

THE RECORD SMALL
BUSINESS

TSX +131.22 ↑ 13,171.76	DOW +102.30 ↑ 12,654.85	NASDAQ +9.50 ↑ 2,459.88	DOLLAR +0.66¢ ↑ 85.74¢ US	OIL +1.25 US ↑ \$59.06 US	GOLD +1.30 US ↑ \$663.90 US
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WEDNESDAY, FEBRUARY 14, 2007

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SECTION F



PETER LEE, RECORD STAFF

Abe and Ebru Hacioglu operate Esta Chocolates of Waterloo, which produces chocolates for retailers and has a small shop at its Parkside Drive location. Truffles are a specialty.

LOCAL SCENE

Vijay's restaurant reopens after blaze

Closed for almost a year after a major fire, Vijay's Restaurant is back in business.

The Indian food restaurant, a fixture for 23 years at 380 Weber St. W., Kitchener — very close to the Waterloo border — held a grand reopening Feb. 8.

Owner Vijay Thukral says he never imagined it would take so long to reopen. On Feb. 19, 2006, a compressor in one of his freezers caught fire. The resulting blaze caused about \$350,000 in damages.

"I thought three or four months tops," Thukral says.

But lining up a contractor and ensuring that renovations conformed to the building code took longer than anticipated. The dining room has been totally refurbished and the two old kitchens have been combined into one.

How does he feel about being back? "Stressed out," Thukral says. "We've been pretty busy. A lot of people want takeout."

Open again as well is the Pub on Weber, also operated by Thukral.

Ex-B.C. premier to speak in Kitchener

Former British Columbia premier Michael Harcourt will be guest speaker at a March 13 luncheon in Kitchener.

Harcourt suffered a serious spinal-cord injury in 2002 during a near-fatal fall. He later wrote about his miraculous recovery in a book called Plan B.

Harcourt is scheduled to speak on "sustainable cities" and how businesses can make their communities great places.

Sponsored by the Greater Kitchener Waterloo Chamber of Commerce, the event is to be held from 11:30 a.m. to 1:30 p.m. at Bingemans in Kitchener.

Tickets are available at www.greaterkwchamber.com or by calling Megan Harris at 519-749-6045.

M&M Shops named to 'best-managed' list

Kitchener-based M&M Meat Shops Ltd. last week was named to Deloitte & Touche LLP's list of Canada's 50 Best Managed Companies for 2006.

A five-judge panel chose the companies based on their culture, innovation, durability and financial results.

Four locally based former winners — Challenger Motor Freight Inc., Conestoga Cold Storage, Conestoga-Rovers & Associates Ltd. and MacKinnon Transport Inc. — requalified in 2006. Brock Solutions Inc. and Northern Digital Inc. remained "platinum members" of the 50 Best Managed club for qualifying at least six years in a row.

Globalization is theme of student conference

Globalization is the theme of this year's Science to Business conference, coming up March 17 at the University of Waterloo and presented by the Science and Business Students' Association.

The event has become one of the largest annual UW conferences, attracting many exhibitors and hundreds of students.

Major speakers this year will include representatives from BMO Financial Group, Merck Frosst Canada and Luminance Inc., speaking about issues such as global outsourcing, managing a global workforce and partnerships to fight AIDS in states such as Botswana.

For details visit the website at sbsa.uwaterloo.ca

Target market? Taste buds

With skills they learned in Turkey, couple make chocolates in Waterloo

By CHUCK HOWITT
RECORD STAFF

Ibrahim (Abe) Hacioglu grew up surrounded by chocolate.

At seven, he was sweeping floors and preparing boxes in his uncle's chocolate factory in Istanbul, Turkey.

At 14, he used his knowledge of German, learned in school, to translate for German salespeople who came to the factory to sell equipment.

By the time he was an adult, he was working in the family business full-time and eventually he rose to become chief executive officer.

"It's nice to work in a candy factory. You can eat all the candy you want," he says with a chuckle.

Hacioglu (pronounced Hajo-low) clearly likes chocolates, but he likes challenges more. It's why he left a great job in his native Turkey — he was running two candy factories and supervising a staff of up to 500 — to start all over again with a small business in Waterloo.

