



X Spruceland Millworks  
BEN SAWATZKY

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### Company Background

DESCRIPTION	COMPANY #1	COMPANY #2	COMPANY #3	COMPANY #4
Dates of Involvement	1983 – Present	2002 – Present	1992 – Present	1991 – Present
Title	President / CEO	CEO / Chairman	CEO / President	President
Name of Company	Spruceland Millworks	Spa Utopia	BDK Properties	Timeu Forest Products
Website	www.spruceland.ab.ca	www.spautopia.com	n/a	n/a
Location(s)	Acheson, AB	5 locations in BC	Alberta & BC	Fort Assiniboine, AB
No. of employees	120	350	10	40
Product/Service	Softwood Lumber	Spa & Salon	Real Estate	Lumber
Industry	Forest Products	Health, beauty & wellness	Real Estate	Forest Products
Revenue (range)	\$50 million+	\$20 million	\$5 – 10 million	Not disclosed
Public/Private	Private	Private	Private	Private

### General Entrepreneurship Questions

#### 1. At what age did you start your first entrepreneurial venture and what was it?

I started in Paraguay when I was 10 years old. We lived on a little farm and besides doing farm chores or going to school I had a little business raising pigeons that I sold to the native community. There were soldiers at a military camp near where we lived; I raised and sold them pigeons. Every time I had a dozen pigeons I took my horse and I rode over to the meet the soldiers and haggled over the price and sold a dozen pigeons. I remember not being able to speak Spanish at that time. I lived in a German-speaking community and it was such a hassle for me to always ask my dad to come and interpret for me so I taught myself Spanish because I needed to speak Spanish to run my little pigeon-selling business.

In terms of a more formal entrepreneurial venture, I started at age 25. It was a re-manufacturing business from softwood lumber, which is Spruceland Millworks, my main Alberta business [see response to Question #7].

#### 2. What originally motivated you to pursue entrepreneurship and what has maintained your ongoing entrepreneurial focus?

Money was not a motivating factor for me. At that time I was in a management position at a company. Without any specific idea about where there was money or what the idea was, I had for number of years prior to that a desire to run my own business. I thought I had the ability to run my own business and I thought I would find something I'd enjoy doing. I had explored a number of possibilities but none of them came to fruition. I was motivated by a desire to run my own show; my financial objectives were very modest.

#### 3. What individual(s) have been models of inspiration for you throughout your entrepreneurial career and in what way? [No need to mention a name, but rather was the person a close friend, uncle, co-worker, etc.]

Ray Nelson, of Nelson Homes in Edmonton, is an individual I have always looked up to. In my early days I got together with him, not on a regular basis, but on a number of occasions. He was at that time a seasoned business man and well respected in the community in Edmonton. I admired the way he ran his business on Christian principles and how he

was tied into the world of philanthropy as well. I always thought him to be a quiet but very wise leader. I looked up to him as an unofficial mentor and every opportunity I had I got together with him and just quietly listened to him.

**4. How has any formal education or training you have received (to whatever extent) been helpful? If so, in which way?**

At the time when I started my business I had two years of post-secondary education, one year in the department of education and one year in business administration at the University of Manitoba. I was transferred by my employer to Calgary, subsequently transferred from Calgary to Edmonton and then left that job which was the only employment I ever had prior to starting my own business. So while I was actually operating my own business I continued my post-secondary education through an organization called the Canadian Institute of Management. I also spent many years at SAIT [Southern Alberta Institute of Technology] in Calgary, at NAIT [Northern Alberta Institute of Technology] in Edmonton and at the U of A [University of Alberta] taking evening courses that I thought would be of most benefit to me. The first course that I took was business accounting; I also took Canadian business law and human resources. I spent four or five years part-time going to university in the evenings supplementing my education with the types of courses that I thought would need or where I considered myself lacking in formal education.

**5. How many different business ventures have you started in the course of your entrepreneurial career?**

I have been the founder, or a founding partner in 9 businesses: among them are Spruce-land, Timue Forest Products, Barrhead Specialty Wood Products, Manning Diversified Forest Products, BDK Properties LTD, Outback Decks, Tara Forest Products. I was not a founding partner in Spa Utopia in BC, although I am a major shareholder now.<sup>1</sup>

**6. What percentage of these business ventures do you estimate were financially successful?**

Seven of the nine businesses were financially successful. Of the two that didn't work, there were different reasons. One didn't work because of geographic staffing challenges. I amalgamated parts of it into another business. The other business was outside of Alberta. It was a partnership where I had little operational input; it was poorly managed and I shut it down.

