

Step 1



The team has plenty of new ideas for adding value to their existing applications and expanding to other markets. "We've talked about the idea of co-marketing with businesses in the area around Verrus-enabled parking lots," says Neil Podmore, VP, Media Relations. "For example, we might send a text message to the mobile phone of pay parking clients at a specific lot with an offer of a parking discount if they have lunch at a local restaurant.

Step 2



As phone systems become more intelligent, it could be possible for parking lot patrollers to send a message to drivers if they have left their lights on or their doors unlocked. And in the future, sports fans may be able use their phones to check the parking availability at Verrus-enabled stadium lots."

Step 3



Podmore continues, "Right now, there's a lot of talk about mobile commerce and a lot of people coming at it from different angles – some more fruitful than others. Communication companies are both some of our biggest potential competition and partners – it's a real case of co-opetition and we are actively taking steps with all the major wireless companies to make sure they see us as partners."

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This proactive approach extends to their choice of accounting firm. The founding partners chose WKM based on the good service they received from partner Scott Armstrong as individual consultants. "Scott understands the information technology industry and his proactive approach to dealing with issues before they become critical has really inspired our confidence," says Verrus President, Desmond Griffin.

Armstrong confirms the team's thoughtful approach to doing business. "We've worked closely with Verrus to come up with a corporate structure that provides the flexibility they need for their various goals. It's been an interesting challenge due to the distinct differences between two of their key goals – minimizing taxes in the short-term and attracting investors.

We've made sure that Verrus' corporate structure takes advantage of current available tax incentives, and have been helping them to develop the proper internal accounting systems to ensure that their day-to-day financial systems keep pace with their growth."

Much of what happens next in mobile commerce depends upon user's

willingness to trade old habits for the convenience of using technology many are already holding in their hands. Verrus hopes that by fully developing its two current market niches it will be able to demonstrate strong consumer acceptance for mobile transactions that can then be applied to other markets. ☎

Are You System-Ready?

By John Chavner, Contract Consulting Services

Is your computer system working for you or against you? Your system can give you a competitive advantage, but only if its features are speeding up your business processes and making them more efficient – not slowing them down.



The first step in ensuring that you're system-ready, is to ask yourself some questions regarding your current information system infrastructure:

1. Does my staff know how to fully utilize what we have in place today?
2. Does our current system allow anyone to deal with a customer call?
3. How easy is it to get at critical information on my current system?
4. Does my system have the ability to connect to the Internet?
5. Can my system be set up as an access point for customers and suppliers?
6. Do my competitors run information systems that are superior to mine?

Taking stock of your information system is part of the larger process of identifying your business' strengths and weaknesses – a process that is critical to long-term

success.

For example, take a look at how your system handles inventory. Does it help you to make intelligent ordering decisions, maintain optimum inventory levels, and focus your production line on what is selling, rather than on what is piling up in the warehouse?



If your information system does not allow customers to place or check their order status online, does it give your staff ready access to that information when customers call in? If staff have to sift through mounds of paperwork or check with shipping to answer a customer query, you're wasting time and, therefore, money.

'Having an information system that allows your staff to be more efficient at their jobs, means that your customers will receive the time and attention they deserve – and your business will gain revenue.'

The 80/20 rule for customers is also worth examining. Does your information system show you who your best customers are? Do you know if they are happy with the current level of service they are receiving? Are they looking at other suppliers?

Knowing where you stand with your customers is critical – use your information system to gather the statistics and do the grunt work, freeing up time for your sales force and customer service department to become customer-first advocates, rather than order takers.

Having an information system that allows your staff to be more efficient at their jobs, means that your customers will receive the time and attention they deserve – and your business will gain revenue. An honest assessment of what's working in your business – and

what's not – is the first step towards ensuring that your information systems are working for you, not against you.

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As an ongoing service to WKM clients, Contract Consulting Services is extending an offer to provide free question and answer e-mail technical consulting support service.

If you have a general technology question that you would like answered, or would like to discuss technology in your business, you may e-mail your questions to: askjohn@contractconsulting.ca

All e-mail will be treated as confidential and no fees will be charged to WKM clients for this service.*

* Free service is restricted to basic e-mail question and answer dialogue. Ongoing telephone discussions and site meetings will incur costs. Onsite visits to correct specific technical problems and or make specific recommendations will also be billable. ☎

Cash Is King

One of the major reasons companies go out of business is not due to a lack of profitability, but due to poor cash flow management.

Good cash flow management means that you plan ahead to make sure cash is available in both good and slow times.

Sometimes the reasons for a slow period are beyond a business owner's control. For example, the reasons may be seasonal (fireworks manufacturers or toy shops) or cyclical (when the economy is bad, few new homes are bought). But there are other factors that affect cash flow over which you do have control:

- Large time lag between invoicing clients and receiving payment
- Labour-intensive business that requires staff to be paid before any revenue comes in
- Fixed assets purchased from your operating cash
- Payments made to suppliers before any cash payments have been made to you for a related project

Cash flow problems can become very costly. They can affect your business credit rating, cost you more money in interest, and ultimately prevent you from capitalizing on any future opportunities.

How Can I Manage My Cash Flow Effectively?