Esta Chocolates, owned by Abe and his wife, Ebru, opened last June in a small 3,000 square foot warehouse at 550 Parkside Dr., Waterloo.

The Hacioglus came to Canada mainly for their two children, Abe says. The couple have a daughter, 16, and a son, 12, and felt they would have more opportunities in Canada.

"Canada is the best country in the world to treat newcomers," Abe, 44, says without hesitation.

Yet it took five long years after the couple first set foot on Canadian soil before they were ready to sell their first piece of chocolate.

The family came to Canada in 2001 and settled in Vancouver, where the mild temperatures reminded them of Turkey.

After spending a year getting used to their surroundings, Abe learned of a job at Taylor & Grant Specialties in Waterloo and accepted a position as a supervisor with the firm, which employs about 80 and produces candies, breath mints, chocolates and executive food gifts.

Ontario was not totally unknown to them. Ebru's father trained as a fighter pilot in London, Ont., in the 1950s and her sister had studied computers at Fanshawe College. "We always had connections," she says.

Within two months of starting at Taylor & Grant, Abe's experience and knowledge of the candy business became apparent and he was made plant manager.

"I showed them my real resume," he says, explaining that it's difficult for immigrants to start with a Canadian company at an upper level position.

He stayed four years, yet in the back of his mind he always wanted to run his own business.

"I thought, why not? You have this background. Why not have your own company?"

TWO JOBS

For about a year leading up to Esta's opening, Abe worked two jobs — at Taylor & Grant during the day and planning the new business in the evening.

Ebru, 41, helped with the preparations as well, while caring for their children and holding an office job at the Walper Terrace Hotel in Kitchener.

The couple financed the startup themselves. They in-

vested about half a million dollars in machinery, including moulds, a production line and a wrapping machine. Much of the equipment came from Europe, where confectionary machines are plentiful and more advanced.

Abe, who also has training as a mechanical engineer, estimates he saved about \$300,000 by building equipment himself, including a large cooling tunnel for hardening chocolate truffles, which is Esta's specialty.

"I thought, why not? You have this background. Why not have your own company?"

**ABE HACIOGLU
ESTA CHOCOLATES**

The name Esta comes from the Latin word for east, which the couple feels nicely sums up their origins. A customer has noted that in Spanish, the name Esta Chocolates means, "these chocolates."

Esta makes three kinds of truffles: hazelnut, caramel and milk chocolate. Their round truffles differ from the flat-bottom version offered by most North American producers, Ebru says.

The production machine can produce 144 truffles a minute or

about 50,000 during an eight-hour shift.

Chocolate comes from cocoa beans, which are grown in tropical climates. Ghana and the Ivory Coast are the big producers, says Abe.

Esta imports its chocolate from a Chicago manufacturer. Other ingredients come from various sources. The hazelnuts come from the family business back in Turkey.

GIFT BASKETS

The company has started off by selling gift baskets to small businesses in this area and in Toronto and is hoping to eventually break in with major retailers such as Costco, the Bay and Laura Secord.

It uses brokers to sell some of its products, but also has a part-time salesperson, John Fischer.

The Hacioglus speak English fairly well — "T"English," they call it, a combination of Turkish and English — but they decided to bring Fischer on board because they felt a Canadian salesperson could market their products more successfully.

Orders are delivered by courier to smaller customers. Larger customers pick up their own orders.

Aside from Fischer, Ebru and Abe are the only employees. The couple didn't want to spend too much on staff too soon. Esta plans to hire employees next August to prepare for the fall

and Christmas season.

As for Valentine's Day, always a busy time for chocolate sales, the company didn't bring out any special lines this year, but hopes to make heart-shaped chocolates in future years.

Esta also operates a small retail store on the premises at the suggestion of Ebru, who enjoys the interaction with customers.

The pair are renting their commercial space. It was difficult to find something to purchase of the size they needed, says Abe, but they would eventually like to build their own location.