## Entrepreneurial Questions Regarding your Primary Business

**7. In order to provide some context, please describe your Primary Business: what does the company do? Who does it sell to? What does it sell? What is your competitive advantage? What is the nature of your overall industry?**

<sup>1</sup> See [www.spautopia.ca](http://www.spautopia.ca) and [www.utopiacademy.ca](http://www.utopiacademy.ca).

Spruceland is involved in the secondary processing of softwood lumber products. Our customers are house builders, industrial softwood lumber users and retail stores. We have been actively involved in marketing our product in more than a dozen countries, including Canada, the US, Mexico, Japan, China, Taiwan, Korea and a number of countries in the Middle East.

Our first competitive advantage is that we also own a good part of our supply chain. We own a sawmill, a division called Timeu Forest Products, where we have the ability to go logging and we have the ability to manufacture a raw material for Spruceland that is specifically suited to Spruceland's and its customers' needs. Our sawmill is located in Acheson Industrial Park, 10 kilometers west of Edmonton, AB.

The other competitive advantages are much softer; the most important one is that we have a group of employees (we have about 110 or 120 employees in our main manufacturing facility) that are more engaged in their jobs than any other like business that I know of. One of my constant priorities is to keep our employees interested in their jobs, interested in being productive and interested in doing a good job in terms of quality control that will translate into a happy customer. On two occasions we have been recognized by *Macleans Magazine* as one of "Canada's Top 100 Employers."<sup>2</sup> We have received the "Top 25 Employer Award" in Alberta on at least two occasions. We have also been recognized by many other peers for our excellence in entrepreneurship, manufacturing and exporting.

All of this recognition is the result of having a group of employees who are engaged, who are interested in their work, and who are interested in doing a good job for their employer, their company, and ultimately their customers. We offer performance incentive programs and bonuses, we have a free on-site gym for our staff, we have an on-site massage therapist, we offer free massages to our staff as they need them and we have made probably 16 or 17 international trips with all of our staff at company expense to reward them for a job well done. We've been many times to Mexico, Cuba and Hawaii. When we take company holidays, we simply close the mill down and take everybody on an all expense paid trip.

We take every single employee on our trips. I have learned, however, that not all companies take this approach. I remember one occasion when I was speaking at an event in a local small town. There were probably 70 or 80 business men present and they asked me to share my story. I did and I talked about these company trips. I had been asked to allow some time for questions and answers at the end of my talk. There was a distinguished younger, but grey haired, gentleman sitting in the front row. From the moment I took the podium I knew that he was going to be the first one to ask a question. Sure enough, the moment I made my closing remarks he was the first guy up and asked a question. He said, "Mr. Sawatzky I know exactly what you're talking about. I know exactly how beneficial

<sup>2</sup> See <http://www.canadastop100.com/national>.

rewards like trips to Mexico and Hawaii can be for your staff. I'm a manager of a branch of a bank branch here in Spruce Grove. My wife and I just came back from a 3 week cruise in the Mediterranean and I know exactly how beneficial these kinds of rewards can be." I said, "Sir, how many tellers did you take with you?" There was dead silence. I said, "Excuse me for sounding critical but the types of rewards and awards programs that so many companies run are actually counter-productive." I said, "How many employees are in your branch?" He said, "About 40." I asked, "How many people receive that award?" He answered, "It was just for the top performers." I said, "Precisely. Everybody in your branch knows you're a workaholic, and everybody in your branch knows that you care more about your job than anything else in your life, probably your family, and so everybody says that guy's going to win it anyways so why should I bother trying." My suggestion is that a reward system should be set high enough for every single person to try and achieve it and low enough for every single person to be able to jump over it. If you want a group motivation, that's how you do it. If you want to motivate one or two people, it is a different story.

