Cameron Hacault certified as a Construction Safety Officer
Oct 2006	Eligible to perform Construction Safety Association of BC (CSABC) audits
Nov 2006	Bluelinesafety.ca website launched
May 2007	[REDACTED]
May 2007	[REDACTED]
June 2007	Blueline Safety becomes a member of the ASTTBC CSO certification panel
July 2007	Cameron Hacault is certified to deliver Fall Protection Group Inc. training in BC
Oct 2007	[REDACTED]
Oct 2007	[REDACTED]
Nov 2007	[REDACTED]
Dec 2007	[REDACTED]
Dec 2007	[REDACTED]

# Business Structure

## Management

As a service based company, Blueline Safety's success is dependent on the skills and dedication of its employees. Although the management and key personnel group is small, it contains significant professional knowledge.

### Business Manager Responsibilities



As the Business Manager for Blueline Safety Services, Cameron Hacault is responsible for finding new clients and creating contracts for the Company's OHS Program Support services.

Cam is the Company's trainer and personally delivers all of the OHS Training courses that Blueline offers. As the Company's only certified Construction Safety Officer, Cam also provides all official safety recommendations to clients in cooperation with Blueline's Safety Representatives.

### Professional History

*Cameron Hacault, Business Manager & Owner*

As a member of the Canadian Armed Forces from 1996 to 1999, Cameron Hacault received hundreds of hours of training in emergency response. While in the Navy, he also became certified as a first aid instructor.

In 2003 Cameron received his National Fire Protection Agency (NFPA) 1001 Firefighter certification along with further emergency-related training such as Technical High Angle Rope Rescue Awareness, Hazardous Materials Emergency Response (Operations Level), First Responder (Level III). This training brought Cameron to work in Alberta as an oil field Firefighter and Field Safety Supervisor. With this Safety Supervisor experience Cameron moved to Victoria in 2004 and entered the con-

struction industry working for ██████████, a concrete formwork contractor. Cameron was quickly placed in charge of the company's Occupational Health and Safety Program. Based on this experience, Cameron moved on to become an independent safety services contractor and officially started Blueline Safety Services with Trevor Scarfo in 2006.

### Operations Manager Responsibilities



As the Operations Manager for Blueline Safety Services, Trevor Scarfo handles the day-to-day operations of the Company. His role is primarily administrative and includes duties such as purchasing, account-

ing, financial planning, budgeting, and marketing. He plays an integral role in the creation of new Occupational Health and Safety programs, as well as preparing annual safety audits.

Trevor works directly with Blueline Safety Representatives to ensure that client needs are met and that service is delivered according to the Company's high quality standard.

### Professional History

*Trevor Scarfo, Operations Manager and Owner*

Trevor Scarfo completed the Operations Management diploma program at BCIT (Burnaby, British Columbia) in 2002. He worked as the Operations Manager for The Boathouse Restaurant (Richmond, BC) until 2004. His role included responsibilities such as purchasing, facilities management, and employee management.

Since the inception of Blueline Safety, Trevor has completed many courses in occupational health and safety such as; Claims Management, Joint Occupational Health and Safety Committees, Fall Protection, and Risk Assessment. In 2006, he was certified as a Health and Safety Auditor with the Construction Safety Network (CSN). He has also attended seminars and information sessions sponsored by WorkSafeBC regarding changes to the BC *Occupational Health and Safety Regulation*.

## Ownership

Blueline Safety Services is a registered partnership jointly owned by Trevor Scarfo and Cameron Hacault, under business number 803168749. The Company plans on incorporating in 2008.

## Location and Facilities

As a service provider, much of Blueline Safety's work is performed on location at client job sites and offices. Administrative work is completed in each employee's home office. As the Company grows and requires additional staff, Blueline intends to lease office space including a training facility with a capacity for 30 students and an outdoor practical exercise area.

## Staffing

Blueline Safety's staffing challenge is to find intelligent, ambitious, dedicated people with the right knowledge and experience. There is currently a shortage of qualified workers and a very low unemployment rate in BC. Victoria in particular seems to have a transient workforce, especially in the construction industry. Further, health and safety professionals typically command large salaries which Blueline Safety is not able to support at this time.

This, combined with the many opportunities for workers in other nearby geographic locations and industry sectors, such as the Alberta oil and gas industry, forms a significant potential barrier to Blueline's ability to find staff.

Blueline has met this challenge by concentrating on finding entry-level employees with the appropriate energy, drive, work ethic, and industry experience rather than candidates with safety experience and education.

Blueline will provide occupational health and safety related training to all employees to ensure that they are fully qualified to handle job requirements. Blueline will encourage employees to seek challenges within the Company, and provide the resources they need to succeed—as Blueline grows, so will its employees. Blueline will also offer a comprehensive benefits package including medical and dental coverage.



A close-up photograph of a hand holding a black pen, writing on a white document. The background is a blurred construction site with orange traffic cones and a fence.

## Services Profile

Blueline Safety Services presently offers three categories of services to customers including OHS Program Support, OHS Program Auditing, and OHS Training.

### OHS Program Support

Blueline Safety creates and manages custom designed OHS Programs, primarily for companies in the construction industry. Programs include a collection of documents which guide clients to a standardized approach to safety, including all of the company's health and safety policies and procedures.

When developing a new program, Blueline examines client practices and incorporates effective existing practices in the new plan. In addition to maintaining useful procedures already in place, Blueline develops new policies and procedures to cover any gaps in worker safety.

New safety programs are introduced in weekly sections over a one-year period. During this time, Blueline Safety Representatives visit job sites each week to monitor progress and to implement new sections of the program.

By implementing the program in steps, workers are trained to follow new safety protocols. Blueline ensures that the OHS Program is operating effectively by performing site inspections, safety committee organization and management, and other forms of due diligence during site visits.

Blueline's ever growing health and safety knowledge helps workers complete their jobs safely. This allows Blueline clients' management to focus on what they do best—running their own businesses.

### OHS Program Auditing

WorkSafeBC, in cooperation with the Construction Safety Association of BC (CSABC) and the Construction Safety Network (CSN), sponsors an employer incentive called the Partners in Injury and Disability Prevention Program.

This program rewards employers who meet 15 safety targets above the provincially legislated requirements. These employers receive a Certificate of Recognition (COR) from the CSN or CSABC.

Blueline Safety works on behalf of these associations to perform annual audits which are used to determine these companies' COR eligibility. The first three COR safety audits performed are completed internally; however, every fourth year an external audit is required.

Blueline conducts internal and external audits on behalf of clients applying for COR through the CSABC. The Company also conducts external audits on behalf of the CSN. Blueline Safety is a strong supporter of the COR standard and promotes the benefits of the program to all of its clients.

### OHS Training

Blueline Safety has a growing reputation for quality construction safety training. The Company has formed strategic partnerships with recognized training providers such as the Red Cross, WorkSafeBC, CSABC and the Fall Protection Group to offer the top-quality safety courses listed below.

## WorkSafeBC Courses

- Supervisor Safety Management
- Hazard Recognition and Control
- Preventing and Investigating Musculoskeletal Injuries
- Preventing Workplace Violence
- Occupational Health and Safety in Small Business
- Responsibilities of Joint OHS Committees



## WorkSafeBC Modules

- Accident Investigations and Reports
- Basic Workplace Hazardous Material Information Systems (WHMIS)
- Confined Space
- Due Diligence
- Effective Crew Talks
- Joint OHS Committee/Worker Representatives
- Lockout Procedures
- OHS Program Overview
- Refusal of Unsafe Work
- Risk Assessment and Control
- Safety Inspections
- Use of the OHS Regulation
- Level 1 First-Aid (OFA Level 1)



## CSABC Courses

- Owner/Senior Manager Course
- Supervisor Course
- COR Safety Auditor Training Course



## Red Cross Courses

- Occupational First Aid Level 1 (recognized by WorkSafeBC)



# Market

The occupational health and safety market is largely untapped in BC. Although companies in high-risk industries are required to account for the health and safety of their employees, the majority of companies attempt to manage this aspect of their businesses internally. However, the majority of these employers do not have the manpower or safety knowledge to manage safety effectively. Blueline provides the professional expertise that they need.

At this time, Blueline Safety Services currently focuses on construction companies in the Southern Vancouver Island area as its core market. This market can be subdivided into prime contractors, subcontractors and trade associations. Blueline Safety is also beginning to examine the municipalities market and has already achieved a contract with its first municipal customer.

## OHS Program Support Markets

Prime contractors need to manage safety for the entire worksite. This includes ensuring that sub-trades meet all WorkSafeBC safety requirements and practices by creating work permits, holding safety meetings, and conducting safety inspections.

In BC there are a total of 295 prime contractors in the various geographical markets with a potential provincial market of over \$7 million per annum. Blueline’s primary geographical target market is Vancouver Island, which offers potential yearly revenue of \$1.56 million per annum.

The second market for OHS Program Support is subcontractors. These clients tend to be much smaller and focused on a single trade such as plumbing, electrical, stonework, and framing. OHS programs for subcontractors must meet all the same WorkSafeBC safety requirements as prime contractors, but subcontractors are only responsible for their direct employees.

Blueline forecasts that BC’s 931 subcontractors form a potential market of \$7.1 million, with \$300,000 of this potential annual market located on Vancouver Island.

BC’s construction trade associations are some of the largest potential customers for Blueline’s OHS Program Support, with an overall market value of \$2.04 million (as these organizations are province wide, there is no specific geographic market). However, as Figure 2 below shows, there are only 17 construction trade associations in the province. Nonetheless, due to the massive size of their memberships, OHS Program Support contracts for construction trade associations form a lucrative sector of the market.

**Figure 2: Size of the BC Construction Industry**

Trading Areas	Prime Contractor	Subcontractor	Trade Associations
Vancouver Island	65	253	N/A
Greater Vancouver	90	300	N/A
Southern BC Interior	92	256	N/A
Northern BC	48	122	N/A
<b>TOTAL:</b>	<b>295</b>	<b>931</b>	<b>17</b>

The Company has begun to access the municipalities market, which has an estimated provincial value of \$7.1 million and a Vancouver Island value of \$1.5 million.

From its limited exposure to municipal safety practices, the Company anticipates that this market is ripe for its OHS Program Support services.

### **OHS Training Markets**

Blueline Safety is gaining a reputation for quality and effectiveness throughout the construction industry. As a result, prime contractors and subcontractors are approaching Blueline for their OHS Training services.

There are approximately 931 subcontractor companies in BC, which make up an estimated provincial training market of \$931,000. Blueline intends to capitalize on the Vancouver Island segment of this market, estimated at an annual value of \$253,000.

The potential provincial training market for prime contractors is estimated at \$2.9 million per year of which \$650,000 is located on Vancouver Island.

### **Industry Outlook**

Blueline's continued focus on the construction industry takes advantage of both the company's growing reputation in the market as well as the company's existing expertise in the industry.

Within the next five years, Blueline anticipates that the construction industry on Vancouver Island and throughout British Columbia will experience a mild decline in growth as the market corrects from the present economic boom. However, as the present market is relatively free of third party vendors such as Blueline Safety, it projects that this will remain a lucrative market for growth.

