



Fish Buyer and Processor

Business Plan Development Guide for Licence Applicants

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1.0 INTRODUCTION

1.1 PURPOSE

The Nova Scotia (NS) Department of Fisheries and Aquaculture (the “Department”) has prepared the “Fish Buyer and Processor Business Plan Development Guide for Licence Applicants” (the “Guide”) to provide applicants a reference to prepare a reasonable, usable, and acceptable business plan for their application. A business plan must be submitted as part of an application for any new fish buyer or fish processor licence.

Should the applicant wish to submit their current business plan, they must complete the business plan mapping table (see Section 3.4). Should any of the required sections, as documented in the Guide, not be included in the applicant’s current plan, an addendum to include the section or sections must be provided.

The Guide is intended for new licence applicants only. A separate guide exists for applicants requesting an amendment to an existing licence for additions of species or to move a processing facility to another county within NS.

The Guide is not a substitute for the NS *Fisheries and Coastal Resources Act* (the “Act”), *Fish Buyers and Fish Processors Regulations* (the “Regulations”), Fish Buyer Licence Conditions, or Fish Processor Licence Conditions. Proponents should obtain copies of these for their reference (Section 4.1).

1.2 OBJECTIVES

The objectives of this document are as follows:

1. To provide applicants a reference for an acceptable standard for their business plan submission.
2. To provide details on the factors to be considered, and captured in the business plan, in decisions relating to fish buyer and fish processor licence applications according to the licensing process of the Province of NS. These include, but are not limited to:
 - a. Company / ownership structure and human resource considerations
 - b. Operational and financial viability
 - c. Industry, market and business strategies
3. To provide applicants a standardized submission format (see Section 3.1) for their business plan.
4. To provide applicants detail on the submission format guidelines (see Section 1.3).
5. To facilitate government review of submitted application business plans.
6. Enable the Department to gather timely and relevant information from the applicant which will be used as part of the licence approval process.

1.3 SUBMISSION FORMAT

To facilitate government review of submitted applications and to establish a standardized format for all applications, applicants must follow the submission format guidelines, as follows:

1. All requested information, the minimum of which is the information as required in this document, is to be submitted electronically to the Department in digital format as follows:
 - a. Business plan document must be submitted as a PDF.
 - b. Additionally, attachments must be provided as standalone digital copies.

2. Each section of the business plan must start on a new page and be labeled matching the sequence established in this guide.
3. Each section of the business plan must contain all information required for that section (including supporting information such as tables, diagrams, etc.).

1.4 AUTHORITIES

The Guide is intended to operate in accordance with the following authorities (see Section 4.1):

- [*Fisheries and Coastal Resources Act*](#)
- [*Fish Buyers and Fish Processors Regulations*](#).

2.0 BUSINESS PLAN REQUIREMENTS

The applicant must submit a business plan as part of their application. Those applicants applying for both a fish buyer licence and a fish processor licence may submit a single business plan with the appropriate detail relating to each activity.

The applicant's business plan must be complete, cohesive and reasonable. All assumptions must be documented and applied consistently to all applicable sections. At a minimum the business plan must include the following sections:

- Executive Summary
- Company Details and Structure
- Products and Services
- Market Analysis and SWOT
- Regulations
- Operations
- Financials
- Value Added Contribution
- Appendices.

2.1 EXECUTIVE SUMMARY

The Executive Summary of the business plan captures the salient points from the remainder of the document. The applicant must summarize the nature of the application, the rationale for the specific licence applied for, highlight key factors promoting the success of the operation, detail any potential challenges, and discuss the applicant's plan to meet those challenges. This section is a brief, yet targeted overview of important information captured within the business plan. The summary should include brief main points from each of the other sections to explain the basics of the applicant's business. This includes:

1. A concise description of the company's mission and declaration of the business' core purpose and values
2. Rationale for the application
3. Summary of planned products and offerings
4. Description of target customers and / or market segments
5. Key operational and regulatory considerations
6. Commentary on financial position.