I learned this approach early on from my employees. During my first year in business I had ten employees at the time and one production line. On this production line I did not have a foreman but a lead hand. The best performance that I had seen from my production line was 40,000 board feet in one shift. On a beautiful Friday before the July 1st [Canada Day] long weekend my lead hand comes up to me at 8 o'clock in the morning and he says as a joke, "Mr. Sawatzky, why don't you give us the day off?" I jokingly responded that the moment you hit 50,000 board feet, which was 20% higher than anything they'd ever done, you can have the rest of the day off with pay. At 2 o'clock my crew went home that day—three hours before quitting time! That's when I began to learn that if you properly motivate your employees they are not only happy, they are hard-working and they feel good about themselves because you're giving them a measure now by which they can actually judge their own performance.

#### **8. How did you identify the opportunity that led to the setting up of your Primary Business?**

I was not working in the same kind of business, but I had spent all of my working life, which by that time was 10 years, in a wooden box and pallet factory. I was in Edmonton. It was in the middle of a very cold winter. I drove from my office downtown, past a Safeway produce warehouse in February at minus 35 degrees Celsius and in the parking lot I saw 30 to 40 trucks, all of them with California license plates. I was in the business where we manufacture shipping crates and containers. I said to myself, "All of those trucks are here with produce from California, and all of that produce is packaged in a wooden crate pallet or container of some sort." I stopped at the warehouse and I went into the smoke-filled truckers' lunch room. I asked these truck drivers, "When you guys go back to California what do you take in your trucks?" They all woke up and they looked at me and said, "What

do you have?" I said to them, "What do you charge for a load going back to California?" They said, "What do you pay?" That was the process that led me to think that in California there was very little in terms of saw milling and softwood lumber.

I reasoned that just as all of this produce comes through a small city like Edmonton, where on a Monday morning there are 50 trucks sitting here, this is likely repeating itself in every single city in North America. So I thought there would be a great opportunity to supply pre-cut pallets and box lumber to the California produce industry. Softwood lumber, such as spruce and pine, is plentiful in Canada. We are close to the supply, we could manufacture it and cut it in small pieces and therefore be able to load it inside closed container vans and ship it right to the market where they would assemble it and ship their produce across the country. That's where the idea was born in February 1982 and in December 1982 I started my business.

#### **9. What were the critical elements you assessed before you decided to pursue the opportunity? (i.e. the competition? The market?)**

The first thing I did was to contact the Canadian Wood Pallet and Container Association, of which my employer was a member. I found out through my employer that there was an association of wooden box and pallet manufacturers in California. I got a name and contact information and I looked them up. I actually invited myself to one of their annual meetings that they had in Palm Springs. I went down there and had discussions with a lot of manufacturers, got to know them, and learnt about the market and the opportunities; there was no one in Canada doing that kind of work. I made an assumption as I put together a business plan that my idea could be turned into a business.

#### **10. How much time did it take from seeing the opportunity to the first day of operation?**

I started my business in 10 months. I came up with the idea in February 1982 and by December 1982 I had started my business.

#### **11. If you had partners, who were they, and how did you find them? (i.e. family, friends, professional advisors, etc)**

I had no partners when I started the business; I was by myself. A year and a half after that, however, I went to visit my good friend, Levi Giesbrecht, in Vancouver. I had played soccer with Levi for many years back in Manitoba. I reconnected with Levi and he said to me, "If you're ever thinking of expanding your business, I'd like to be part of it." This conversation occurred in October 1983 and by January of 1984 we had started Spruceland BC together in Richmond, BC [a suburb of greater Vancouver].

#### **12. Did you have a business plan of any kind? [Or any kind of written plan]**

I absolutely had a business plan; I remember it clearly. I made a business plan on the basis of my knowledge of the lumber industry and the price information which I had gathered.

Since I came from a manufacturing background I could do a very detailed analysis of the costs of doing this. On the basis of that knowledge I made a business plan and decided that it was something that I could pursue.

I was planning to do \$1 million in sales the first year and I was hoping to make \$100,000 in profit. I did not have a plan beyond that, but I figured if I could do that for two years, I could then pay off my car loan and my mortgage and I could put \$100,000 in my bank account. The interest rate was 20% at that time and I thought I could live on that. So my grandest plan was to build a business to \$1 million and \$100,000 a year in profits.

### **13. What kind of financing did you have?**

I had a \$5,000 bank loan. The reason why I had a \$5,000 bank loan is because the very junior bank officer who went to my small group from our church had a limit of authorizing loans up to \$5,000. I originally made the application for \$10,000. He said, "I will never get anybody to approve this." He said he could only authorize \$5,000 so he would have to submit the application to somebody above him in the bank. He said it will be turned down because I just don't have the assets for the collateral required by the bank for a \$10,000 loan. He authorized a \$5,000 loan on the basis of knowing me.