Blueline will protect itself from major changes in the market by diversifying into additional industries such as the municipal safety market. However, Blueline Safety does not intend to aggressively pursue municipal customers until it better understands the market and its safety requirements.

The Company will have completed a great deal of its learning regarding the requirements for municipal safety by the end of 2008 and will reevaluate the benefits of aggressive growth into this market at that time.

# Marketing Strategy

## Promotional History

Since its inception, Blueline Safety has relied primarily on word-of-mouth advertising. Each new client has been either a direct referral from an existing client, or has learned about Blueline through its OHS training courses. A growing number of customers have referenced the Blueline Safety website as an initial point of contact as well.

Due to the aggressive growth strategy for 2008, Blueline Safety needs to create greater brand awareness in the marketplace. To facilitate this, Blueline Safety will update and expand its promotional materials.

***Promotional Message:***  
Blueline Safety will help your company lower injury rates, resulting in reduced WorkSafeBC premiums and increased productivity for a fraction of the cost of a fulltime employee. We are your full-service Occupational Health and Safety services provider.

In order to provide something substantial when meeting with new potential clients, the 2008 marketing plan includes the creation of an introductory folder which will include descriptions of the Company and its services.

## Promotional Message

"Blueline Safety will help your company lower injury rates, resulting in reduced WorkSafeBC premiums and increased productivity for a fraction of the cost of a full-time employee. We are your full-service Occupational Health and Safety services provider."

## Marketing Plan

Blueline Safety Services has a projected marketing budget of \$12,000 in 2008 to cover the costs of marketing including a new branding package, website updates, business introduction folder, magazine advertisements, and referral rewards.

The new branding package will include completely redesigned pamphlets and business cards, as well as Blueline's first official letterhead and envelopes. Copies of the existing pamphlets and business cards have been included in Appendix III.

A growing number of clients find Blueline Safety

through the internet. Part of the 2008 marketing budget will be devoted to improving the existing website to provide superior customer service information and new digital services such as an online self audit.

Blueline will attempt to reach new groups of customers by beginning to advertise in industry publications with both paid advertisements and informational articles. Many of these advertisements will be free after Blueline has paid for its relevant yearly association membership.

The final component of the 2008 marketing plan will be the referrals reward program, where companies referring new clients to Blueline Safety will receive a referral reward valued at 15% of the new client's first invoice.

## Promotions Tracking

In order to determine the success of these marketing efforts, Blueline Safety has begun to track promotional effectiveness and brand awareness on first contact with new or potential clients. In particular, representatives will be working to determine how clients initially heard of the Company to determine which aspects of the marketing plan are the most effective.

Figure 3: Blueline Safety Website (www.bluelinesafety.ca)

**BLUELINE SAFETY**

"Our courses are designed to fit the needs of your company."

Home Services **Courses** COR Affiliations Contact Jobs

**Supervisor Safety Management**  
If your organization needs safety-related training, look no further. Blueline Safety is a WorkSafe Education Partner. We have been trained to teach the following WorkSafeBC courses:

WorkSafeBC Courses	Duration	Cost (per student)
Supervisor Safety Management	9 hours	\$150
Responsibilities of Joint OHS Committees	8 hours	\$125
Hazard Recognition and Control	10 hours	\$170
Preventing and Investigating MSI	8 hours	\$125
Preventing Workplace Violence	6 hours	\$100
OHS in Small Business	8 hours	\$125

These comprehensive courses are full of practical information that you and your employees will be able to put into practice right away. Upon completion of any of the above courses, students will receive a certificate of completion from WorkSafeBC.

Your employees may not need to take an entire WorkSafeBC course. Perhaps your employees only need to learn or refresh their skills in a particular area. Well, we can help there too. We offer the following modules that your employees can take individually or in conjunction with other modules:

Individual Course Modules	Duration	Cost (per student)
Accident Investigation Workshop	2.5 hours	\$50
Accident Investigations and Reports	2 hours	\$40
Basic WHMIS	4 hours	\$75
Confined Space	4 hours	\$75
Due Diligence	1.5 hours	\$30
Effective Crew Talks	1.5 hours	\$30
Hazard Assessment Guide (New)	2 hours	\$40

**CCR CALCULATOR**

PAYROLL

INDUSTRY BARE RATE

**Calculate Rebate**

TOTAL ESTIMATED REBATE

[Learn more](#)

*"Since working with Blueline Safety, we have noticed a significant shift in the attitude towards safety on all our jobsites. Our workers are more aware of safety issues, and everybody knows that help is just a phone call away."*

Wayne Knight, President  
 W.R. Knight Contracting Ltd.  
 (General Contractor Victoria, BC)

Updates and improvements to the Blueline Safety Website will be completed as part of the 2008 marketing plan.

A graphic of five stylized human figures in shades of blue, holding hands in a line that curves upwards from left to right. The figures are positioned above a large, glowing blue sphere that has a grid pattern on its surface, resembling a globe. The background is a light blue gradient.

## Cooperation

Blueline's philosophy is that there is a win-win situation in every relationship. Blueline invites the opportunity to share its knowledge and resources with like-minded businesses.

One of Blueline's core business advantages is its ability to organize and manage systems. There are other companies who have developed systems which complement Blueline's business, such as fall protection courses and online safety management software. Blueline usually considers it advantageous to partner with complementary businesses rather than competing with them.

### Training Partners

#### *Red Cross*

The Red Cross is internationally recognized for the quality of their first aid training. Blueline Safety has partnered with the Red Cross to deliver their courses as a Red Cross Training Associate. This allows Blueline to deliver a consistent course product and to be recognized in association with this world-renowned humanitarian services provider.

#### *Fall Protection Group Inc.*

Fall Protection Group is a professional training company based in Calgary, AB internationally recognized for its high-quality fall protection training. When it created these courses, Fall Protection Group ensured they could be taught by certified training providers using a standard program delivery template. Blueline Safety is currently in negotiations to become the BC representative for Fall Protection Group training. By providing Fall Protection Group courses, Blueline Safety offers a very high quality product without the investment required to develop such training. In addition, offering this internationally recognized training gains considerable industry prestige for Blueline.

#### *British Columbia Institute of Technology*

With over 48,000 students presently enrolled and 40 years of history, BCIT has become recognized as British Columbia's leading polytechnical school. Blueline is in negotiations with BCIT to deliver the school's Construction Safety Officer (CSO) training and certification program on Vancouver Island. This partnership will bring a great deal of industry recognition to Blueline Safety's training as well saving Blueline the time and resources required to develop their own CSO training program.

#### *WorkSafeBC*

WorkSafeBC is responsible for regulating and ensuring safe working conditions for British Columbians through education, inspection, and enforcement. They also provide rehabilitation, compensation, health care benefits, and a range of other services. WorkSafeBC has developed a number of safety courses to

meet the needs of industry. Blueline Safety has partnered with them to deliver their courses as a WorkSafeBC Education Partner. As many clients specifically seek out WorkSafeBC approved courses in response to directions to seek training, this partnership positions Blueline to meet customer needs and add to the Company's reputation for quality.

## Association Partners

### *SVICA*

The Southern Vancouver Island Construction Association (SVICA) acts as a channel to publish information on projects that are accepting bids for construction contracts. The majority of construction companies are in the association to gain access to these bidding opportunities—thus cooperation with SVICA puts Blueline in touch with many potential customers.

Since May 2006, SVICA has used Blueline Safety to deliver safety training to their membership on a quarterly basis. The Company consistently receives referral business through SVICA from companies looking for safety services. In the past Blueline has paid SVICA a referral fee for any new training clients obtained through their advertising (15% of gross course fees). Starting in 2008, the Company will purchase a yearly membership which will allow Blueline free advertising access to the association's general membership.

### *Construction Safety Network (CSN)*

The Construction Safety Network (CSN) is one of the two safety associations for BC's construction industry, both of which are responsible for administration of the COR safety program. CSN also provides training, OHS Program guidance and will review/approve COR audits as submitted by companies applying for COR. Blueline is a CSN certified external auditor authorized to conduct external audits on behalf of companies. This is a valuable

service that Blueline can offer to companies seeking COR certification and the attendant COR rebates.

### *CSABC*

The Construction Safety Association of BC (CSABC) is the other safety association serving BC's construction industry and it administers its own COR safety certification program. Blueline is authorized to conduct both external audits and internal audits for CSABC COR certification requirements. The Company has an excellent relationship with CSABC and receives a large number of referrals through this association. Blueline is frequently contracted by CSABC to conduct external audits for its members. While conducting the audits Blueline is often in the position to provide further OHS consulting services to the member.

### *ASTTBC CSO Certification Panel*

The Applied Science Technologists and Technicians of BC (ASTTBC) Construction Safety Officer (CSO) Certification Panel is in charge of overseeing the certification process for CSOs in BC. Cam Hacault, co-owner of Blueline Safety, sits as a member of the panel. The panel meets regularly to improve the training standards and ongoing training requirements for Construction Safety Officers. Blueline Safety is looking to become licensed to deliver a CSO course or to develop its own course. Involvement with the panel will assist Blueline in its attempts to offer recognized CSO training from BCIT or its own custom-designed certification course. Furthermore, as a member of the panel, Blueline gains a great deal of industry prestige.



# Intellectual Property

## Copyright

In compliance with the ethics and practices commonly held in the occupational health and safety industry, Blueline Safety is open to customers sharing documents created by Blueline with other businesses. Blueline considers the safety and health of British Columbians to be its primary goal. If the availability of Blueline’s intellectual property can prevent workplace accidents then the information should be shared—even if Blueline isn’t making a profit.

However, Blueline believes that it should be recognized for the contributions it has made to the field of health and safety. Blueline Safety Services’ OHS Programs and other intellectual property are developed with an unparalleled dedication to usability, professionalism, and hands-on effectiveness. Therefore, beginning in 2008, Blueline Safety will start marking its documents with the Creative Commons Attribution ShareAlike 3.0 copyright markers.

Under this marker, anyone is free to copy, distribute, transmit, and adapt the work. However, this freedom is dependent upon two requirements: attribution and sharing. The information in the document, no matter how it is changed, should be attributed to Blueline Safety. Also, documents built on Blueline’s intellectual property—no matter how they are changed—must be distributed under the same ShareAlike conditions.

## Non-competition Agreements

Beginning in 2008, Blueline Safety will require all existing and new employees to sign non-compete agreements. Such agreements are usually a clause in an employment contract or an independent agreement which states that the signee agrees not to work in the relevant field for a specified length of time (usually 3-5 years) after termination of employment.

These non-compete agreements will be conditional to employment with Blueline Safety in order to protect the confidential information which makes up the core of the Company’s business.

## Registered Trademark

During the process of incorporation which will be completed in 2008, the Company will examine the costs and benefits of submitting the Blueline Safety logo and branding material to be recognized as registered trademarks.