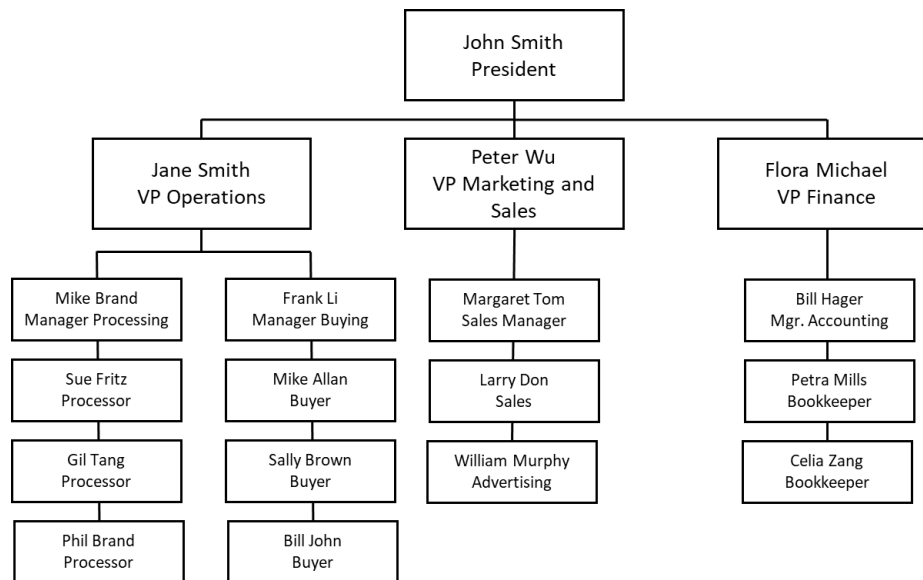
2.2 COMPANY DETAIL AND STRUCTURE

As applicable, the applicant must describe their company's legal and organizational structures and provide the business' and / or individuals' relevant experience. Additionally, it is recommended that the applicant include flowcharts depicting their organizational structure. At a minimum these areas must include the following:

1. **Legal Structure:** The applicant must provide detail on the nature of their business in terms of ownership and registration (i.e. incorporated, partnership, or sole proprietorship). This includes disclosing:

- a. Province / country of the incorporation or registration
 - b. RJSC registration details or reciprocal relationship documentation
 - c. Incorporation and business registration numbers (province and Canada Revenue Agency)
 - d. List of all shareholders, including:
 - i. First name, middle initial, last name, and home address (province in Canada or country) for all persons acting as shareholders, directors, and officers
 - ii. Name and address of all corporations acting as shareholders.
 - e. Total number of shares authorized and issued
 - f. Number and type (i.e. common, voting, preferred, etc.) of shares held by each shareholder.
2. **Organizational Structure:** The applicant must provide detail on the company's organizational structure including an Organizational Chart (see Fig. 3.2.01), explaining management hierarchy, and roles and responsibilities.

Fig. 3.2.01 Organizational Chart Example



3. **Business History:** The applicant must describe the company's and / or individuals' experience and history relative to the application request, including:
 - a. Company ownership history, if applicable
 - b. Ownership's professional experience along with any relevant licensing or certifications specific to fish buying and or fish processing.
4. **Employees, Recruitment and Retention:** The applicant must provide detail on number of employees and nature of their status (i.e. full-time, part-time, contract, seasonal, temporary foreign worker, etc.) and discuss the company's strategy with respect to employee recruitment and retention.
5. **Equity, Diversity, Inclusion and Accessibility:** The Province of NS is committed to equity, diversity, inclusion and accessibility (EDIA) within our public service workforce and in delivering on programs and services to all Nova Scotians. Embedding EDIA into the applicant's business plan shows a commitment to fostering an inclusive and welcoming environment for all people. The applicant is to describe how its organization supports EDIA.

2.3 PRODUCTS AND SERVICES

The applicant must provide a detailed description of all products and services the company offers or plans to introduce. Details include:

1. Source of products, including location (country, province, county) and provider (seller)
2. Product description by species
3. Unit pricing
4. Availability (i.e. time of year / season)
5. Product lifespan.

The information may be captured in table form (see Section 3.2 for Excel version). For example:

Fig. 2.3.01a Fish Buyer and Processor Product and Services Rubric

Fish Buyer and Processor Products and Services						
Product	Product Description	Species	Price per unit	Availability	Product Lifespan	
1 Canned crab	Cooked rock crab in seawater	Crab (Rock)	\$ 5.99	Year-round	6-months after canning	
2 Oysters	1kg bag of raw oysters	Oysters	\$ 19.99	Seasonal	3-days after packaging	
3 Crab salad (frozen)	Sealed in plastic container and frozen crab salad	Crab (Snow)	\$ 12.99	Seasonal	4-months if kept frozen	
4						

Fig. 2.3.01b Fish Buyer and Processor Product and Services Rubric (Live Lobster)

Fish Buyer and Processor Products and Services						
Product	Product Description	Species	Price per unit	Availability	Product Lifespan	
1 Live lobster	Live lobster packaged in insulated carrier	Lobster	\$ 8.50	Seasonal	2-days after packaging	
2						
3						
4						

Further, the applicant must provide specificity and detail on the company's processing methods, (as applicable), any relevant patents, and research and development (R&D) information, and to describe, within reason, any proprietary technology.

