

ACT TWO

Four boomers on why they chose second careers as entrepreneurs



In this composite photo: Dean Shaver (top left); Corinne McIsaac (top right; photo by JR Ratchford); Sandra and Ian McLeod (bottom left; photo by Kyle Ruggles); and Glenn Cox (bottom right; photo by Lynn Hubley)

STACEY STEIN

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As baby boomers in Canada leave the rat race, they're increasingly shunning any notions of a retirement filled with blissfully commitment-free, leisurely days. Instead, many are trading in long-term vacation rentals, lazy mornings and general loafing for gruelling work days, mounds of paperwork and financial uncertainty as they jump into entrepreneurship in ever-growing numbers.

A recent TD Canada Trust survey found that 54 per cent of baby boomers have started or considered starting a small business prior to retirement. And 40 per cent of workers over 65 are self-employed, showing that pre-boomers have also taken to entrepreneurialism in impressive numbers, according to Industry Canada.

There are many reasons for this surge in "boomerpreneurs," according to Marlena Pospiech, a retirement expert with Bank of Montreal's wealth planning group in Toronto.

"One of the top reasons is the need for additional income," says Ms. Pospiech, citing a BMO study in which 75 per cent of respondents said they became entrepreneurs later in life for this very reason. There could be a number of factors contributing to this, including the feeling that government pension plans can't be relied upon, the decline in employer-sponsored defined benefit pension plans, and the fact that some boomers might not have saved aggressively enough during their working years, she explains.

But while economics may drive many to entrepreneurship in their golden years, other reasons for launching a business as a second act career abound, such as staying mentally sharp and pursuing an enjoyable hobby later in life. The desire to leave a legacy also factors into the equation. In today's more stable economic environment, this is becoming more of a driving factor for those boomers diving into entrepreneurship, according to Wellington Holbrook, an executive vice-president with ATB Financial in Calgary. "They're in their 50s and they want to build something that is lasting," he says..

Boomers also have different ideas of what it means to retire, suggests Ms. Pospiech. "The boomer generation is looking for more of an active retirement," she says. Indeed, a survey by the Heart and Stroke Foundation found that 36 per cent of boomers want to take up a new hobby in retirement.

Another factor that makes boomers well-suited to entrepreneurship is their level of risk tolerance. Compared with other generations, the boomer set is far less fearful of taking chances. A sizeable 43 per cent of boomers aged 50 to 69 identified themselves as being high risk takers, compared with 28 per cent of Gen Yers, aged 18 to 29, according to a survey of more than 2,800 respondents by Monster.com and Millennial Branding.

Add in years of accumulated experience and knowledge, and many older entrepreneurs are

finding they have exactly what it takes to go out on their own and succeed. "If boomers are starting a business in an area of expertise that they have, it makes it so much easier for them to be successful," says Mr. Holbrook. "Younger people may not have that advantage."

So what types of businesses are baby boomers starting, why are they doing it and how are they faring? Here are the stories of four boomerpreneurs.

Dean Shaver, 58

Founder and CEO of Canadian Safety Inspections Inc.

Bonnyville, Alta.

Founded in 2006; 120 employees; \$22-million annual revenue

Life before:

Mr. Shaver worked his way from the bottom up on the oil rigs, starting his career with Sedco Drilling in Leduc, Alta., in 1991. In 1997, while working at Command Drilling, Mr. Shaver had a serious accident that left him with both heels shattered in multiple places. He was told that the only way he'd make it to 50 years old would be in a wheelchair.

Thankfully, that never came to pass, and Mr. Shaver ended up doing odd jobs for six years before returning to the work force in 2003, when he was hired by Nabors Drilling to assist in setting up a safety program for their client, Shell Canada. After three years of working in Nabors' safety coach program, Mr. Shaver gave his notice and decided to strike out on his own.

What he did:

Motivated by the desire to do things "the way they should be done," Mr. Shaver established his own safety inspection company, Canadian Safety Inspections Inc. (CSI), in 2006. The company landed its first big contract, with Shell Canada, in 2007.

His company performs safety audits not only in the oil and gas industry, but also for mining companies and other businesses where workplace safety is a major issue.