### **14. How much capital did it take?**

In addition to the \$5,000 bank loan, I needed an additional \$4,128 to get me through the first couple of months to positive cash flow: \$3,000 invested from my dad and \$1,280 from my savings.

### **15. How long did it take to reach a positive cash-flow position?**

Two months. My plan was that I would be working in the mill myself and my wife would be helping me. The day I announced that I had left my old job and I was now starting my own company we found out she was pregnant. I had to hire her brother and my brother as my first two employees because these guys would wait to receive payment. I hired my brother and brother in law for the month of December and I had made arrangements for them to wait until I had the money to pay them. I was able to pay them in January and after two months we became cash flow positive. Since January 1983—27 years now—we have had positive cash flows and profit every single month in our existence.

### **16. If you did not have enough money at the time of the start, or at low points in the business cycle, what were some things you did in order to stretch your capital?**

I contacted machinery suppliers that I knew and I purchased my machinery on credit with 6 month payment terms.

I did run into financial trouble the very first month of operations. My plan was to purchase my raw material, arrange for 30 day payment terms through manufacturers, sell it, and ask my customers to pay me in 10 days so I'd be able to pay my suppliers from the

proceeds of my customers. I had only one supplier in Edmonton that was prepared to take the risk with me to do that. He did tell me, "I will sell you one truck load at a time on 30 day terms but if you don't pay me, I will report you to the credit bureau and nobody else will ever sell you again, so I expect that you will meet my payment terms." So I bought a load of lumber, I remanufactured it, sold it and my cheque wasn't forthcoming from my customer. We waited and waited but it didn't come. In the mean time my wife and I had to visit my parents in Manitoba during Christmas. I started the business in December 1982 and I remember I had just \$128 left in my pocket and we went to Manitoba. I just had enough cash in my pocket to pay for the gas to go to Manitoba and back.

I had a big pile of saw dust in the back of a shop from manufacturing that one load of lumber. So I called a local Hutterite colony and offered them a special deal on saw dust. It was normally \$2 a bag and for that one day I would put it on sale for \$1 a bag. I went to a burlap sack company in Edmonton and bought a bunch of bags. I filled the bags by shovel and I tied these bags. A Hutterite truck came and we loaded up all these bags. I remember so clearly I had 200 bags of sawdust. By the time we were done loading the count was only 186 so I had to go back to my office and I had to right an invoice to the Hutterite colony for \$186. Now I had enough cash in my pocket to buy my wife a Christmas present, too, and as we're done loading and it's all tied up and it's all tarped on the truck, the Hutterite guy comes back to my office. I gave him the invoice and he says, "Well, my boss didn't give me any cash but he gave me six dozen eggs and 2 dozen chickens and some hand-made mitts that I can give you for payment for this stuff." The last thing I needed was old stewing hens from a Hutterite colony.

So, ultimately disappointed, I went home and my wife noticed immediately something was wrong. I didn't tell her what was wrong. I took a shower, got cleaned up, ready to go to Manitoba and after my shower I took my pants that I had worn that day to retrieve my \$128 and it wasn't there. I could only imagine to this day that it fell out of my pocket and into the sawdust and I scooped it in a bag that end up at the Hutterite colony.

My customer didn't pay me on time and I knew that if I hadn't paid my bill very quickly on my first purchase my supplier would sue me and I would be out of business. I have 10 brothers and 5 sisters back in Manitoba; four of them are older than I. I asked my older brothers and sisters if they would be interested in investing in my new business. I needed \$3,000 that day. I have a very close family and they were all very cooperative. They weren't interested in investing in my business but they were willing to lend me money. One sibling said, "I got \$1,000 I can lend you if you want, you can pay me back with no interest when you have the funds." I declined that offer.