# Liability and Regulation

## Liability

As a consulting firm hired for its expertise in safety, Blueline Safety Services requires adequate insurance to cover potential liabilities. Each Blueline Safety Representative is covered by a \$2 million Errors & Omissions insurance policy. Blueline Safety also has General insurance which will cover any damages to Company property in the event of an unforeseeable incident such as a fire, earthquake, or personal injury.

Blueline Safety also pays health and safety insurance coverage for all employees in accordance with the *Workers Compensation Act* as well as the *Occupational Health and Safety Regulation*.

In 2008, Blueline Safety plans to further manage potential liabilities by registering as a limited incorporated company. The incorporation process will be completed before the close of the business year.

## Regulations

At this time, the health and safety industry in British Columbia is not regulated by government. The only regulatory requirements which impact Blueline's business are the requirements of training content vendors. In order to offer courses from recognized leaders such as the Fall Protection Group, Blueline Safety's trainers must take the training directly from the source vendor, as well as a special "Train the Trainer" course, before becoming eligible to teach the course.



# 2007 Performance

## Growth

In 2007, its second year of business as a formal partnership, Blueline Safety experienced a 74% increase in sales. Gross income for 2007 grew to \$104,281 from the 2006 Gross Income of \$60,000. The Company retained a small net profit of \$4,000 in 2007, an increase over its 2006 net profit of \$153.

2007 growth was in large part due to an increase from six OHS Development and Management contracts in 2006 to 10 contracted clients in 2007. The Company facilitated this growth by increasing its staff to three employees.

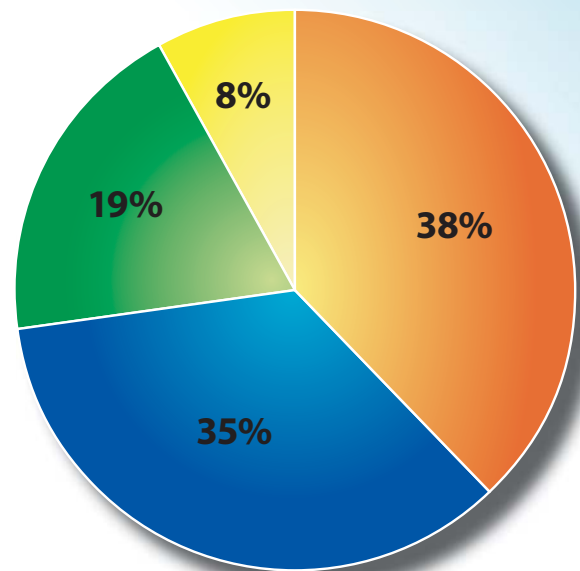
Each of the company's four main service categories supported the 2007 growth, with the largest revenues coming from the OHS Program Development service (38%). This was closely followed in revenue by OHS Program Management services (35%). OHS Management services became contractually tied to OHS Program Development services in late 2007 and will be reported as a combined service as OHS Program Support in 2008.

There was significant growth in the Company's two remaining services. OHS Training (19%) and OHS Program Auditing (8%) were profitable and contributed to the Company's growth in its primary services by bringing industry attention to the Company and its OHS Program services.

## Expenses

The most significant expenses in 2007 were shareholder drawings (26%), supplies (23%), salaries (13%), and rent (3%). These expenses accounted for 65% of the company's 2007 sales. The Company has continued to operate as a cash-based business and is without any corporate debt.

**Figure 4: 2007 Revenue Balance**



-  Auditing
-  OHS Training
-  OHS Management
-  OHS Development

# Grow.

## Business Development

During 2008 Blueline began to develop a reputation in the local and provincial construction industry. In particular the Company received a great deal of positive feedback regarding the OHS Training courses it offered.

The Company's positive reputation helped it to earn its first municipal OHS Program Support contract with the city of Nanaimo at the close of the year. Blueline has also laid the groundwork for growth into the school board market by providing OHS training courses to a local school board.

Blueline Safety established strong relationships with the CSABC, SVICA, MICA, SICA, CSN, WorkSafeBC, Fall Protection Group, and ASM. These relationships have resulted

in both tangible and intangible benefits, including an increase in sales and brand awareness through the year.



# Future Opportunities

In the next three years, Blueline Safety plans to take advantage of its existing knowledge of the construction industry to develop service contracts with trade associations and unions. The Company will expand outside of its construction industry niche into the school districts and municipalities markets.

## Associations

Industry associations frequently find that their members require assistance with OHS Program Support. Blueline Services can provide OHS Program Support services for these associations and their member companies. This benefits members by reducing costs and ensuring a consistent safety standard.

The overall provincial market for construction trade associations is estimated at \$2 million. Trade associations are province-wide, so the associations are not geographically specific. Blueline hopes to close an exclusive contract with a minimum of one construction trade association with at least 15 member companies in 2008 for approximately \$10,000 in annual revenue.

## Trade Unions

Unions require safety training courses for their apprentices and journeymen. Blueline Services can provide these courses for the union (fall protection, confined space etc). These training contracts will require the Company to deliver approximately one course every two months. Blueline's goal is to obtain training contracts with two unions by the end of 2008.

## School Districts

School Districts have many staff members that are tradespeople—all of whom require safety training. There is a clear need for more effective safety management systems within school districts. Blueline Safety has already worked with the ██████████ and received extremely favourable feedback. As a result, this will be an area of focus for Blueline as it attempts to obtain two additional school district clients by the end of 2008.

## Municipalities

Municipalities have hundreds of staff members that require training and typically lack a comprehensive safety program. Blueline can assist with employee safety training, as well as OHS Program Support services. The ██████████ is Blueline's first success in the municipal sector. The plan is to obtain at least one more municipality contract by the end of 2008. This will account for 4.1% of Vancouver Island's \$1.4 million municipal safety markets. The total municipalities market for BC is estimated at over \$7 million.



# Objectives

After its second year of operations as a full-time business, Blueline Safety has entered a period of rapid growth. During this period, Blueline will have to improve its operation efficiency to manage a larger client base and to ensure that its services continue to improve. In order to ensure that this growth is managed effectively, the Company has developed the following plan outlining short-term (2008) and long-term (2009-2011) objectives.

## Sales Objectives for 2008

Blueline Safety's main objective for the 2008 business year will be to maintain its existing base of OHS Program Support clients while obtaining a minimum of 12 additional clients.

Blueline plans to increase its number of customers based on its existing experience and reputation in the construction industry. The Company will gain new OHS Program Support customers in the construction industry and will begin to expand its scope into new industry markets such as municipalities. Blueline will also expand more deeply into new geographical markets such as the mid-Vancouver Island and Greater Vancouver areas. In order to serve these new markets effectively, the Company will develop a network of subcontractors, local representatives, and strategic partnerships.



To ensure that its existing client base is maintained, Blueline will continue to expand the services included along with existing safety programs. In particular, Blueline will offer in-depth review and analysis of safety trends at each site. This continuous tracking will identify negative trends as well as provide clients with statistical evidence that Blueline's involvement reduces worksite accidents. Blueline also plans to provide advanced claims management for each client.

Each new OHS Program Support client will bring in contracted revenue of \$2000 per month. The sales growth in the OHS Program Support category will be supported by new customers contacted through the OHS Training services. The Company plans to hold at least two OHS Training courses per month, with estimated revenue of \$2000 per course.

Blueline Safety has the support of the Southern Vancouver Island Construction Association (SVICA) for both its OHS Program Support and OHS Training Services. As SVICA has selected Blueline Safety as its vendor of choice when referring association members for training, Blueline is in an excellent position to increase its OHS Training attendance. Blueline also plans to offer a wider range of services, including Confined Space and Scaffold Safety training.

## Operations Objectives for 2008

Blueline Safety has a number of objectives to improve operational procedures in 2008. The primary management objective in 2008 is to become a limited company. Beginning in February, Blueline will hire a lawyer and accountant specializing in incorporation to help prepare the articles of incorporation. These professionals will also assist the Company in developing procedures for managing Blueline according to the requirements of corporate law.

Blueline will develop an operations manual which will include a job manual for Safety Representatives performing audits, site visits, and other activities relating to client services. Furthermore, as the Company hires employees to support its growth, Blueline will develop a new employee package including orientation documents, and Company policies.

As its number of employees grows, Blueline will need to track employee work more effectively to ensure that pricing is sufficient to support non-billable administration. A time tracking system will allow Blueline to perform more accurate projections for clients, which will lead to more accurate billing. Potential time tracking software may include Simply Accounting, Visual TimeAnalyzer, TimeWriter, and Harvest. Blueline's final operations objective for 2008 is to establish a provincial standard for Fall Protection training. At this time, WorkSafeBC states that workers must be trained in fall protection, but does not require training to meet any safety standards. Conversely, in Alberta, the Oil Sands Safety Association (OSSA), and the Alberta Construction Safety Association (ACSA) ensure that a standard of fall protection training is upheld.

## Training Objectives for 2008

Blueline's management will require new skills to support a more complex business and to develop more professional products in 2008. To meet these needs, Blueline will invest in the professional skills of its employees. Trevor Scarfo and Scott Krompocker will be sent to BCIT for training in Safety Program Design and OHS Fundamentals. Trevor will also be taking his diploma in Professional Accounting at Camosun College to support Blueline's accounting needs.



## Long-term Sales Objectives

As Blueline Safety's longer term plans come into effect post-2008, the groundwork laid during that year should facilitate massive growth. In contrast to 2008's goal of 22 OHS Program Support clients and a projected two courses per month, Blueline anticipates 130 clients and 10 courses monthly by 2011.

To meet these ambitious sales objectives, Blueline will work with associations such as SVICA and develop new relationships with groups such as the Mechanical Contractors Association. By forging cooperative relationships with these organizations to act as the exclusive provider to their members with OHS Program Support and OHS Training services, Blueline will grow reliable revenue streams that will facilitate the projected rapid growth.

One of the most important areas to Blueline's product development post-2008 will be the expansion of its Occupational Health and Safety services to include an environmental component. Currently, environmental services are not included as part of Blueline programs; however, this is a natural extension to the Company's existing core services.

After 2008, Blueline plans to offer a wider range of training options, including specialized training such as Workplace Hazardous Materials Information System (WHMIS). Following the past success of relationships with companies such as the Fall Protection Group, Blueline will partner with industry recognized training providers such as Roadmasters (Traffic Control) when preparing to offer new types of training.

### **Long-term Operations Objectives**

As the Company continues to expand beyond 2008, Blueline anticipates that it will need to move into a permanent office space. The Company's long-term objective is to purchase a small office building where it can lease excess capacity out to other businesses. As Blueline expands, it will take over additional space as required.

Some requirements for this office space will include a training facility with at least one classroom capable of accommodating 30 students, office space for all local Blueline personnel, and an outdoor practical exercise area.

### **Long-term Training Objectives**

Blueline Safety's long-term success is dependent upon the Company's reputation among its client industries. In order to maintain and expand its prestige along with its ability to provide effective service to its customers, Blueline is committed to providing ongoing education to all its employees.

Beyond 2008, Blueline's primary educational objectives are to supply its Safety Representatives with the best educational designations available in the OHS industry.

