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If these are business you have not heard of, visit them and add them to your contacts list

NEW MEMBER PROFILES

Part of the membership package is a profile in the Chamberlink. This is a good way of letting others know about your business and finding out about new businesses which have started up.

SMART HELPS SOUTHLAND BUSINESS



With unemployment down to about 3.5% Southland business owners are finding it harder to fill jobs with qualified candidates. If they can't find good staff – why not outsource? By outsourcing, business owners save on hiring staff and have the added bonus of not having to pay holiday pay and sick days. "All costs taken into consideration, it is often cheaper to contract us than employ a person," Smart's owner Pip Jopp says.

"Smart's aim is simple – to save business owners time and money," says Pip. "We'll take care of almost any of your day-to-day office work. Smart can answer your phone, take email and website enquiries, pick-up your mail, take your orders, do your banking, invoice your customers, send statements, enter your expenses, pay your employees and your

bills, manage your financials in a computerized accounting package and do your GST and PAYE returns."

Once we understand how a particular business operates, Pip says, Smart can offer a tailor-made package to meet the business needs, aimed at freeing the owner up so they can run and expand their business.

To find out how Smart could save you time and moneycall Pip today.

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ROOMS FOR HIRE:

We have an interview room available for use for offsite meetings. This is free to members.

We also have a training room available for hire.

Rates for this are on the back page, or contact us for more details

Continued from front page...

A much better approach will be to make sure your business fundamentals are in good shape before the distractions of 2008 arrive. It might be time to get some independent input from a business mentor or trusted professional, to identify the key areas and numbers you need to improve. Costs will certainly be going up in a number of areas – have you planned for this in your own pricing and margins? Are there any underutilized areas in the enterprise and are you making full use of technology and the data you hold on your customers? We're unlikely to see as much consumption-led growth as in the past few years, so the quality of your client book will be paramount, to risk stating the obvious.

Yes, there will be plenty of distractions this year, but if you concentrate on what you can control in your own organization, you are likely to stay ahead of a good chunk of the competition. In the end, that will ensure you are in the right shape to cope with whatever the future might bring – regardless of what happens in November.

Duncan Simpson, Chief Executive, OSEA

5**b** connected BUSINESS BUSINESS AFTER FIVE

NETWORKING DIARY

March 11	Southern Directionz
April	Chamber AGM
April 15	Royal NZ Foundation for the Blind
May 13	Southtile

Check out details on Chamber website www.commercesouth.com/events



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Chamber Annual General Meeting

A couple of small issues to be resolved and the date for the annual meeting will be revealed!!

As mentioned in our editorial last month, nominations will be sought for Board Members.

Being a Board member of the Chamber of Commerce is a prestigious position that can have many rewards and is not the onerous task that some may think.

The role of the Board Member.

In general the Board is empowered by the membership with the governance of the Chamber, the control of its assets and the direction and administration of its affairs. Under its direction the Board appoints a C.E.O to carry out the business of the Chamber.

Meeting schedule:

19.3.1 "Board meetings may be called as and when necessary" In order to carry out their duties the Current Board have elected to meet every 2nd month with an Executive Committee consisting of the President, Vice President, Immediate Past President, 1 Director and the C.E.O meeting every month.

In addition to the above a Board member may be asked to represent the Chamber at an official function with politicians and other dignitaries and may also be asked to give a thank you at a Chamber Event.

Board members are retired by rotation, and this year the names for retirement are Neville Cook, Tony Williamson and Michael Weusten.

There are five positions available for members to fill, the three board positions and that of the President and Vice-President. This could well be an opportunity for you to offer your services to the Chamber for nomination.

If you are interested, a nomination form can be found on our website – www.chambersouth.com/bevital/BoardMember, or feel free to call the CEO, Richard Hay on 03 218 7188 for any further information you may require.

PLEASE GIVE THIS SERIOUS CONSIDERATION.THE CHAMBER CAN ONLY MOVE FORWARD WITH A STRONG, POSITIVE BOARD BEHIND IT!!

Three people named Everybody, Somebody and Anybody were asked to do an important job. Everybody was sure that Somebody would do it. Anybody could have done it, but nobody did it. Somebody got angry about that because it was Everybody's job. Everybody thought that Anybody could do it, but nobody realized that Everybody wouldn't do it. It ended up that Everybody blamed Somebody when nobody did what Anybody would have done!