2.4 MARKET ANALYSIS AND SWOT

The applicant must undertake a fulsome market analysis to explain their understanding of the conditions affecting their operation and provides insights into potential customers and your competition.

Market Analysis

The applicant's market analysis section is to, at a minimum, collect and document the following detail relative its licence:

1. **Industry analysis:** The applicant must assess the general industry environment in which their company competes. In this section, the applicant demonstrates knowledge of industry

characteristics, for as it relates to the buyer and / or processor specific licence. Further, the section must detail statistics with respect to the industry including, but not limited to:

- a. Market size, sales, and pricing, over the prior three-years
 - b. Market and industry trends.
2. **Target market analysis:** The applicant is to identify and quantify the customers that they will be targeting for sales and pricing considerations. This section includes a deep-dive into customer demographics specifically with respect to geographic location, seasonality and purchasing potential.
3. **Competitive analysis:** The applicant, at a minimum, must identify its competitors and / or sector (i.e. species), and analyzes their strengths and weaknesses. Competitive intelligence provides the applicant with an understanding of their competitive environment and the opportunities and challenges it presents. Considerations include:
 - a. Competitors' and / or sector's size and total market share, contrasted to the applicant's
 - b. Market perception with respect to the competitors' and / or sector's products and services
 - c. Competitors' and / or sector's relative financial strength (i.e. marketing budget)
 - d. Competitor's and / or sector's agility and innovation for new products and services
4. **Competitive advantage:** The applicant must detail any relevant factors allowing the company to produce their products and services more efficiently (less costly or more quickly) and for a higher value than its competitors and / or sector.

Strengths, Weaknesses, Opportunities and Threats (SWOT)

The applicant must complete a SWOT analysis as part of their business plan. This strategic planning tool allows the applicant to evaluate its licence application by identifying the company's strengths, weaknesses, opportunities, and threats. The framework provides an understanding of both internal capabilities and external influences that may affect the company. The applicant must provide analysis on these four aspects to demonstrate informed decisioning and strategic thinking.

Fig. 2.4.01 SWOT Chart (see Section 3.2 for Excel version)

S	W	O	T
Strengths	Weaknesses	Opportunities	Threats
Things the company does well	Things the company lacks	Underserved markets for specific products	Emerging competitors
Qualities that separate the company from competitors	Things competitors do better than your company	Limited competitors in the market / area	Changing regulatory environment
Internal resources such as, skilled and knowledgeable staff	Resource limitations	Emerging need for the company's products and offerings	Negative press or media coverage
Tangible assets, intellectual property, capital etc.	Unclear market conditions and sales propositions	Positive press or media coverage	Changing customer perspectives

Mitigation of Weaknesses and Threats

For any weakness and / or threats (risks) identified in the SWOT analysis, the applicant must describe the measures they would undertake to mitigate them. Detail must include timing of the remediation and be reflected in forecasted financial statements and notes if applicable.

2.5 REGULATIONS

A licence holder is required to comply with the *NS Fisheries and Coastal Resources Act*, the *Fish Buyers and Fish Processors Regulations*, the Fish Buyer Licence Conditions (if applicable), and the Fish Processor Licence Conditions (if applicable). In addition, they will be required to adhere to other provincial, federal and municipal laws, and may desire to obtain third-party certification depending on their target markets (e.g., GFSI, SQF)

The applicant must, at a high-level, provide:

1. The provincial, federal and municipal laws (excluding the Department's requirements), including relevant regulations, permits, approvals, licences, and more, that pertain to the activities outlined in the business plan.
2. Details on what third-party certifications may be obtained.
3. If not all the requirements outlined in subsections 1 and 2 have been met, a discussion on how the applicant intends to meet requirements or mediate deficiencies including timelines.