I wasn't going to ask my father because he had been a laborer all his life and raised 15 kids, never earned more than \$11 an hour. I knew that for the first time he was about to realize the lifelong dream and that was to go on a trip to the Holy Land he had just booked. I remember from when I was a little child how he talked about how that was one of his dreams. I never asked my dad for money. The next morning as I was having coffee with

him, he had written a check and he said to me, I want to invest in your company, I want to give you the \$3,000 you need for a 10% stake in your business. I said, "Dad, you can't do that. You have just now saved enough money and you booked your trip to the Holy Land." He said the trip can wait. He's passed away now but his estate continues to hold 10% of Spruceland. And he was able to make the trip to the Holy Land the next year; he made the trip a total of 5 or 6 times.

I expanded fairly rapidly. Within 10 years our business was doing over \$50 million a year. We had a number of significant expansions. My philosophy was to never finance more than half of our expansion with borrowed money, never borrow money for a term longer than 3 years and if, the expansion was falling flat to never extend ourselves so far that our existing business couldn't pull us out of it.

**17. What did you perceive to be the strengths (up to 3) of your venture?**

I had reviewed the marketplace that I was planning to service and I perceived our biggest strength to be that we could be the low cost supplier in that market field. But in the beginning, I saw clearly that I would have significant freight shipping advantages over our competitors by utilizing produce trucks [as described in the response to Questions #8].

**18. What did you perceive to be the weaknesses (up to 3) of your venture?**

The weakness of our venture, of anybody's venture in the lumber industry, is the 30 year battle between Canada and the US on softwood lumber case. Trade in this product between the two countries is constantly under review, going from constrained market conditions to countervailing duties to US import taxes. It is a highly politicized process.

**19. What was your most satisfying accomplishment or event?**

There have been so many, but the one that is probably the most significant one happened three years after I started the business. Three years after I started the business I understood clearly for the first time that the company was not a business venture alone but it was a ministry. I was having a barbeque with a good friend of mine named Dean. He was a full time CA and he did my books, and his wife was my part time bookkeeper. This couple was our age and we worked in the Spruce Grove Alliance Church together as youth leaders. One Saturday night, we had a barbeque at their house. Dean said to me, and I was 28 at the time, "Ben, what is your conviction on this tithing principle from scripture?" I said, "What do you mean?" He said, "Is it a corporate or a personal thing?" I said, "I've answered that question in my mind long ago. It's personal because the tithing question is a personal request because as long as the money is in my corporation it doesn't belong to me, it belongs to the company. It's there for the purpose of expanding, buying inventories, buying new equipment, meeting your financial obligations, it doesn't belong to me, it's corporate, those are corporate funds. But the moment it flows from the corporation to my hands I have been brought up with a background where tithing is important. I do

it but then my accountant said to me but you tithe corporately and you tithe personally. I said no I don't. I argued with him. I said I make a commitment at the start of each year not at the end of the year; not when I see how richly God has blessed me but at the start of the year before I know what the financial results will be for that year. I make a private commitment to God how much I am going to give that year to build his kingdom. I said to my accountant the first year I committed \$10,000 and he says you committed \$10,000 the first year and you made \$100,000 profit, the second year you made a \$200,000 profit and you gave \$20,000 and the third year you made \$300,000 and you gave \$30,000 and I have never seen that, I have never seen the correlation between the two. That was a significant moment for me and God talking to me saying this is more than a business.

**20. What was your most disappointing situation or event?**

My most disappointing situation was when I had been grooming a successor for myself for a number of years and he betrayed me. This was a personal betrayal by a close associate and friend.

**21. Once you got going, what were the most difficult gaps to fill and problems to solve as you began to grow your company?**

The biggest challenge we have had in our business is how to overcome political interference in the marketplace. We never had significant financial problems, we never had significant market problems although I would say that the most recent downturn in the entire US credit and housing sector has also been a very significant challenge.

**22. What were the key attributes you looked for in people (partners, advisors, managers) as you grew the company?**

I look for a strong work ethic, reliability, trustworthiness and decisiveness. Anything else is dependent on the position.

## Reflective Questions

**23. What are some things that you have found to be most personally rewarding and satisfying for yourself as an entrepreneur?**

It is easy for me to answer that question. Philanthropy has been a big part of our [Ben and his wife] lives; it's been the reason for Spruceland's existence. The most rewarding thing, and I've seen it many times, is when I have staff, who I work with for a long period of time, who see what we do, in terms of helping the needy of this world. These staff become convinced that they should be parting with some of the dollars that they've always held so dearly to themselves and guarded so jealously. They become generous with their time, with their effort and their money in terms of helping those in need. Those are some of the most rewarding moments for me.