The goal is \$400,000 in sales for 2007, enough to make a profit. The eventual target is \$1 million in sales, "which would give us enough juice to make a bigger investment," says Abe.

The main challenge right now is marketing, he says. He's not worried about the product.

"I know already 50 recipes." The hottest market at the moment is for items priced below \$2, he says. If you're a new brand and priced under \$2, people will try you. If you charge \$10, they will go for the name brand.

"The right price point is very important to us."

Esta wants to offer a "very high-end product at a very affordable price," he says.

Over the next five years, the company would like to introduce many more products, such as orange and raspberry truffles. It would also like to break into the U.S. market and achieve \$5 million in annual sales.

The Hacioglu family has been making chocolates in one form or another since 1953.

Abe, who still owns shares in the family business in Turkey, and Ebru are off to a good start in carrying on that tradition for another 50 in North America.

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Q&A

We asked Abe Hacioglu, co-owner of Esta Chocolates,

Q. What do you do to help your company stand out from the competition?

A. "The market is looking for flexible small companies (like Esta itself) who can go with the market. Big companies aren't so flexible."

Inventor's combat suit winds up on eBay

By WADE HEMSWORTH
HAMILTON

Troy Hurtubise really put everything he had into his bulletproof combat suit.

He spent two years and tens of thousands of dollars developing the Trojan, hoping to sell it to the Canadian or American armed forces — or to another friendly government.

Now he's broke.

The North Bay man had promised the Trojan would give soldiers in the field affordable, lightweight protection from bullets and bombs alike. He had worked all kinds of extras into the body armour: a ventilation system and multiple lights in the helmet, pepper-spray that could shoot from the arm, emer-

gency morphine, even a clock with a face that folded down from the front of the girdle.

Building it was a full-time commitment that bordered on an obsession. He made nine different girdles, six arms, four helmets, four legs and seven boots before he was satisfied.

"It looks like a morgue inside my lab," he said. "You don't get it on the first shot."

Four weeks ago, after finishing the creation in his home lab, Hurtubise strapped on the armoured exoskeleton, pulled on the helmet and drove down to Hamilton, his hometown, to introduce it to the world.

He was excited and bursting with optimism during an interview with the Hamilton Spectator. What he didn't mention was

on that same day he had pawned his wedding ring to buy the gas to get back up north.

He drove home feeling certain he would soon find a buyer for his idea. The story found a life of its own on the web.

Reporters who spotted the item were soon calling Hurtubise from all over the world, generating additional stories in Poland, Britain, the U.S., South Korea and China, as the buzz grew.

"The media barrage was like nothing I'd ever had in my life," he said. "My spirits were so high. I was really excited."

Hurtubise was sure all the attention would turn up a buyer. It didn't.

"Other than the media, I haven't received one call from

anybody," he said. "It broke my heart. Honest to God."

The hardest part for Hurtubise is trying to understand how an idea that seems so good just couldn't get off the ground.

"It's not some foolish fridge-magnet type of thing," he said. "The need is there."

But now, instead of a defence contract, Troy is holding an eviction notice. He and his wife, Lori, and their 14-year-old son, will have to be out by March 1.

And his Trojan prototype? It's now for sale on eBay.

Once, Hurtubise hoped the suit would help protect soldiers in Afghanistan and Iraq. Today, he is hoping it will bring in enough to pay the overdue bills and buy a few groceries.

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HAMILTON SPECTATOR

Inventor Troy Hurtubise of North Bay models his prototype Trojan combat suit. He hoped to sell it to the Canadian or U.S. military. It's now drawing bids on eBay.

Business directory will have 'green' focus

A "green" business directory is being put together by Lions Teeth Productions, a non-profit group that is also staging an environmental and theatrical production this summer to promote the ecology and sustainable consumer choices.

Susan Koswan, a longtime organizer of the Dandelion Festival, says the idea is to combine environment-friendly exhibits and vendors, plus an organic meal, with a theatre production to reach a wider audience.

The production, A Rare Midsummer Night's Dream, will take place June 21-23 in the village of Blair on the grounds of the charitable research reserve called rare. For details, visit www.lionsteethproductions.ca or phone 519-578-8508.