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It's more important to ask "What's new?" than "How's business?".

How's business?" is about the past but 'What's new?' is about the future.

POWER OF ATTORNEY

Often during the course of our business as solicitors we discover the value a Power of Attorney can have in the event of someone being incapacitated or unavailable.

There are two different types of Powers of Attorney, either ordinary or Enduring.

The major difference between an ordinary Power of Attorney and an Enduring Power of Attorney is that an Enduring Power of Attorney is not revoked by the donor's subsequent mental incapacity.

Ordinary Powers of Attorney are governed by the common law and Enduring Powers of Attorney are created in a particular way for a specific person and governed by Part IX of the Protection of Personal and Property Rights Act 1988 ("the Act"). Accordingly, the common law rule that a Power of Attorney must be regarded as revoked on the donor's incapacity does not apply to Enduring Powers of Attorney which are creations of the Act.

An Enduring Power of Attorney must:-

- (a) be in the form set out in the third schedule of the Act;
- (b) be signed by the donor whose signature is attested by a witness not being the attorney; and
- (c) be signed by the attorney whose signature is attested by a witness not being the donor.

The Protection of Personal and Property Rights Act covers the two broad areas of a person's life:-

- (a) property; and
- (b) personal care and welfare.

This distinction is carried through into the provisions on Enduring Powers of Attorney. A donor may create both kinds of power and the same person may act as attorney for both.

The donor must have capacity to give a power and thus as with an ordinary power, an Enduring Power of Attorney will be invalid if the donor was mentally incapable at the time of creation. This means that, where a person anticipates disability the granting of an Enduring Power must not be left too late.

The question arises therefore who should make an Enduring Power of Attorney. We believe everybody should make Enduring Powers of Attorney at the same time as they make a Will and regularly update this document as their circumstances change. There is often no warning of an incapacitating accident.

The benefit of entering into a Power of Attorney far exceeds the modest costs that will be incurred by your solicitor for preparation of the same. Make it your New Year's resolution to execute Powers of Attorney in favour of someone you trust.

Please remember, this information is designed as a guide only and shouldn't replace the advice of your legal professional. We welcome your comments: damien.pine@awslegal.com

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The Business Centre

TRAINING & SEMINARS

- March 14** Calculating Holiday Pay & Wages
- March 18** Create a Great Place – Module 1 – Attracting Good People 8.30am – 4pm
- March 20** Attracting Good People 4.30pm – 6pm – free
- March 25** Create a Great Place Module 2 – Sharing the Vision – Values and Leadership 8.30am – 4pm
- March 26** Beyond Time Management 8am – 12.30pm
- April 1** Create a Great Place Module 3 - Opportunities to Grow and Develop
- April 9** Sharing the Vision Values Leadership 4pm – 6.30pm

To register: Phone 03 218 7188 or register online
www.commercesouth.com

NZIM:

- March 4** Governance in Action
- March 10** Dealing With Different People & Handling Conflict
- March 11** Effective Use of Time
- March 12** Effective Written Communication
- March 13** Making Interpersonal Communication Work

For more information visit www.nzimsouth.co.nz

THE NECESSITY OF A BUSINESS PLAN

A business plan precisely defines your business, identifies your goals and serves as your firm's resume. The basic components include a current and pro forma balance sheet, an income statement, and a cash flow analysis. It helps you allocate resources properly, handle unforeseen complications and make good business decisions. Because it provides specific and organized information about your company and how you will repay borrowed money, a good business plan is a crucial part of any loan application. Additionally, it informs sales personnel, suppliers and others about your operations and goals.

Plan your Work

The importance of a comprehensive, thoughtful business plan cannot be overemphasized. Much hinges on it: outside funding, credit from suppliers, management of your operation and finances, promotion and marketing of your business, and achievement of your goals and objectives.

"The business plan is a necessity. If the person who wants to start a small business can't put a business plan together, he or she is in trouble," says Robert Krummer, Jr., Chairman of First Business Bank in Los Angeles.