First, gain an understanding of your business cycle and of the pitfalls into which you might stumble. Then, draw up a cash flow projection that includes your anticipated incomes, expenses and overheads. This will help you predict when cash will be tight, and when you will have a bit extra. Then you can take appropriate measures to ensure that there is cash available whenever you need it most.

A good cash flow projection can also give you an excellent idea of how your





business is growing and changing. Cash flow projections should become an integral part of your overall budget and planning process so that you are not just focusing on the day-to-day, but also ensuring your business future.

For more advice on managing your cash flow, or on any aspect of your business, contact your WKM accountant.

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Congratulations Yvette!

It's been four hard years of work, but Yvette Franc received her Certified General Accountant (CGA) designation this summer. Not content to rest on her laurels, Yvette has already signed up for Chartered Accountant (CA) courses in November!

Yvette has been pursuing her CGA designation since she graduated with a Bachelor of Commerce degree from the University of British Columbia in 1998. Like most CGA students, she worked full-time in accounting positions while taking courses in the evenings.

To satisfy the CGA requirements, she had to complete five levels of courses plus two years of practical experience in an advanced position. "To qualify for the practical side of the requirements," she says, "you can't be in an introductory position – they want to see that you've done a range of accounting work."

Despite the hard work of the last few years, Yvette intends to keep going until she has her CA. And she's delighted to be able to do it at WKM. "When I interviewed with WKM, I was attracted to their youthful energy – they showed a willingness to change, to use technology to improve their processes. They're always thinking about how to do things better – that hasn't been the case at very many of the firms I've been with."

Staff at WKM celebrated Yvette's achievement in style. It's a tradition at WKM



to take staff who receive their designation out to lunch – in a limo!

Yvette savored the experience, knowing that with all the hard work that's ahead of her, it's likely to be her last long lunch for a while. ☒

Closing Entries

WKM Goes International!

At WKM, we search the globe to find top talent to serve our clients! This summer we welcomed two new staff with international experience.

Eben Louw, is a CA from South Africa who joined us on a full-time basis in June.

Jim Brown is a CA from England who is here on a five-month term from our affiliated office, Blick Rothernberg, in London.

In addition to searching the globe for our professionals, we also like to tap into the local market. We're pleased to welcome Aaron Chan and Lynette Tiu to our team.

Aaron Chan recently joined us after graduating from the University of British Columbia with a Bachelor of Commerce Degree. Aaron will be articling with us in pursuit of his CA designation.

Lynette Tiu, CA, has joined us as a tax consultant. Lynette has extensive experience serving the taxation needs of owner-managed businesses, and will be an excellent addition to our tax department. ☒



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Verrus Drives Mobile Commerce Toward the Future

Imagine using your mobile phone to pay for everyday transactions such as parking your car, transit fares, or as part of the entertainment at professional sports games. If the people at Verrus Mobile Technologies Inc. have their way, that's exactly how the future will look.

Verrus (www.verrus.com) is a Vancouver high-tech firm that provides solutions to the North American mobile commerce market; they develop software that allows you to conduct transactions through your wireless phone using voice, touch-tone or a micro-browser.

Their focus is on creating practical solutions to everyday situations – ones that deliver meaningful benefits. "We've learned from watching the early mistakes of e-business companies on the Internet," says David Spittel, VP, Product Development. "You can't assume that users will have, or use, the latest technology, and the type of transaction has to make sense for the medium."

So we don't develop applications that can only be used by people with Web-enabled phones, we include voice and touch-tone users. And we recognize that mobile phone commerce is for mini-transactions, where users don't need to see their purchase on a large screen or type in lots of text."

Currently, Verrus focuses their software development on two market niches: pay parking and professional sports venues. They have contracts with Impark and other leading parking corporations to provide pay-by-phone parking

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service on lots throughout North America.

To pay for their parking by phone, drivers first register with Verrus through their web site. Then, when they use a Verrus-enabled lot, they simply phone to start and stop their parking – the Verrus system calculates the best possible rate for the duration of their stay and the charges appear on their credit card. Parking lot patrollers know that the driver has paid by phone because their license plate is automatically displayed on the patroller's handheld wireless device.



The system means that drivers no longer have to search for change, fetch a paper stub or run back to the car to put more money in the meter. "This is one of the most significant technological improvements in parking management and revenue control that I have seen in the last 10 years," says Charles Huntzinger, Impark's President and CEO. "In the future, I envision a user-friendly parking environment with no barriers slowing the entrance and exit of vehicles."

In similar ways, Verrus' pro-sports applications provide practical solutions that add convenience and fun for spectators. Last season, Verrus partnered with AT&T, the Seattle Mariners baseball team and the Carolina Hurricanes hockey team to provide on-line entertainment through fans' mobile phones. Fans at home and in the stands participated in on-line voting, trivia contests, and interactive games while the real game took place in front of them. This season, the partners will extend that service to allow Mariner's fans at Safeco Field to order and pay for refreshments from their seats.

Verrus is being rewarded for its user-oriented approach with rapid growth. The eight-person company was founded in 1999 by four IT professionals from the financial software and wireless telecommunications industries. After a necessary period of software and product development, the team launched its pro-sports application last year, and the pay parking application this year. Revenues from licensing agreements, user fees and a percentage of transactions are adding up to a banner year for the company.