2.6 OPERATIONS

The applicant must detail all aspects of its operation. This includes:

1. Operational locations and functional specifics. For example:
 - a. Daily operating schedule including days and hours
 - b. Indication of seasonality (i.e. open at specific time-of-year)
2. Operational assets including but not limited to:
 - a. Buildings and / or facilities
 - i. Building and facility information must include dimension and structural details (i.e. foundation, building material, openings, wharf access, etc.)
 - ii. Layout drawing (optional)
 - iii. For live lobster, detail intake and outflow pipe locations, and nearest wharf
 - b. Machinery including type, function, capacity, and age
 - c. Refrigeration including type, purpose, storage capacity, and age
 - d. Tanks and holding facilities including type, purpose, storage capacity, and age
3. Marine debris management practices (i.e. grates on drains and outflow pipes, and other protective measures)
4. Inventory management tables (if known or estimates if not known) detailing species, products, and offerings, including volumes (number of units and total weight) of products, (see Fig. 2.6.01)
5. Buying, marketing and sales strategies
6. Logistic and time-to-market considerations.

Fig. 2.6.01 Inventory (see Section 3.2 for Excel version)

Fish Buyer and Processor Inventory					
	Product	Product Description	Species	Number of Units	Volume (kg)
1	Canned crab	Cooked rock crab in seawater	Crab (Rock)	462	1,200
2	Oysters	1kg bag of raw oysters	Oysters	2,600	2,600
3	Crab salad (frozen)	Sealed in plastic container and frozen crab salad	Crab (Snow)	258	85
4					

2.7 FINANCIALS

The applicant must demonstrate financial condition and expectation of the company, by providing the last three-year (see 1.d. and 1.e. below) of historical financial statements along with three-years of projected financials.

The financial reporting package must, at a minimum, include the following:

1. Historical financial statements must include, for each of the company's required prior fiscal years:
 - a. Statement of financial condition (balance sheet)
 - b. Income Statement (profit and loss)
 - c. Statement of cash-flow
 - d. If operating period is less than three fiscal years, the applicant must provide lifetime operating historical financial statements (i.e. one / two fiscal years), along with a "Letter of Good Standing" from the applicant's Canadian financial institution.
 - e. Should the Applicant be operating for a period of less than one fiscal year, a "Letter of Good Standing" from the Applicant's Canadian financial institution is required.
2. Three-years of projected financial statements detailing revenues and expenses specifying impacts by species, facility and location, and at the company (aggregate) level, as applicable, and must include:
 - a. Statement of financial condition (balance sheet)
 - b. Income Statement (profit and loss)
 - c. Statement of cash-flow.
3. As applicable, the historical financial statements must disclose all sources, amounts, maturity and duration for debt and / or equity contributions as part of Notes to Financials
4. Projections must describe in detail all assumptions underpinning the forecast including:
 - a. Estimates of volumes purchased, processed and sold
 - b. Estimates of price changes impacting revenues, cost of good sold, and expenses including, but not limited to:
 - i. Supply and demand considerations, with rationale
 - ii. Potential market or industry impacts, with rationale
5. Projections must include planned financing (debt or equity) contributions, disclose sources and explain on impacts.

2.8 VALUE CONTRIBUTION TO PROVINCE

The applicant must describe how its operation/facility will benefit NS through adding value to the economy. This may include activities that would help to enhance and increase productivity or quality, differentiate, or promote NS seafood as a premium brand domestically and internationally.

Further, the applicant must detail how its operation will provide a positive contribution to NS and the seafood sector.

Areas of focus include, but are not limited to:

1. Economic benefits
 - a. Potential spin-off economic benefits, and how your operation could support spin-off opportunities
2. Sector development and innovation
 - a. Adding value to the processing of fish and/or fish products
 - b. Supporting or developing new business areas or new market opportunities
 - c. Employing innovative, efficient, or novel technologies or approaches
3. Environmental stewardship and sector sustainability
 - a. Environmental stewardship or sustainability measures
 - b. Adoption of waste-reduction, circular economy, or climate-positive practices.

2.9 APPENDICES

The Applicant must capture any other relevant considerations and documentation. These include, but are not limited to, embedded copies of:

1. Certificate of Incorporation and / or business registry
2. Shareholder Registry for the company, inclusive of share type and quantity held
3. Company shareholders', directors' and officers' identification
4. Shareholder registries of other non-person shareholders
5. Financing documentation (funded and unfunded)
6. Insurance policies
7. Building and facility leasing agreements or titles.

3.0 TEMPLATES

The following templates may be used by the applicant to complete their business plan.

3.1 BUSINESS PLAN TEMPLATE

[*Business Plan Template \(new licence\)*](#)

3.2 BUSINESS PLAN TABLES

[*Business Plan Tables \(new licence\)*](#)

3.3 APPLICANT'S BUSINESS PLAN CHECKLIST

[*Applicant's Business Plan Checklist \(new licence\)*](#)

3.4 APPLICANT'S BUSINESS PLAN MAPPING DOCUMENT

[*Applicant's Business Plan Mapping Document \(new licence\)*](#)

4.0 REFERENCE MATERIAL

The following reference material is intended to provide the applicant with background resources and market research material.