To meet this objective, Cameron Hacault and Scott Krompocker will begin training in the Canadian Society of Safety Engineering (CSSE) CRSP Exam Preparation Course. Once this course and relevant professional experience requirements are met, both Cam and Scott will take certification tests to become registered as Canadian Registered Safety Professionals (CRSP).

The target is to complete this by autumn 2009, following which Cam will seek recognition as Certified Health and Safety Consultant (CHSC). Finally, Blueline will provide Scott Krompocker with the resources he will need to complete his Occupational Health and Safety Certificate through BCIT distance education in the latter half of 2009.



## 2008 Sales Plan

Business opportunities continue to be described by category and identified as OHS Program Support, OHS Training, and OHS Program Auditing. It is expected that Blueline Safety will experience extensive growth in 2008 as the construction boom continues and the Company's reputation as a reliable vendor for safety services expands. Closing 2007 income statements showed a 74% sales growth over 2006. This is expected to continue to a phenomenal 402% increase in 2008.

The majority of the projected growth will be supported by combined OHS Management and OHS Development services. The Company no longer offers these services separately and will begin reporting them as a combined service in 2008 under the name OHS Program Support. Total revenues from OHS Program Support services are anticipated to account for 71% of the Company's annual sales.

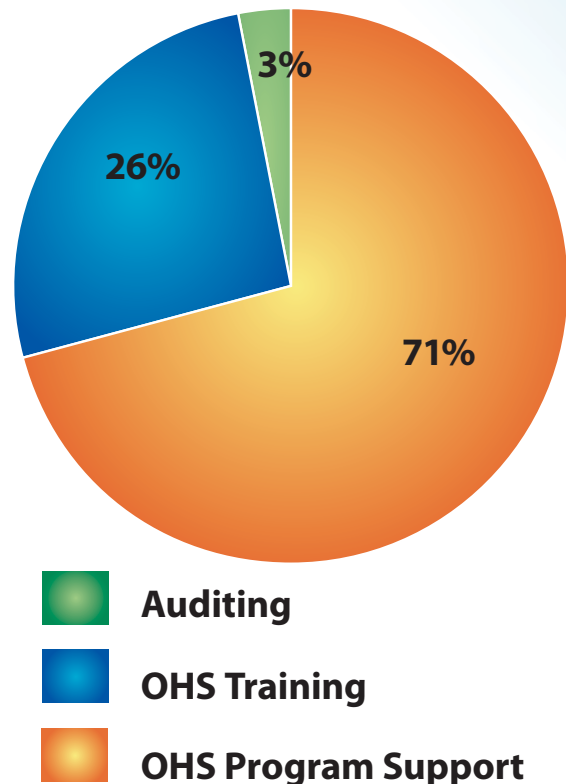
To begin 2008, the company already has \$220,000 worth of OHS Program Support contracts (including new business and existing contracts). With these contracts, Blueline has already ensured a 114% sales growth over 2007.

OHS Training will be an area of particular attention for efforts in 2008. Not only is this a highly profitable service, but it also acts as an excellent marketing tool to promote Blueline's OHS Program Support services to new customers. Blueline forecasts that OHS Training will account for approximately 26% of the company's 2008 sales.

Although it is the Company's lowest sales category, Blueline's OHS Program Auditing services offer solid additional revenue (3%) and perform a similar promotional role to that offered by the OHS Training services. External audit customers may tie into Blueline's 2009 growth in OHS Program Support if these customers can be shown the benefit of Blueline's services.

Since internal audits are tied to the existing OHS Program Support customers, sales in this category will be included under the OHS Program Support umbrella.

**Figure 5: 2008 Revenue Balance**





## OHS Program Support Services

Blueline Safety is positioned to take advantage of the OHS Program Support market due to the superior quality of its services. The Company's OHS Programs provide workers hands-on knowledge to improve safety. While other OHS Programs, such as free downloadable program manuals, explain safety requirements—Blueline's OHS Programs explain how to meet these requirements and actually reduce workplace accidents.

Furthermore, Blueline Safety's OHS Program Support services combine OHS Program Development services with a required OHS Management Service. By assigning a Blueline Safety Representative to the program's implementation over a one year period, employees can be trained to use the program effectively.

Blueline Safety offers superior quality OHS Program Support services because of the Company's unique position as both a management provider and a COR Auditor. With its intimate knowledge of the COR requirements, Blueline can guide its clients in developing the habits and procedures that will lead to lower injury rates.

Blueline Safety works hard to ensure that it offers the highest quality services and that its representatives respond quickly to clients' needs. This has established the Company as a respected service provider in just two years. For more details regarding Blueline's competitive advantages in the areas of OHS Program Support, please see Appendix IV.

OHS Development sales for 2008 are forecast at \$316,800. A list of key customers to be targeted by Blueline Safety for OHS Program Support services is shown in Appendix V.

## OHS Training Sales

When researching new types of training, Blueline Safety partners with industry-leading training developers to ensure it offers the highest quality courses in the market. This is why Blueline Safety offers training from world-respected companies like The Fall Protection Group.

As a result of this dedication to quality, the Southern Vancouver Island Construction Association (SVICA) has referred many of its members to Blueline Safety for training. The Company has become SVICA's training vendor of choice for all of its STAR COR courses over the past year and a half. SVICA also refers many of its members to Blueline for other services, particularly OHS Program Support.

Training is expected to be a strong part of Blueline's 2008 sales with an expected \$116,000 in revenue. Healthy growth is expected in this product segment in 2008. A list of key training customers to be targeted by Blueline Safety is shown in Appendix VI.

## OHS Program Auditing Sales

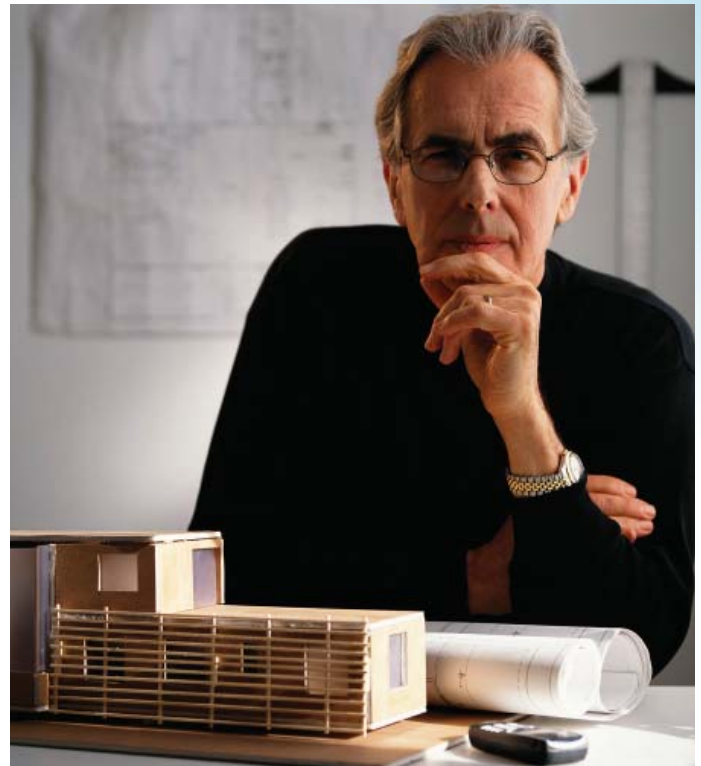
Certificate of Recognition (COR) is a new standard in health and safety excellence that recognizes companies for having an effective health and safety program. The Construction Safety Association of BC (CSABC) and the Construction Safety Network (CSN) both offer COR to companies that meet 15 safety standards and exceed the legal safety requirements.

COR certified companies typically experience three main benefits: fewer workplace injuries, less severe workplace injuries, and lower WorkSafeBC premiums. In addition to these benefits, COR certified companies gain industry recognition and the ability to bid on jobs which require vendors with COR certification.

In order for a company to attain COR certification, they must pass annual safety audits. The first three safety audits may be completed internally; however, every fourth year an external audit must be performed. Blueline Safety is able to perform internal audits on behalf of its customers and external audits on behalf of clients who manage their own safety programs.

Blueline maintains its competitive edge over other auditors by performing audits at one quarter of the price of other vendors (the standard price is \$10,000 per audit, but Blueline charges \$2500).

Blueline is able to offer this extremely competitive price, as well as provide post-audit action plans to customers as a value added service, through the use of a custom designed electronic audit instrument.



This instrument allows Blueline to perform and manage the audit more effectively than its competitors. Blueline's internal audit business will grow proportionally to its customers contracted for OHS Programs as the Company performs yearly internal audits per COR requirements.

The Company's external audit business also has excellent potential growth in 2008, with approximately \$12,000 in revenue expected. This growth will be supported by the referrals Blueline continues to receive through the CSABC. However, previous experience has shown that the majority of clients referred to Blueline by the CSABC require the OHS Program Support service instead of an external audit, because these companies do not have an effective OHS Program in place.

## Total Sales

Total Sales for 2008 is forecast at \$523,100—a significant 402% increase over the 2007 sales total. However, due to market demand, Blueline forecasts that this is an achievable target.

This growth can be safely forecasted, as the existing conditions in the market are unlikely to change. However, some potential factors which could jeopardize this growth include an end to the construction boom, an economic recession, and major changes to provincial safety requirements.

To address these risks, Blueline will diversify its sales into new markets. The Company's dedication to diversification is demonstrated by the closure of its first municipal contract with the ██████████ in late 2007.

# Income Statement

## Revenues

As a result of its hard work promoting growth in 2007, Blueline Safety has signed contracts for OHS Program Support services with 10 clients for guaranteed 2008 revenue of \$220,000. In addition to this existing revenue stream, the Company will aggressively seek new clients through 2008.

Due to existing market need Blueline projects that it will close contractual agreements with a minimum of one company every month in 2008.

Additional revenues in OHS Auditing and OHS Training courses may also result from customer requests. However, such potential revenues have not been included in the revenue forecast.

The total forecasted revenues for 2008, including existing and new OHS Program services as well as OHS Training services total \$523,100.

## Operating Expenses

The Total Operating Expenses budget for 2008 is \$360,600. Of this cost, \$327,800 (63% of sales) will be spent on Salaries and Benefits and \$29,000 will be spent to cover Training Costs (6% of sales). This, combined with other expense factors, has been projected to result in minor cash flow shortfalls in 2008. These shortfalls will be covered by shareholder reinvestment in the Company.

In 2008 Blueline will stop shareholder drawings and provide salaries to owner/managers Cameron Hacault and Trevor Scarfo.

## Administrative Expenses

Blueline's administrative costs in 2008 are forecast at 19% of the Company's sales, totaling \$99,900.

Automotive and travel costs are the largest portion of these expenses, which will total \$23,000, or

4.40% of sales revenue. This will cover travel expenses for Blueline Safety Representatives including mileage and gas, as well as vehicle lease costs for Company owners.

The second key administrative expense in 2008 will be professional development. It is projected that \$16,200, or 3% of sales, will be spent on Professional Development. This will cover the cost of sending Trevor Scarfo and Scott Krompocker for training at BCIT for the Safety Program Design and OHS Fundamentals courses, as well as the 2008 costs for Trevor's diploma in Professional Accounting at Camosun College.