Despite the critical importance of a business plan, many entrepreneurs drag their feet when it comes to preparing a written

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document. They argue that their marketplace changes too fast for a business plan to be useful or that they just don't have enough time. But just as a builder won't begin construction without a blueprint, eager business owners shouldn't rush into new ventures without a business plan.

Before you begin writing your business plan, consider four core questions:

- What service or product does your business provide and what needs does it fill?
- Who are the potential customers for your product or service and why will they purchase from you?
- How will you reach your potential customers?
- Where will you get the financial resources to start your business?

London Chamber of Commerce

Reminder: New Provisional Tax Due Dates:

If 3 instalments	31 March Balance date	Non-standard Balance date
	28 August	The 28th day of the 5th, 9th
	15 January	are due and 13th months after
	7 May	your balance date*
If 2 instalments are due	28 October	The 28th day of the 7th and
	7 May	13th months after your balance date*
If 6 instalments are due	28 June	The 28th day of the 3rd,
	28 August	5th, 7th, 9th, 11th and
	28 October	13th months after your
	15 January	balance date*
	28 February	
	7 May	

- If this falls in December or April it is due 15 January or 7 May respectively. This is to give you additional time over the Christmas and Easter periods to pay your provisional tax. There is no change to your end-of-year tax due date.

GOVT PASSES NEW TAX LEGISLATION

The annual tax bill is passed

The 15% R&D tax credit has now been introduced to encourage New Zealand businesses to invest more in research and development. It is part of the \$3.4 billion investment and innovation package announced in Budget 2007, which also includes the recently enacted reduction in the company tax rate from 33% to 30% from the 2008-09 income year.

Another major focus of the legislation is to strengthen incentives to save for retirement through joining KiwiSaver or a complying superannuation scheme. It requires employers to match their employees' contributions up to 4 percent of their gross salary or wages - phased in over four years. That measure is accompanied by a new employer tax credit of up to \$20 a week to help offset the costs to employers.

New legislation also relaxes a whole range of tax penalties, such as the penalty for taking an unacceptable tax position, to promote voluntary compliance. The aim of the changes is for penalties to better reflect the seriousness of the offence to which they pertain - so they distinguish between people who try to do the right thing and fail, and those who have no intention of doing the right thing.

It also contains increases in tax incentives for making donations to charitable organisations. These changes include removing the rebate threshold on donations made by individuals, and removing the deduction limit on charitable donations made by companies and Maori authorities.

Other reforms in the new legislation include:

Child support information matching between Inland Revenue and the New Zealand Customs Service, that will enable the Inland Revenue to identify when people with outstanding child support debt enter and leave New Zealand.

A new redundancy payment rebate designed to make the taxation of redundancy payments to be fairer to people who find themselves in a higher tax bracket as a result of receiving a lump sum redundancy payout.

There are some changes to the finance lease tax rules for leases on overseas assets.

Several technical improvements have been made to the new portfolio investment entity (PIE) rules, and changes have been made to the financial arrangement tax rules.

WHAT AMERICAN COMPANIES OPERATING IN NZ THINK OF NZ AS A PLACE TO BE?

Skills and labour shortage cited – again – as No.1 issue for US companies in NZ

Give us more skilled workers was the call – for the third consecutive year – from most of the American companies polled in the 2007 American Chamber of Commerce in New Zealand (AmCham) Business Climate Survey.

The annual survey of US companies doing business in New Zealand revealed chronic skills and labour shortage was the key constraint for nearly 70%. This was up from 52% in last year's survey and 50% in 2005.

"We had an excellent response from members – nearly 50% of the US companies doing business in New Zealand responded. Overwhelmingly they reported that the skills and labour shortage is the single biggest impediment to them doing business in here." said AmCham President, Mark Fitz-Gerald.

"In their responses the companies strongly urged the New Zealand Government make it easier for skilled immigrants to settle here, improve educational standards and provide tax incentives for initiatives such as training," Mr Fitz-Gerald said.

While getting skilled workers and managing tax and exchange rate issues were cited as slowing business growth, he said overall the surveyed companies were positive about New Zealand as a place to do business.

"Nearly 70% of the companies anticipate sales growth this year while 60% said they were looking to expand their New Zealand operations or make new investment in another venture here.

"Importantly, with many multi-nationals and US companies looking to source the likes of call centres off-shore and to hub business operations in a region, New Zealand is not only of interest to them in terms of a share of the domestic market but also has value in their international operations.