Mr. Shaver insists he will not hire anyone who hasn't first worked in the business. "That's where our company is different. Every guy who works for us has been a rig hand or worked

a job before because he has no business being out there if he doesn't know anything about the job," he says.

Why he took the leap:

Mr. Shaver says he never intended to become an entrepreneur. But after suffering a serious workplace injury and witnessing others get hurt – and even die – on the job, Mr. Shaver became driven to act on his deep concern for proper workplace safety. "Getting hurt has so many repercussions that people don't realize. People don't deserve to get hurt for a job," he says.

On his success:

When Mr. Shaver started his business, he says he envisioned having about 12 people work for him. Fast forward six years and the number of employees at CSI has swelled to 120. And in those six years, he has grown his company into a \$22-million operation that holds contracts with some of the biggest players in the industry.

The company is in its fifth straight year of an exclusive contract with Shell Canada, and mining clients include heavy hitters such as BHP Billiton and Rio Tinto. His business has also expanded into new areas. Mr. Shaver says they've been asked to handle safety audits for several summer camps, where employee accidents abound.

Mr. Shaver now has his eye on taking his business to the next level and expanding internationally.

Biggest challenge:

One word sums it up: Financials. "Everything costs so much money and nobody supports entrepreneurs and banks don't either," says Mr. Shaver.

Greatest reward:

Mr. Shaver cites his employees as a huge source of pride. "The biggest reward I've seen is some of the guys that have worked for me are complete success stories in their own life," he says. "They've become successful and they still work for me, listening to me and taking my advice. And there's nothing better than that."

Words of wisdom for aspiring boomerpreneurs:

It all comes down to honesty and fairness for Mr. Shaver. "Be honest to your people and your clients," he advises. "People respect others more if they know they're honest. I've been told countless times that I'm the toughest boss my employees have ever had, but I'm also the fairest."

Corrine McIsaac, 51

President and founder of Health Outcomes Worldwide

New Waterford, N.S.

Founded in 2005; 15 employees; just under \$5-million annual revenue

Life before:

A nurse by training, Ms. McIsaac worked for the department of health in Nova Scotia where she supervised all the nurses who provided home care in Cape Breton. In 2000, she started teaching in the nursing department at Cape Breton University.

While working for the department of health, Ms. McIsaac says the budget was "always in the red" and this was because of wound care. While this accounts for at least 50 per cent of the job for community nurses, inefficiencies and a lack of knowledge meant longer healing times for patients and greater costs for the health care system, according to Ms. McIsaac.

What she did:

Ms. McIsaac felt that if there was a way for nurses and physicians to gain knowledge of best practices in the area of wound care, there would be a big impact on both patient healing times as well as the bottom line. She did a field study in this area and published her findings in a peer-reviewed journal, which raised her profile. Soon doctors, nurses and home care managers were seeking her help, and Ms. McIsaac realized she had the makings of a good business idea.

In 2005, Ms. McIsaac launched Health Outcomes Worldwide. The company has three lines of business: consultation services, data analytics, and the company's showcase product, a software application called "how2trak" that gives health care professionals real time information on how to treat a wound based on an embedded database of best practices.

"It's a point of care documentation tool that helps nurses and physicians by guiding them through the right assessment and the right treatment," says Ms. McIsaac. "They enter their assessment of the patient that day, they enter their treatment and that goes into their database."

The software application is being sold to hospitals, home care professionals and long term care facilities across Canada.

"Clients use our application and save millions of dollars," says Ms. McIsaac.

Health Outcomes Worldwide also has the largest wound care data base in Canada, and manufacturers such as 3M use their services to help gain a better understanding of how their products are working in the real world.

Why she took the leap:

One particularly heart-wrenching story stands out for Ms. McIsaac when she talks about what propelled her to become an entrepreneur later in life. She recalls the case of an elderly woman who suffered from a venous leg ulcer – a type of wound – for 45 years.

"For 45 years she did not get the right care because people weren't applying evidence-based practice," says Ms. McIsaac. After getting the right treatment, the lady – at that point 101 years old – healed in nine weeks.

This story is only one of many that Ms. McIsaac witnessed during her time in the department of health. "Wound care is not really a sexy idea and there are all these people in the community that weren't getting evidence-based practice," she says.

The opportunity to improve patient care and make a difference in people's lives while saving the health care system money ultimately encouraged her to strike out on her own and turn her idea into reality.