The planned cost of marketing in 2008 will be 2% of sales revenue. The cash cost of \$12,000 will fund improvements to the website, new pamphlets, Blueline information booklets, and advertisements in industry publications.

Another major expense is printing. Each new client receives a hardcopy of an OHS Program as well as updates through the course of the year as the business changes or as Blueline learns how to better manage safety. This expense has been calculated at \$13,200, or 3% of sales. Supplies costs will be built into contract pricing to more effectively control the cost of materials. Blueline will operate within each client's supply budget to prevent rising costs.

A similar amount will be spent on rent for the two home offices currently used by the Company, for a 2008 total of \$12,000, or 3% of sales revenue.

## 2008 Profit

Based on the projected sales for 2008, less the costs budgeted to support the year's growth, net earnings for the year is forecast to be \$59,567 or 11% of 2008 sales.

# Balance Sheet Items

## Cash

Initial financial forecasting predicted that by the end of 2008, Blueline would be in a negative cash position. To prevent this possibility, Blueline Safety has changed its billing policy for all new customers. While existing customers continue to pay at the end of the month, new clients are required to pay in advance.

Cash flow concerns reflect the company's significant growth through the year and the cost to finance it. The key costs affecting cash flow are startup costs for new customers, equipment, and staff training.

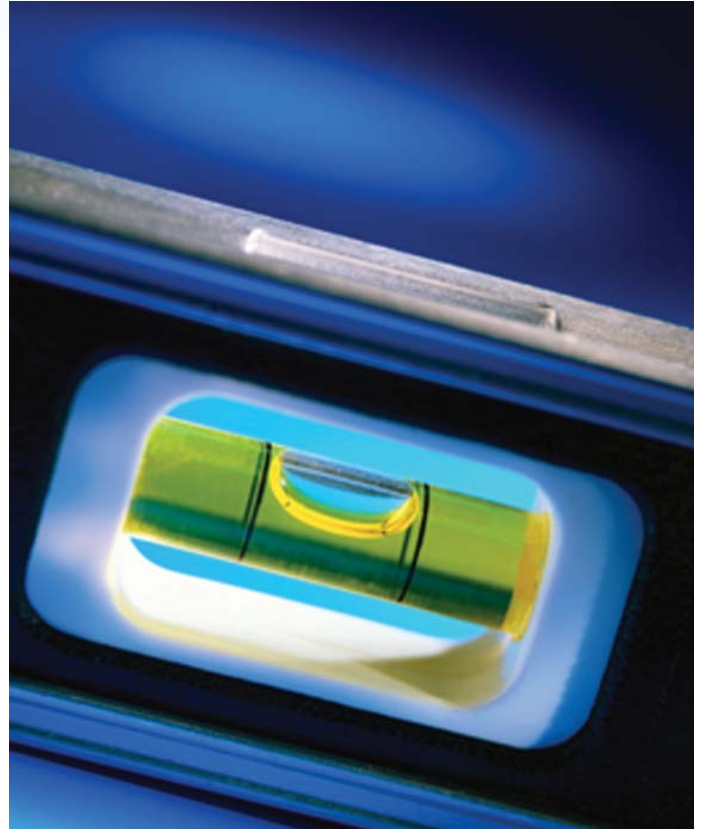
Should cash shortfalls occur as the year progresses, the principals will provide shareholder loans to the Company. However, the majority of customers are on the prepaid billing cycle; therefore, shareholder contribution requirements will be minimized.

## Retained Earnings

Retained Earnings for 2008 are expected to be \$45,100. Blueline Safety will hold all retained earnings in the Company for the first three years.

## Financial Model

The Company has developed a financial model which will assist in ongoing planning and forecasting of all costs and revenues. The model allows for monthly entry of actual performance figures which subsequently adjusts the forecast based on actual performance to date. This model will provide assistance in adjusting operations and allow the company to react to changes in its performance. The detailed model is shown at Appendix VII.



## Conclusion

Blueline Safety's second year of operations saw a favourable 74% increase in sales with an even more ambitious growth of 402% projected for 2008.

The relative balance between the incomes from Blueline's different services will be readjusted in 2008 as the OHS Program Development and the OHS Program Management are combined under the name OHS Program Support. The Company anticipates that 71% of its sales revenue will be derived from OHS Program Support Services. The remaining 29% will be earned from OHS Program Auditing (3%) and OHS Training (26%).

The Company's 2008 focus will be growth. Taking advantage of Blueline's rising reputation, it plans to add at least one new OHS Program client each month and to hold two OHS Training courses per month.

Blueline anticipates that it can meet these growth objectives due to the lack of competitive opposition in the province as well as the geographical isolation of the island. Cooperative relationships with training partners and industry associations will also provide new sales opportunities.

The above factors, combined with Blueline's business intelligence, will allow the Company to increase its revenue substantially over the next three years. By focusing on managing its growth with more effective business systems, Blueline will prepare the Company for continued rapid growth through 2009.

The construction safety market provides tremendous opportunities for expansion; however, the expected rapid growth may result in cash flow problems. To address this difficulty, shareholder investment will be used to balance any cash shortfall. This situation is likely to continue through 2009 and potentially into 2010. However, if growth should continue as expected, cash flow problems will be largely resolved before 2011.

To ensure that cash flow problems do not escalate, the Company will have to pay close attention to its costs. The Company's present arrangement of digital and home offices is an example of one way Blueline has been careful to avoid unnecessary expenses. By avoiding the cost of shared office space as long as possible, Blueline will maintain control of a significant ongoing expense.

Care must be taken to ensure that cost controls do not hamper growth. Several company goals, such as becoming a registered corporation by the end of 2008, will cut into BlueLine's available cash; however, they will also support the company's growth.

Fixed asset purchases are planned to cost approximately \$12,600 for 2008. This will have to be managed within available cash and the ability to achieve target revenues. This may result in some inefficiency, such as renting equipment that will later need to be purchased. However, this may be necessary to minimize shareholder reinvestment.

Salaries are another rising cost to be monitored. As the company gains new clients, additional employees will be required to support the service contracts. However, the Company's refined pricing system should ensure that additional staffing costs are covered by sales income.

The Company has positive growth and profitability expectations that can be attained by careful management of its financial plan. Adherence to growth targets and financial control will result in substantial profitable growth for 2008 and the ability to move forward in future years in ever increasing positions of strength.

# Appendix I: Glossary



Word	Definition
OHS	Occupational Health and Safety.
ASTTBC	Applied Science Technologists and Technicians of BC.
ASTTBC CSO Certification Panel	Applied Science Technologists and Technicians of BC Construction Safety Officer Certification Panel. The Applied Science Technologists and Technicians of BC (ASTTBC) Construction Safety Officer (CSO) Certification Panel are in charge of overseeing the certification process for Construction Safety Officers in BC.
BC OHSR	BC <i>Occupational Health and Safety Regulation</i> .
BCIT	British Columbia Institute of Technology. With over 48,000 students presently enrolled and forty years of history, BCIT has become recognized as British Columbia's leading polytechnical school.
Certified OHSO	Certified Occupational Health and Safety Officer.
COR	Certificate of Recognition.
COR Audit (external)	Certificate of Recognition (COR) audit performed by a third party auditor. The auditor will examine the existing safety procedures and determine if they meet COR requirements.
COR Audit (internal)	Certificate of Recognition (COR) audit performed by the company or their safety vendor. The auditor will examine the existing safety procedures and determine if they meet COR requirements.
Creative Commons	A non-profit organization working to develop new ways of sharing intellectual property (See Appendix XII).
CSABC	The Construction Safety Association of BC (CSABC) is one of the two safety associations serving BC's construction industry and administers its own COR safety certification program.
CSN	The Construction Safety Network (CSN) is one of the two safety associations for BC's construction industry. CSN administers its own COR safety program. CSN also provides training, OHS Program guidance and will review/approve COR audits as submitted by companies applying for COR.
CSO	Construction Safety Officer.
Fall Protection Group	Fall Protection Group is a professional training company based in Calgary, AB. This company is internationally recognized for its high-quality fall protection training.
Internal Safety Managers	Employees who manage the safety program of their direct employer. Internal Safety Managers often have several categories of job requirements in addition to the safety manager responsibilities.
Joint OHS Committees	Joint Occupational Health and Safety Committees.
OHS Auditing	Occupational Health and Safety Auditing.
OHS Program Development	Occupational Health and Safety Program Development.
OHS Program Management	Occupational Health and Safety Program Management.
OHS Training	Occupational Health and Safety Training.

Word	Definition
OHSR	<i>Occupational Health and Safety Regulation.</i>
Prime Contractors	Contracting companies who subcontract employees of all trades related to the project at hand.
Red Cross	An internationally-known humanitarian organization that provides top quality first-aid training.
Red Cross Training Associate	An individual or organization authorized by the Red Cross to provide training under the Red Cross name.
ShareAlike 3.0 copyright markers	Markers which identify how the intellectual property may be used (See Appendix XII).
Subcontractors	Contracting companies who work under contract to a prime contractor. Individual subcontractor companies are usually composed of workers from a single trade.
SVICA	The Southern Vancouver Island Construction Association acts as a channel between clients and the construction industry to publish information on projects that are accepting bids for construction contracts.
WCA	<i>Workers Compensation Act</i>
WHMIS	Workplace Hazardous Material Information System.
WorkSafeBC (WSBC)	WorkSafeBC is responsible for regulating and ensuring safe working conditions for British Columbians through education, inspection, and enforcement. WorkSafeBC also provides rehabilitation, compensation, health care benefits, and a range of other services (See Appendix II).
WorkSafe Education Partner	An individual or organization authorized to offer WorkSafe-recognized safety training.

## Appendix II: WorkSafeBC



## Who is WorkSafeBC?

WorkSafeBC is the governing body that protects employees and employers from the negative effects of workplace injuries and illness. They have four main divisions:

- Regulation
- Insurance
- Prevention / Training
- Enforcement

### Regulation

WorkSafeBC is the regulatory body that defines the laws surrounding occupational health and safety in the workplace. It writes and administers the *Workers' Compensation Act (WCA)* and the *Occupational Health and Safety Regulation (OHSR)*. All workplaces and workers in the province are legally bound by the WCA and OHSR.

### Insurance

WorkSafeBC insurance coverage is a no-fault insurance system that protects both the employers who pay for it and the workers who receive benefits. Employers who pay WorkSafeBC premiums are protected from lengthy and costly lawsuits. Workers are eligible for compensation benefits if they suffer a work related injury or disease.

### Prevention / Training

WorkSafeBC operates comprehensive injury prevention programs across the province to help promote safety in the workplace. Their prevention programs include training in some of the most common and costly workplace injuries in BC. They also produce extensive literature on the subject of workplace safety.

### Enforcement

WorkSafeBC has an enforcement division that polices safety practices in companies across the province. Enforcement officers perform random and periodic spot checks to ensure worksites operate in a safe and healthy manner. These officers have the ability to issue warnings and recommend penalties for companies that do not comply with WorkSafeBC Regulations.