"Among the reasons are New Zealand's time zone that provides a bridge between the US and Asia, are English speaking and we have a quality standard of education."

He added the costs of establishing here were competitive, with staffing costs being 30% less than in Australia and on a par with Singapore. "The cost of building or renting premises is also significantly cheaper than in a number of other countries."

Mr Fitz-Gerald said one of the key objectives of the annual AmCham business climate survey was to reveal potential road blocks – both large and small – that might hinder further overseas investment in New Zealand and prevent increasing trade, in particular from New Zealand to the US.

"The survey also polls for the positive aspects of doing business in New Zealand and we are pleased to report that most US companies with operations here are encouraged by the current business environment," he said.

9 ahead



9 heard



PUBLICATIONS RECEIVED:

The Chamber has received catalogues as follows:

Trading Highlights from Turkey

Turkey, Construction & Mining Machinery, Bulgur from Turkey, Turkish Pasta, Underwear & Homewear, Menswear, Household Appliances Parts and Components, plus many others.

LAFS – Latin American Food Show from Mexico - Magazine

If you are interested in viewing these, contact the Chamber Office 03 218 7188



Proud sponsor of the Export Page of Chamberlink

March sees HSBC continuing its support of golf around the world with the 2008 edition of the HSBC Women's Champions tournament in Singapore. Top female golfers from around the world will converge on the Tanah Merah Country Club from February 28th through to March 2nd of this year to determine who really is the female Champion of Champions.

As part of our partnership with Chamberlink, HSBC is proud to present the insights of John Edwards, Chief Economist for Australia and New Zealand. Edwards paints a positive picture for New Zealand. "The United States is flirting with recession, the European economy is slowing, and the outlook for Japan is gloomy again, but at the end of last year New Zealand unemployment rate was at a twenty year low and the number of New Zealanders with paying jobs was the highest ever. Like Australia, the New Zealand economy is defying the global gloom. Like Australia it is enjoying what is already a record period of uninterrupted growth. In both economies the problem is the opposite one from many other advanced economies. They are worried about a slump. New Zealand and Australia are worried about inflation. As a result Australia and New Zealand have markedly higher interest rates than most other developed economies, and a risk they may go higher.

Why is New Zealand doing so well when the US, Europe and Japan are turning down? One reason is that banks in New Zealand have not suffered big losses on mortgage lending, as banks in the US have. Interest rates are high, but credit hasn't tightened. Another is that New Zealand export prices are strong, boosted by a world wide increase in food prices. The housing market hasn't collapsed, as it has in the US – though it has slowed from the cracking pace of recent years. Despite this slowdown in the housing market (welcomed by the Reserve Bank of New Zealand), household spending has remained fairly firm. And, pressed by increasing labour shortages, New Zealand employers have had to keep investing in new equipment.

New Zealand's inflation problem is, however, quite formidable. Core consumer price inflation rose to 3.3% for 2007, compared to 2.6% for 2006. At the end of last year core inflation was running at an annual rate of over 4%, which is way too high for the Reserve Bank of New Zealand. While wages growth has been fairly moderate despite very low unemployment, towards the end of last year it began to pick up. In the last three months of last year the broadest measure of wages growth increased 1%, to take annual private sector wages growth to 3.5% - a new high for the last decade.

New Zealand's inflation experience is almost identical to Australia's. In both countries core inflation has been rising at much the same rate. Higher food and petrol prices account for some of the increase, but quite a lot of it is signaling that demand has been growing a bit faster than supply.

Given the rise in wages and ongoing core inflation, it is not impossible that the Reserve Bank of New Zealand may later this year decide to increase the already very high cash rate of 8.25%. Australia's central bank, which watched with astonishment as the RBNZ rapidly increased rates in 2006 and 2007, has now found that it has had to increase rates too – and may well do so again.

High interest rates impose a big burden on households with large home mortgages, on businesses, and farmers. They drive up the value of the New Zealand dollar and hurt exporters. But in both New Zealand and Australia its worth remembering that high interest rates are the price paid to extend long running economic expansions, while rates are cut elsewhere in the hope of warding off recession."

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Interview Room:	1/2 day N/C Full day N/C	\$30.00 \$50.00
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