On her success:

Ms. McIsaac says her company's growth has been slow and steady, and while she's been busy building her business she has also worked hard at building the company's credibility. Now she's invited to speak a few times a year across Canada as well as internationally.

The how2trak software is sold to health care professionals across the country and the company is starting to branch out into the United States. Health Outcomes Worldwide is now developing a second version of the how2trak software application, and has also developed two other software modules – one for diabetes and another for surgical site infection surveillance.

"Our vision is to go way beyond wound care," says Ms. McIsaac.

Biggest challenge:

With a background in nursing, Ms. McIsaac says the financial part of running a business didn't come naturally to her. "The biggest challenge was getting the skill sets that I knew I didn't have," she says. She also notes that getting investment money took a lot of time.

Sticking to your strategic plan is challenging with a small business, Ms. McIsaac adds. "It's very easy to get distracted when you're chasing the next sale and you can go down a path that takes you nowhere," she says.

And then there's the personal toll of her gruelling schedule. "For the last 10 years I've been on 120, 130 flights a year," says the mother of three. "Always in a suitcase, always in an airport, always on a plane, going to the next meeting, going to the next conference, trying to build both the business and the credibility around the business," she says.

Greatest reward:

For Ms. McIsaac, it's simple: "We're helping people get better every day. And that keeps you going every day," she says. "We had a group that improved their healing times by 70 per cent, so people got better 70 per cent quicker. You can't put a price tag on that."

Words of wisdom for aspiring boomerpreneurs:

Ms. McIsaac urges aspiring boomerpreneurs to "go for it," but to dive in with their eyes wide open. "It's extremely rewarding, but it's an awful lot of hard work," she acknowledges. "If you're not prepared to work 18-hour days and not expect a lot in return for many years, if you think you're going to be an overnight success, don't even bother trying," she says.

Glenn Cox, 50

Founder and president of Zengo Innovations Inc.

Charlottetown, PEI

Founded in 2009; seven employees; 2013 sales forecast is just under \$1-million

Life before:

After a 20-year career with the RCMP, Mr. Cox shifted gears and got a job with Aviva Insurance, working in the area of risk management. When the recession hit in 2009 and the company restructured, Mr. Cox lost his job. The idea for his business had already taken hold, which helped soften the blow for Mr. Cox.

"I didn't look at that as a bad thing. I looked at that as a good thing because I said now here's my chance at really getting this going," he says.

What he did:

While losing his job gave Mr. Cox the push he needed to get started, the idea for the product he invented dates back to an incident that happened two decades ago when he was an RCMP officer on Vancouver Island.

He recalls responding to an accident in which a tanker truck had overturned and was leaking fuel from a two-inch rupture. It took two hours for a provincial emergency response team to arrive and plug the leak. "The guy plugged it with a piece of putty, a little piece of plywood and a long-handled shovel," Mr. Cox recollects. He knew there was a better way to do things, and the idea for the RuptureSeal – a product invented by Mr. Cox – was born.

The product seals a rupture in two seconds and mechanically fastens to the rupture so that a person isn't required to stand and hold it in place. "You get in, you seal it and you can get out of the danger zone," says Mr. Cox.

After he was let go by Aviva, Mr. Cox further developed his idea, put together a business plan, and hired an engineer and other staff to do research and development on the product. He moved into a commercial space and within 11 months the product went from concept to commercialization.

The RuptureSeal is now sold in 33 countries around the world, including Israel, England,

South Africa, and the United States.

Why he took the leap:

Losing his job may have provided the impetus to finally get his business going, but Mr. Cox says a light bulb went off at a spill site remediation seminar he attended in 2007 while working for Aviva.

"There were insurance professionals, environmental lawyers, environmental engineers and they all talked about the huge costs of clean up and the proper ways to remediate spill sites," he recalls. "I'm listening to people talk about spills and I'm thinking 'why hasn't anybody come up with a way to plug these off?'"

According to Mr. Cox, no product existed to actually plug a leak. Sensing an opportunity, he sketched an idea on a piece of paper, and that became the basis for what would become the RuptureSeal . Mr. Cox says that as no such product exists, his company even had to design and build the equipment that would make the product.