## Appendix III: Blueline Safety Services



## OHS Program Support

Companies in high risk industries are required to account for the health and safety of their employees. WorkSafeBC requires that companies with more than nine employees have a formal Occupational Health and Safety (OHS) Program.

Blueline Safety creates custom-designed OHS documents which clients use as a resource to answer any questions they may have about safety on their work sites. The document contains all of the company's policies and procedures relating to health and safety.

In order to develop a custom OHS Program, consultants meet with clients to examine existing OHS procedures, plans, and practices. Based on the consultant's findings, a new program is created incorporating existing procedures where effective, and new procedures to account for gaps in safety protocols.

Blueline Safety develops OHS Program documents to meet and exceed the standards required by WorkSafeBC. If the client is seeking the Construction Safety Association of BC's (CSABC) or Construction Safety Network's (CSN) Certificate of Recognition (COR), COR requirements are also built into the program. This means that their program will meet or exceed the legislated OHS requirements of WorkSafeBC.

Blueline Safety encourages clients to apply for the COR rebate program, since the system has been proven to lower injury rates—resulting in a safer and more productive workforce. This reduces the cost to the client and provides a competitive advantage in the industry.

In addition to these basic safety standards, Blueline customizes safety programs to include specific requirements to meet the needs of each company. For example, a concrete formwork company will have different needs than a glazing company—just as a prime contractor will have different needs than a subcontractor.

Program documents created by Blueline are developed to help customers find information quickly in an organized and clearly written format. Once the program has been created, each week a new section of the document will be implemented by a Blueline Safety Representative as part of the OHS Program Support contract. The rollout of the program takes between six months to one full year for each module to be introduced. Once it is fully implemented; however, the process does not end. An OHS Program is a living document: it is intended to be modified when needed as part of Blueline Safety's ongoing OHS Program Support service.

Occupational Health and Safety Programs are not static documents—they are legally required to function as a daily component of a company's operations. While the OHS Program document describes the policies and procedures they are required to comply with, companies must also actively ensure that these procedures are being followed.

Blueline Safety Services actively promotes safety by managing its clients' OHS Programs. Blueline ensures that the OHS Program is being implemented effectively by performing a wide variety of tasks during site visits, including site inspections, safety committee organization and management, and other forms of due diligence.

During these site visits, Safety Representatives are available to client employees to answer questions regarding the program and other OHS-related concerns.

Blueline also provides accident after care, including accident investigations and claims management. As part of Blueline's outstanding service, Safety Representatives maintain contact with injured workers to ensure that they recover and return to work as soon as possible. Returning to work quickly after a minor injury helps workers recover faster, and saves clients money while improving productivity and morale amongst workers.

OHS Program Support is a valuable service for many companies who require a formal safety program. Blueline brings the combined experience and education of all of its Safety Representatives (including the knowledge of how OHS Programs are managed in other companies) to manage the client's OHS Program in the most effective manner possible. This allows Blueline clients to focus their manpower and resources on what they do best—running their own businesses.

## **OHS Program Auditing**

The Partners in Injury and Disability Prevention Program is an incentive program sponsored by WorkSafeBC to reward employers who go the extra mile to reduce workplace accidents. Employers who volunteer to participate and meet the incentive's requirements by creating a compliant OHS Program receive a Certificate of Recognition (COR). Recipients of COR are eligible to receive rebates on their WorkSafeBC premiums.

The construction industry component of the program is administrated by BC's two main construction associations: the Construction Safety Association of BC (CSABC) and the Construction Safety Network (CSN).

Both of these associations register companies as COR compliant if they pass annual safety audits ensuring that they meet 15 safety standards which exceed the minimum safety requirements. The first three safety audits may be completed internally; however, every fourth year an external audit must be performed by a third party.

Blueline Safety is able to perform internal audits on behalf of its customers and external audits on behalf of clients who manage their own safety programs.

Blueline Safety performs COR audits to confirm the effectiveness of a health and safety program by performing documentation reviews, observation tours, and employee interviews. When safety audits have been completed, Blueline reports the audit's findings to the client to profile the company's strengths and weaknesses. The Company then generates an action plan to address areas for improvement.

As the most visible COR auditor in the Victoria market, Blueline Safety acts as an ambassador of the COR standard. Clients have recognized the Company for the well organized and user-friendly audit reports it provides. Blueline customers also appreciate the highly effective action plans produced to meet weaknesses revealed by the audits.

## **OHS Training**

Blueline Safety offers specialized training for any company or individual who wishes to further their education in the field of occupational health and safety. Blueline Safety offers courses endorsed by the Red Cross, WorkSafeBC, CSABC and the Fall Protection Group.

### **Red Cross**

The Canadian Red Cross is a branch of the International Red Cross Movement, a leading humanitarian organization which offers health-training services through its more than 3100 training partners across Canada. Blueline Safety is an Authorized Provider for Red Cross First Aid and CPR training.

### **Red Cross Course**

*Occupational First Aid Level 1*

*\$85 / student, 8 hrs.*

This course teaches students information on topics including the Emergency Medical Services (EMS) system, breathing and circulation emergencies, First Aid for respiratory and cardiac arrest, as well as airway emergencies. This course is recognized by WorkSafeBC.

### **WorkSafeBC**

WorkSafeBC is the body governing occupational health and safety requirements in British Columbia. As part of their mandate, WorkSafeBC has developed a series of safety courses to help reduce work-related injuries. Blueline Safety Services is a recognized WorkSafe Education Partner and serves as a vendor for WorkSafeBC safety training.

### **WorkSafeBC Courses**

*Supervisor Safety Management*

*\$125 / student, 8 hrs.*

This course trains Safety Management to new or experienced supervisors, joint health and safety committee members, worker health and safety representatives, and health and safety professionals. The course consists of modules including Due Diligence, WCB Officer Functions, Risk Assessment and Control, and Effective Crew Talks. Attendees are also offered either the Accident Investigation Workshop or the Safety Inspection Workshop as an elective module.

*Hazard Recognition and Control*

*\$125 / student, 8 hrs.*

Learning to recognize hazards in the workplace is an imperative skill for every person on the worksite. Once a person is able to identify a dangerous situation they need to control it effectively. This course is aimed at workers with an interest in taking a proactive approach to safety in the workplace. In addition to learning basic hazard recognition and control skills, students will take one of the following special-

ized modules to further their knowledge: Basic WHMIS, Lockout Procedures, Fall Protection, Confined Space, Responsibilities for Occupational Health and Safety, Hazard Analysis, and Hazard Recognition Workshop.

*Preventing and Investigating Musculoskeletal Injuries*

*\$125 / student, 8 hrs.*

This course aims at providing employers and workers with the knowledge and tools to prevent musculoskeletal injuries (MSI) and conduct investigations into an MSI. In recent years MSI have consistently accounted for the highest number of WSBC claims. Topics covered include Ergonomics and the Prevention Process, MSI Risk Identification and Assessment, MSI Risk Control, Early Treatment and Intervention, and Investigating Incidents of MSI.

*Preventing Workplace Violence*

*\$125 / student, 8 hrs.*

Workplace violence has become an increasing concern among employers and workers. In a number of occupational sectors—health care, social services, and retail, for example—there is a tremendous need for protection of workers from violence. Topics covered include Regulatory Requirements, Violence Risk Assessment, Violence Preventative Procedures, and Workplace Violence Prevention Program.

*Occupational Health and Safety in Small Business*

*\$125 / student, 8 hrs.*

This course is directed to owners of small businesses with less than nine employees. This training will help owners to identify and interpret Occupational Health and Safety Representatives' responsibilities and duties, and carry them out in ways that promote workplace health and safety. Topics covered include Due Diligence, Responsibilities for Occupational Health and Safety, OHS Program Overview, Accident Investigations and Reports, WSCB Officer Functions.

*Responsibilities of Joint OHS Committees*

*\$125 / student, 8 hrs.*

Joint OHS Committees can be very practical to a company when run properly. This course teaches students when a committee is required, how to conduct meetings, take corrective action, conduct inspections, investigations and much more. Topics covered include Use of the OHS Regulation, OHS Program Overview, Joint OHS Committee/Worker Representatives, Safety Inspections, Accident Investigations and Reports, and Refusal of Unsafe Work.

**WorkSafeBC Modules**

*Accident Investigations and Reports*

*\$75 / student, 3 1/2 hrs.*

This course reviews the OHS Regulations regarding accident investigation and reporting requirements. Students will gain a basic knowledge of how to conduct onsite accident investigations.

### *Basic Workplace Hazardous Material Information Systems*

\$75 / student, 3 1/2 hrs.

**This module trains persons working with or in proximity to a controlled product to identify and manage its associated hazards as required by the Government of British Columbia.**

### *Confined Space*

\$75 / student, 3 1/2 hrs.

**Workers are trained to identify confined spaces, pre-entry planning requirements, safety responsibilities, air quality testing and other basic procedures.**

### *Due Diligence*

\$75 / student, 3 1/2 hrs.

**Students learn what is meant by due diligence and how to ensure a safe and healthy work environment. This course is geared towards all employees including, workers, supervisors, and company owners.**

### *Effective Crew Talks*

\$75 / student, 3 1/2 hrs.

**This module trains supervisors to prepare and conduct an effective toolbox talk.**

### *Hazard Analysis (Safe Work Procedures)*

\$75 / student, 3 1/2 hrs.

**Students learn to identify hazardous activities that require a safe work procedure, and how to implement effective controls.**

### *Hazard Recognition Workshop*

\$75 / student, 3 1/2 hrs.

**This is a practical exercise-based workshop where students look at specific scenarios and use the OHS Regulation to find existing hazards and recommend control measures.**

### *Joint OH&S Committee/Worker Representatives*

\$75 / student, 3 1/2 hrs.

**Companies with 20 or more workers regularly employed on a jobsite must implement a Joint Occupational Health and Safety (OHS) Committee. Students will learn to interpret Part 3 of the *Workers Compensation Act* and associated Guidelines, the purpose of a Joint OHS Committee, as well as how to set up and run a Joint OHS Committee.**

### *Lockout Procedures*

\$75 / student, 3 1/2 hrs.

**Students learn to identify when lockout is required, how to correctly perform lockout procedures, how to ensure the lockout is communicated effectively to coworkers, and about the right to refuse unsafe work.**

### *OHS Program Overview*

*\$75 / student, 3 1/2 hrs.*

Students learn basic WorkSafeBC requirements for OHS Programs, and gain a basic knowledge of how to practically implement them.

### *Refusal of Unsafe Work*

*\$75 / student, 3 1/2 hrs.*

Workers learn to understand how to recognize a hazardous environment, when to refuse work, understand the refusal process and the right to not be discriminated against.

### *Risk Assessment and Control*

*\$75 / student, 3 1/2 hrs.*

Students learn to recognize dangers in the workplace and develop safe work practices.

### *Safety Inspections*

*\$75 / student, 3 1/2 hrs.*

Students learn to conduct practical safety inspections and how to create a company-specific inspection procedure.