4.1 REGULATIONS, ACTS AND POLICIES

The following documents and links provide copies of acts, guidelines and policy documents to be used by the applicant as references where, and if, applicable.

[*Fisheries and Coastal Resources Act*](#)
[*Fish Buyers and Fish Processors Regulations*](#)
[Fish Buyer Licence Conditions](#)
[Fish Processor Licence Conditions](#)
[Fish Buyers and Fish Processors Licence Policy](#)

4.2 MARKET RESEARCH

The following links are intended to assist with the applicant's market research.

[Fish Buyers/Fish Processors Licensing - Government of Nova Scotia, Canada](#)
[2021 Stats Canada NS Seafood Industry Report](#)
[Department of Fisheries - Sea Fisheries Landings](#)
[GoC Job Bank - Fishing and Seafood Processing Atlantic Region 082024](#)
[Invest Nova Scotia](#)
[NS Registry of Licensed Fish Buyers and Processors](#)
[Historical Fish Buyers and Processors Licence Utilization Data](#)
[Historical NS Fish Processing Data](#)
[Historical NS Fish Purchasing Data](#)

5.0 GLOSSARY

The following section provides description on common terms and acronyms used throughout the document.

Term	Definition
Applicant	Company or individual applying for a new or an amendment to an existing buyer and / or processor licence
Balance Sheet	A financial report detailing a company's assets, liabilities and shareholder equity as at a specific point in time.
Business Plan	A document detailing a business' operations, future objectives and strategies for achieving them.
Common Shares	Also known as common stock, represent partial ownership in a company and grant shareholders voting rights, typically one vote per share. They are the most common type of stock traded and represent a claim on the company's assets and profits, although with the least claim among all shareholders.
Competitive Advantage	Those factors that allow a company to produce goods or services better or more cheaply than its rivals. These factors allow the productive entity to generate more sales or superior margins compared to others in its market.
Debt Financing	Borrowing money from a financier (investor or lender), where the borrowing company is liable to repay the money borrowed, plus interest or a set fee, over a specific period.
Department	The Nova Scotia Department of Fisheries and Aquaculture.
Equity Financing	Selling a percentage of the company ownership to an investor in return for capital.
Funded Financing (Debt)	The company's long-term debt financing obligations with maturity periods in excess of one-year.
Historical Financial Statements	Financial reports, such as the balance sheet, income statement, and statement of cash flows, that summarize the financial performance and position of an entity for a prior period of time.
Income Statement	A financial report depicting a company's revenues, expenses and profitability over a specific period of time. Income statement is commonly referred to as a profit-and-loss (P&L) statement.
Logistics	The process of planning and executing the efficient transportation and storage of goods from the point of origin to the point of consumption. The goal of logistics is to meet customer requirements in a timely, cost-effective manner.
Market Analysis	A detailed assessment of a company's target market and competitive landscape within its specific industry.
Preferred Shares	Also known as preferred stock, are shares of a company's stock with dividends paid to shareholders before common stock dividends are issued. Most preferred shares typically have a fixed dividend; however, shareholders typically do not have voting rights.

Term	Definition
Projected Financial Statements	Estimates of a company's future financial performance, including the income statement, balance sheet, and cash flow statement. They are typically used for planning, decision-making, and forecasting, and analysis of potential risks, but not for official reporting.
Sector	Specific species the buyer and / or processor is licenced for
Shareholder	A person, company, or institution owning at least one share of a company's stock
Shareholder Register	A list of all active and former owners of a company's shares. The register includes details of shareholders, such as their name, address, the number of shares they own, class of shares held, date when they became a shareholder, and when they ceased being a shareholder.
Statement of Cash-flow	A financial report providing a detailed breakdown of a company's cash generation and usages over a stated period of time. Statements are typically segmented into three main sections: operating activities, investing activities and financing activities.
SWOT	Strengths, Weaknesses, Opportunities and Threats. A strategic planning tool used to analyze an organization's internal and external factors, providing it with understand of its position in the market and to identify areas for improvement and growth.
Unfunded Financing (Debt)	The company's short-term debt financing obligations with maturity periods of one-year or less.
Voting Shares	Any share issued by a company granting the shareholder voting rights on corporate policy and members of the Board of Directors at predesignated shareholder meetings.