On his success:

Mr. Cox says his company gets requests every day from different parts of the world.

"It's a product that's literally has not existed before and we continue to innovate new products," he says, noting the company has three more products in the "innovation pipeline."

He notes that some of the biggest first responders in North America are interested in the RuptureSeal and he recently received a request from the Los Angeles fire department.

"When you have big organizations and even small fire departments that want to use your product, that's a validation that you've done something that's making a difference," says Mr. Cox.

Biggest challenge:

Funding and cash flow are the two biggest challenges, according to Mr. Cox.

Greatest reward:

Being able to do something he loves is a huge payoff for Mr. Cox.

"I've had some great jobs over my lifetime but I was always going in there working to make somebody else rich. And I'm working right now to make myself rich, but the reason why I want to do that is so that I can make enough money so that I'm in a position to give more than I take. And that's what this for me is all about," he says.

Words of wisdom for aspiring boomerpreneurs:

"Don't underestimate the financial challenges," says Mr. Cox. "If you think you're going to need to borrow \$100,000, borrow \$200,000."

Sandra McLeod, 58, and Ian McLeod, 66

Owners and managers of Expedia CruiseShipCenters

Etobicoke, Ont.

Opened new franchise location in 2007; 15 independent consultants; \$2-million annual revenue

Life before:

Ian and Sandra McLeod both worked as accountants for 30 years. Ms. McLeod worked for several firms, including PricewaterhouseCoopers, KPMG and, finally, Grant Thornton, where she found herself out of a job at the age of 52 when her focus of practice area was eliminated.

Mr. McLeod worked for different companies during his career, too, including Continental Bank and Investors Group. After serving as CEO at a credit union that merged with another credit union, he took early retirement at age 60.

What she did:

When her position was eliminated at Grant Thornton, Ms. McLeod looked at a number of different options. Eventually she started looking into different franchise opportunities.

"We developed a list of certain characteristics of must-have, nice-to-have and good-to-

have," Ms. McLeod says. Through that process, CruiseShipCenters came up as the franchise that would be the best fit for Ms. McLeod. The couple did their due diligence, spoke with franchisees and attended corporate meetings, and concluded the Expedia CruiseShipCenters franchise had a good corporate structure and strong support system.

"It boiled down to does this feel right and is the financial stability of the company there and do we think we can make money," says Ms. McLeod. "We decided to jump in with both feet and here we are."

They carefully chose a high-traffic location in Etobicoke and Ms. McLeod immersed herself in learning about the business. "It was a huge learning curve," she says. "We had travelled but we had never sold travel or been in the travel business."

Why she took the leap:

After working in the corporate world for 30 years and "having the rug pulled underneath" her when her practice area was eliminated at her last job, Ms. McLeod says she didn't want to be in that position again.

"I was at a point where I wanted to be controlling my own future," she says. "I wanted to have more control over what I was doing."

She says the flexibility of running her own business also appealed to her, even though she was concerned about the risk involved.

"You sign the cheque and then you go 'holy cow, what did I do? What have I just gotten myself into?'"

On her success:

Ms. McLeod says she had a clear plan on where she wanted to be in their first year of business.

"We far exceeded that plan and we've continued to exceed it. We've been growing every year by 20 to 30 per cent," she says.

Biggest challenge:

Making sure they have a life beyond the office is a continuing challenge, according to Ms. McLeod.

"Keeping a lifestyle balance is challenging, because we're here six days a week and so it's challenging to run your business and also have a life outside of work," she says.

While they started off working seven days a week, arriving early in the morning and working until late at night, Ms. McLeod says she and her husband have scaled back their hours.

"You don't want to be there 24 hours a day – you could be, but we don't want to be."

Greatest reward:

Ms. McLeod says her greatest sense of satisfaction comes from clients who go on vacation and have a fabulous time, returning home full of excitement.

She recalls the first time one of her clients gave her a big hug and brought her a bottle of wine after coming home from a great vacation she had arranged. "I didn't get that when I was doing tax planning," she says with a laugh.

Words of wisdom for aspiring boomerpreneurs:

Ms. McLeod puts it succinctly: "Never lose sight of your dreams, because if you can dream it you can do it." She also advises fellow aspiring boomerpreneurs to "find something you love to do because it won't be work."

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