### *Use of the OHS Regulation*

*\$75 / student, 3 1/2 hrs.*

This module teaches students to understand and find information in the *OHS Regulation*. Students will be taught how the regulation is structured and become familiar with how to find information that is pertinent to their work.

### *Level 1 First-Aid (OFA level 1)*

*\$75 / student, 3.5 hrs.*

Students learn basic lifesaving first aid skills such as Adult CPR, AR & Choking First Aid, Minor Injury Wound Care and WSCB paperwork (a WorkSafeBC recognized course).

## **Construction Safety Association of BC (CSABC)**

The Construction Safety Association of BC (CSABC) seeks to improve occupational health and safety and reduce contractor costs on behalf of the construction industry of BC. To accomplish its mandate, CSABC offers the STAR COR (Safety Training, Accountability & Recognition Certificate of Recognition) program. Many companies seek COR recognition to help reduce work site injuries. COR accredited companies also receive rebates on their WorkSafeBC premiums for promoting safety on the work site. BlueLine Safety offers all CSABC courses.

## **CSABC Courses**

### *Owner/Senior Manager Course*

*\$50 / student, 4 hrs.*

This course will help owners and Senior Managers to set up and monitor site safety programs to lower WorkSafeBC claims costs through accident prevention. The training includes detailed presentations on

WorkSafeBC's Experience Rating System and Due Diligence requirements. The course also discusses federal and provincial legislation which levy heavy penalties for failure to ensure appropriate training and safe work practices on the work site.

### *Supervisor Course*

*\$150 / student, 16 hrs.*

This course emphasizes supervisor safety responsibility and liability considerations which are essential for anyone who manages workers. The course helps supervisors develop site safety monitoring, and teaches them to effectively address and manage problem situations in order to prevent accidents and injuries. The course also describes STAR COR (Safety Training, Accountability & Recognition Certificate of Recognition) training in relation to Due Diligence and federal and provincial legislation.

### *COR Safety Auditor Training Course*

*\$150 / student, 16 hrs.*

Students learn how to gather information necessary to complete a COR safety audit. This practical workshop shows the simplicity of the Audit Document and explains how to use the National Audit Instrument. Participants gain experience in using the three forms of verification: documentation, observation and interviews. Students are required to submit an audit to CSABC within 60 days of course completion to obtain certification as an auditor.

## **Fall Protection Group**

Blueline Safety believes that fall protection is extremely important in the construction industry, since falling is one of the most serious types of accidents that occur on construction sites. Fall Protection Group Inc. is a recognized world leader in fall safety and rescue based in Calgary, Alberta. Blueline Safety has partnered with Fall Protection Group to bring their renowned Industrial/ Commercial End-User Fall Protection training to BC. The Fall Protection Group training is recognized by the Canadian Standards Association, the Construction Safety Association of BC, the Alberta Construction Safety Association and the Alberta Oil Sands Safety Association.

## **Fall Protection Group Course**

*Industrial/ Commercial End-User Fall Protection Course*

*\$200 / student, 8.5 hrs.*

This course trains workers to have a basic understanding of the applicable legislation around fall protection. It covers fall protection definitions, fall arrest, fall restraint, guardrails, work procedures, scaffolds, and other system components. Students participate in practical exercises such as equipment inspection, donning/doffing, harness suspension and fall protection system setup. This course is completed by a theory test to ensure competency.



# Appendix IV: Methods of Production



## **OHS Program Support Development**

Blueline Safety Representatives take a holistic approach to developing OHS Program materials. When a new topic needs to be added to a safety program, a literature review is performed using sources such as competitor manuals, industry publications, and the internet. However, the main document is based on policies and procedures to ensure that COR & WorkSafeBC requirements are met. As such, relevant legislation and industry standards form the basis of these modules. When they are completed, the final documents are examined to ensure that they meet COR Audit and WorkSafeBC requirements.

Each section is created to be highly accessible and easy to use. Care is taken to ensure that the document is written in plain language without jargon. When the document is compiled into a complete OHS manual, the final product is carefully organized into sections divided by tabs to make information easy to find. A table of contents shows the topic of each section. Each section contains a policy statement, a list of procedures, and a section of additional instructions as required.

Blueline Safety documents are designed to be modular and easy to update. As such, each section's components are saved in a separate word document. The document always includes footers with the date when it was updated. PDF versions of these documents are retained to prevent accidental modification. This allows Blueline Safety Representatives to effectively manage client OHS manuals and keep them updated.

## **OHS Program Support Development Resources**

When a new OHS Program is developed it draws on Blueline's existing experience in creating programs as well as the experience and education of all Blueline employees. This includes Blueline's carefully thought-out file structure and their existing catalogue of OHS templates which will be used in the creation of the program. Blueline Safety is currently developing a series of new section templates for OHS programs.

When an OHS Program manual is compiled for a client, the material included in the program is based on these templates. The development will require approximately 106 hours over a six month period. These hours include: 10 hours of site visits, one hour per week of meeting setup time, two hours per week of meeting time, and one hour per week of meeting follow up time.

The development of an OHS program requires minimal physical resources other than basic office supplies, a computer, and a printer. Blueline Safety Representatives will require transportation to and from the job site and copies of the program material.

## **OHS Program Support Management Production**

When customers request OHS Program development services from Blueline Safety, the new program is delivered in weekly meetings over one year. Once the program has been fully implemented, the program continues to be maintained on an ongoing yearly contract. The tasks and requirements described in the OHS Program manual are tracked and maintained by Blueline Safety on behalf of the client.

The majority of the planning and creation requirements for OHS Program Support are completed in the development stage. However, after the program has been implemented, individual program sections may need to be updated.

As part of the ongoing management of the program, Blueline Safety Representatives write a number of reports including hazard assessment reports and accident investigation reports. Safety Representatives also write minutes from safety meetings, complete inspection documents, and maintain paperwork for claims management.

## **OHS Program Support Management Resources**

Blueline Safety Representatives draw on relevant training and experience in the safety and construction fields to ensure the efficient management of an OHS program. To do their job, Safety Representatives also require documents and reports developed by Blueline Safety, and the OHS program itself to effectively reduce worker injuries.

Blueline Safety Representatives perform weekly or biweekly visits for each site. Based on the client's size and needs, Blueline Safety Representatives make visits to each site for one hour, one and a half hours, or two hours per visit.

Each customer may require a four-hour monthly Joint Occupational Health and Safety Meetings (Joint OHS Meetings) to be conducted by Blueline. An additional four hours of miscellaneous meetings may be required per site through the course of the month.

Each site also requires one hour of administrative work, which includes phone calls, printing, and document preparation. A Blueline Safety Representative compiles injury statistics for each site, averaging less than one hour per site per week.

This totals approximately 12 hours per site each week. In addition, the Blueline Safety Representatives require minimal physical resources including office supplies, telephone, a laptop, and transportation.

## **OHS Program Auditing**

When an OHS Program Audit is requested by a client, the Blueline Safety Auditor will complete a standard audit document reviewing the effectiveness of the company's OHS program. Based on this audit, Blueline will develop an action plan including a list of recommendations for the company's management team.

## **OHS Program Auditing Resources**

A full audit takes approximately 30 hours to complete, start-to-finish. The auditor requires one-time auditor training provided through the Construction Safety Association of BC (CSABC) or Construction Safety Network (CSN) costing \$150. The auditor will require physical resources including office supplies, telephone, a laptop, and transportation.

## **OHS Training**

Blueline Safety does not develop OHS Training programs; however, it serves as a training provider on behalf of organizations such as WorkSafeBC and the Fall Protection Group.

## **OHS Training Resources**

Blueline Safety Instructors require training from the course provider in both the subject matter and presentation techniques. Trainers are also required to have some form of training in educational techniques in addition to experience in the construction industry.

In order to conduct courses, instructors require training materials and digital files for certificates, both provided by the organization authoring the training.

Due to the wide range of courses that Blueline Safety offers, class times may range from 30 minutes to two days, plus an average of four hours preparation time before each course.

Training requires a wider array of physical resources than Blueline's other services. In addition to the usual office supplies, telephone, laptop, and transportation, trainers require a training room, a digital projector, projection screen, training manuals, and training supplies (Fall Protection equipment, CPR dolls, et cetera).



# Appendix V: Pricing Structure



## OHS Training

Blueline Safety offers over 29 OHS Training courses and modules, each ranging from two hours to over 24 hours in length. As such, each course has a unique price (Please see Appendix III for course descriptions and prices). However, the average price per student for the majority of courses is \$125.

## OHS Program Auditing Pricing

Barring any major changes to costs associated with auditing, Blueline Safety will continue to charge \$2500 per audit—which is significantly below the market average of \$10,000.

## OHS Program Support Pricing

Blueline Safety’s pricing for OHS Program Support services depends on a large number of factors. While the figure of \$2000 per month is used as an average figure when talking about the monthly cost of OHS Programs throughout the business plan, the actual prices are variable based on customer needs and costs.

## Monthly Cost

The monthly cost is determined by dividing the Annual Cost into 12 monthly units.

$$\begin{array}{r} \text{Annual Cost} \\ \div \quad 12 \text{ Months} \\ = \quad \text{Monthly Cost} \end{array}$$

## Annual Cost

The Annual Cost is based on the total of all fees for services rendered to the client. Each of these fees is determined by its own calculation.

$$\begin{array}{r} \text{Site Fees} \\ + \quad \text{Administration Fees} \\ + \quad \text{Miscellaneous Purchases} \\ + \quad \text{Audit Fees} \\ + \quad \text{Training Fees} \\ = \quad \text{Annual Cost} \end{array}$$

## Site Fees

Site Fees are determined by multiplying all of the cost factors for the site together (Number of Sites, Number of site visits per year, Number of hours per site visit, current hourly consulting rate [\$100]). Different companies may have a number of different numbers of job sites and/or require longer site visits. Blueline offers customers the option of site visits lasting their choice of one hour, one and a half hours, or two hours.

$$\begin{array}{r} \text{Number of sites} \\ \times \quad \text{Number of site visits per year} \\ \times \quad \text{Number of hours per site visit [1, 1.5, or 2} \\ \quad \text{hours]} \\ \times \quad \text{Current hourly consulting rate [\$100]} \\ = \quad \text{Site Fees} \end{array}$$

## Administration Fees

Administration fees are determined by multiplying the number of employees by the Employee Factor (see the Employee Factor explanation below) and then multiplying the product by the hourly consulting rate, which is presently \$100 per hour. This gives the monthly Administration Fee, which is annualized to match the other yearly fees in the Annual Cost calculation.

$$\begin{array}{r} \text{Number of employees} \\ \times \quad \text{Employee Factor [0.25]} \\ \times \quad \text{Current hourly consulting rate [\$100]} \\ \times \quad 12 \text{ months [this is to annualize the amount]} \\ = \quad \text{Administration Fees} \end{array}$$

## Employee Factor

The Employee Factor is the second component of the Administrative Fees calculation. Blueline Services has determined that the average number of administrative hours the Company will spend for each employee per month is 0.25 hours.

$$0.25 \text{ Hours per month} = \text{Employee Factor}$$

## Miscellaneous Purchases

BlueLine Services budgets the yearly cost of Miscellaneous Purchases for each client based on the company's size. Since prime contractors are generally much larger than subcontractors, the annual Miscellaneous Purchases budget for prime contractors is twice the budget for subcontractors.

- If the company is a prime contractor the annual budget is \$1200
- If the company is a subcontractor the annual budget is \$600

## Audit Fees

Audit Fees are an annual fee covering the cost of the customer's audit. However, some customers choose not to have an audit, so this is an optional component of the Annual Cost.

- If the company wants an annual safety program audit = \$2500
- If the company does not want an annual safety program audit = \$0

## Training Fees

Like Audit Fees, Training Fees are an optional component to the Annual Cost. If the customer would like to have unlimited Occupational Health and Safety Training, the following calculation determines the company's annual Training Fee cost.

$$\begin{array}{r} \text{Number of employees} \\ \times \quad \text{Training Budget (\$200)} \\ \hline = \quad \text{Training Fees} \end{array}$$

## Training Budget

The Training Budget is the second component of the Training Fees calculation. Currently, BlueLine Services has determined that training costs approximately \$200 per year per worker.

## Appendix VI: Service Improvements



## **OHS Program Support Improvements**

Blueline Safety plans to continue improvements to its OHS Program Support services by creating a series of flexible templates which can be quickly customized to meet the specific needs of new clients. As a longer term objective, Blueline plans to offer environmental protection services as part of combined Health Safety and Environment programs.

The product line will also be expanded to include new industries such as forestry and municipalities. As clients in new industries are secured, templates will be developed to meet the specific safety needs of that industry.

The Company is already unique in the marketplace because, in addition to managing customers' safety programs, it works with employees when they have suffered injuries and tracks their health progress to ensure they return to work as soon as possible.

To expand upon the success of this service, Blueline Safety will offer Advanced Claims Management services (this will likely be an outsourced service in partnership with Total Care Solutions). Blueline will also offer thorough analysis of clients' past claims history.

Finally, Blueline will provide tracking and trending of customers' injury rates. By offering in-depth analysis of clients' safety trends Blueline will show clients how Blueline's services have been beneficial.

## **OHS Program Auditing Improvements**

Blueline Safety plans to improve the speed of audits and maintain the lowest price for audits in the construction industry. As Blueline branches into new industries, its Safety Auditors will take required training and begin to perform safety audits for whole new groups of customers.

## **OHS Training Improvements**

Blueline Safety will improve OHS Training services by beginning to provide a larger range of courses such as confined space and scaffold use training. By aggressively seeking customers for courses, Blueline will be able to hold courses more frequently and thus give companies more opportunities to have their employees trained.

As Blueline branches into new industries, its Safety Trainers will take required training and begin to offer training relevant to these new industries.



## Appendix VII: Key Customers for 2008



OHS Program Support Sales					
Customer Name	Contract Start	Contract End	Months	Monthly Charge	Sales 2008
[REDACTED] <sup>1</sup>	1-Dec-07	1-Dec-08	12	3,000	36,000
[REDACTED] <sup>1</sup>	1-Feb-08	1-Feb-09	12	1,300	15,600
[REDACTED] <sup>1</sup>	1-Dec-07	1-Dec-08	12	5,000	60,000
[REDACTED] <sup>1</sup>	1-Jan-08	1-Jan-09	12	2,500	30,000
[REDACTED] <sup>1</sup>	1-Dec-07	1-Dec-08	12	1,400	16,800
[REDACTED] <sup>1</sup>	1-Oct-07	1-Oct-08	12	1,000	12,000
[REDACTED] <sup>1</sup>	1-Jan-08	1-Jan-09	12	1,000	12,000
[REDACTED] <sup>1</sup>	1-Nov-07	1-Nov-08	12	1,900	22,800
[REDACTED] <sup>1</sup>	1-May-07	1-May-08	12	500	6,000
[REDACTED] <sup>1</sup>	1-Jul-07	1-Jul-08	12	1,000	12,000
[REDACTED] <sup>2</sup>	1-May-08	1-May-09	12	2,100	25,200
[REDACTED] <sup>2</sup>	1-Jul-08	1-Jul-09	12	2,500	30,000
[REDACTED] <sup>2</sup>			-		-
[REDACTED] <sup>2</sup>			-		-
[REDACTED] <sup>2</sup>			-		-
[REDACTED] <sup>3</sup>	1-Sep-08	1-Sep-09	12	1,200	14,400
[REDACTED] <sup>3</sup>	1-May-08	1-May-09	12	2,000	24,000
[REDACTED] <sup>3</sup>			-		-
<b>Total</b>					<b>316,800</b>

<b>OHS Program Support Sales 2008 % Growth Over 2007</b>	<b>290.58%</b>
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- <sup>1</sup> New Client
- <sup>2</sup> Potential Client
- <sup>3</sup> Former Client

## Appendix VIII: Market Analysis



OHS Program Support				
2008 Markets	Vancouver Island	BC	% Capitalization	\$ Capitalization
Prime Contractors	\$1,560,000	\$7,080,000	6%	\$92,356
Subcontractors	\$303,600	\$1,117,200	51%	\$155,996
Associations	\$2,040,000	\$2,040,000	0.5%	\$10,000
Municipalities	\$1,470,000	\$7,158,000	4.1%	\$60,000
Total				\$318,353

OHS Training				
2008 Markets	Vancouver Island	BC	% Capitalization	\$ Capitalization
Prime Contractors	\$650,000	\$2,950,000	4.20%	\$27,288
Subcontractors	\$253,000	\$931,000	25.17%	\$63,672
Total				\$90,960

Combined Total Market	\$409,313
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# Appendix IX: Marketing Budget



Marketing Budget		
Media	Cost	Details
Website	4,000	Redesign and update of all content.
Letterhead	400	Blueline Safety branded letterhead.
Envelopes	300	Blueline Safety branded envelopes.
Business Cards	500	Blueline Safety business cards.
Business Introduction folder	800	Business description and Service description flatsheets along with custom designed marketing folder.
Advertising	2,000	Advertising in various publications and Google Adtext.
Articles	3,600	WorkSafeBC Newsletter, CSABC Newsletter, CSN Newsletter (The Link).
SVICA Newsletter advertising	450	Membership To SVICA includes advertising.
<b>Total</b>	<b>12,050</b>	<b>Total budget for 2008 marketing.</b>



# Appendix XI: Competitive Advantage



## OHS Program Support

Blueline Safety offers superior Occupational Health and Safety (OHS) services because its programs provide descriptions of actual practices to improve safety and exceed WorkSafeBC requirements.

Each section of the program is constantly updated to meet the client's current needs. Blueline Safety's OHS Programs are living documents that constantly improve to meet the needs of an evolving workforce. Program documents created by Blueline are structured in an organized and clearly written format to help customers find information quickly.

To efficiently deliver OHS Programs, Blueline has developed a series of templates which can be used as a starting point to develop a new program. Some sections (such as Working with Cranes) will not be required for all companies. Also, templates may require minor procedural changes in the written document but otherwise minimal customizing is needed. Customization caters to the customer's specific needs, but actually requires minimal additional product development.

Blueline Safety offers the market's top OHS Program Support services because of the Company's unique position as both a management provider and a COR Auditor. With its intimate knowledge of the COR requirements, Blueline can guide its clients in developing the habits and procedures that will lead to lower injury rates.

The Company is able to provide a better quality of OHS Program Support because, while the client's main skills are focused on construction, Blueline's expertise is focused in the health and safety field—allowing their customers to concentrate on the core of their business.

## OHS Program Auditing

In combination with its OHS Program Support services, Blueline Safety is certified to perform both Construction Safety Network (CSN) and Construction Safety Association of BC (CSABC) audits. By offering both types of audits, Blueline is able to serve the audit needs of every customer.

Blueline maintains its competitive edge in the audits field by offering to perform audits at one quarter of the price of other vendors (the industry price is \$10,000 per audit, but Blueline will complete audits for \$2500). Blueline is able to offer this extremely competitive price through the use of a custom designed electronic audit instrument. This instrument allows Blueline to perform and manage the audit more effectively than its competitors. Unlike its competitors, Blueline provides clients with post-audit action plans to customers as a value added service,

## OHS Training

When researching new types of training to provide its customers, Blueline Safety partners with respected training development companies to ensure it offers the best quality training. This is why Blueline Safety offers training from world-respected companies like the Fall Protection Group.



# Appendix XII: Creative Commons Copyright



## Creative Commons Copyright

When a new written work is created it is automatically protected by Canadian copyright law—as long as the work is unique in the sense of being the product of intellectual effort. In other words, in Canada all written forms of intellectual work are protected by copyright and may be considered the author’s intellectual property.

For creative professionals, copyright is a double-edged sword. Copyright protects creators’ rights to earn a profit from their intellectual property. However, copyright can also stifle innovation, information sharing, republishing of information, and the ability to use others’ existing intellectual property as the basis for one’s own.

Until the Creative Commons system of alternative copyright was brought to Canada, traditional copyright either totally protected intellectual property (“All Rights Reserved”) or not at all (public domain). In contrast, Creative Commons copyright allows creators to release some or all rights to their intellectual property.

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## Appendix XIII: 2007 Performance



Blueline Safety 2007 Sales	
Customer Name	Sales 2007
[REDACTED]	5,000
[REDACTED]	510
[REDACTED]	1,219
[REDACTED]	2,000
[REDACTED]	3,730
[REDACTED]	5,683
[REDACTED]	8,037
[REDACTED]	42,867
[REDACTED]	2,400
[REDACTED]	9,663
[REDACTED]	19,878
[REDACTED]	510
[REDACTED]	5,000
<b>Total</b>	<b>106,498</b>



# Appendix XIV: Professional Development



Blueline Safety Employee Development Courses			
Course Name	Cost	Hours	Provider
Auditor Course	\$150	16	BLS, CSABC
Supervisor Safety	\$150	16	BLS, CSABC
Responsibilities of Joint OHS Committees	\$125	8	BLS, WorkSafeBC
Hazard Recognition and Control	\$125	8	BLS, WorkSafeBC
Claims & Disability Management	0	8	Employers Advisors Office
Accident Investigation	0	3.5	Employers Advisors Office
Young/New Worker Orientation	0	1.5	Employers Advisors Office
Foundation for Health & Safety Excellence	\$250	16	Construction Safety Network
Early and Safe Return to Work	\$125	8	Construction Safety Network
Industrial/Commercial End-User Fall Protection	\$200	8	BLS, Fall Protection Group
Confined Space Level I	100	4	Vertical Systems International
Confined Space Level II	400	16	Vertical Systems International
Construction Safety Officer Certification	\$1,100	80	BC Safety Council
Construction Safety Officer Registration	\$150	0	ASTTBC
<b>Total</b>	<b>\$2,875</b>	<b>193</b>	



# Appendix XV: Financial Plan Documents