**24. What are ways in which you have developed your own entrepreneurial skills in order to be more effective as an entrepreneur? [i.e. time management; conflict resolution; financial analysis]**

Firstly, I pursued formal education in the areas where I needed additional education. Beyond that, just practice, and hopefully learning from others' mistakes more often than your own.

**25. What are ways in which you cope with or manage the personal stress of being an entrepreneur?**

I try to maintain a work-life balance.

My wife and I have four children. They were all born in the first 6 years when I had the business. My wife was extremely busy with 4 preschoolers and I began to recognize the signs of workaholicism in my life about three years into my business. We lived just five minutes away from the office. My little plant ran two ten-hour shifts—a total of 20 hours a day. I worked from 6 a.m. to 6 p.m., went home for dinner, and every single night I found myself having to return to the shop or the office for some reason that could not wait until the next morning. I ended up working from 6 a.m. to 6 p.m., taking a one hour dinner break and I was back at the office from 7 p.m. until 10 p.m. I began to realize the second and third years into my business the problem of not having a proper work-life balance. I tried to wean myself from my long work hours but I couldn't do it.

So one day I said to my wife that we have to move at least 20 miles away from the shop otherwise I will never be able to curb this bad habit of having to return to work after dinner. So we engaged a real estate agency and told them to try and find a house for us between 20 and 30 miles away from my office. We ended up buying a house that was 22 miles away from my office. All of a sudden it became a much bigger effort to go back to the office after dinner and I quit doing it.

Secondly, from those early days we made a decision that every year we would take at least two vacations, one with our children and one with just my wife and myself.

Later on, when our business turned international and we had a lot of business in Japan, China and Taiwan. These cultures value personal relationships and they love to actually come and personally visit their suppliers all the time. I found myself many times with evening business engagements. I made a decision which I also specifically told my wife about and asked her to hold me accountable to it, and that was that I would never spend more than three nights away a week at business functions. I would be home a minimum of four nights a week and never spend more than three nights a week away at business functions, unless I was traveling.

So those are some of the ways in which I introduced a proper work-life balance early in my career.

**26. What are the ways in which you have dealt with others who have disappointed you in business? [i.e. friend betraying you; employee cheating, etc]**

In the specific case I referred to earlier when a person left my employment [response to Question #20] I never did anything about it. I hate confrontation. My biggest weakness is probably not dealing with confrontation when I see it and hoping it will go away. I have not dealt with those situations effectively enough.

**27. What do you think are the most important personal traits (up to 3) for an entrepreneur and why? [i.e. courage, integrity, prudence, passion, honesty, reliability]**

Boundless energy is the single most important trait—a passion for what you do doesn't wane quickly. Let me give you an example of passion. We have two homes, one here in Spruce Grove [Alberta] and another in the Okanogan [interior of British Columbia]. We spend a lot of our weekends in the Okanogan. Normally we come back from the Okanogan on a Sunday afternoon. We arrive home on Sunday evening and Monday morning I go to work. Last week we came home from the Okanogan on Saturday and I got up the next day and I got dressed, I got ready for work, grabbed my laptop, grabbed my briefcase, drove to work 20 miles away, got to my office and everything was locked. The gates were locked and the doors are all locked and it dawned on me it was not Monday morning. It was Sunday morning and I was dismally disappointed that it wasn't Monday because I wanted to go to work. So one of the important traits of an entrepreneur is a love and a passion for what you do.

**28. What are the most important lessons you have learned with respect to starting and running a business that you pass on to an aspiring entrepreneur?**

I think the first part is that you need to have a realistic business plan. I think the second part is that you need to be well prepared. The third part is that you need to be financially prepared. When I say well prepared, I mean you need to know what it is that you are doing. You need to be an expert in the field that you want to start your business in. In addition, you need to be well prepared financially, I've seen a great number of businesses fail because they were ill prepared financially to go where they want to go. It goes without saying: don't get into a business that you don't have a passion for and where your only objective is just to make money.

## IV. Faith, Entrepreneurship & the Marketplace

**29. How do you describe the impact of your Christian faith in terms of how you find or define meaning in the context of your entrepreneurial pursuits?**

I think it's critically important that if you want to be successful for the long term and, secondly, if you want to maintain a degree of enthusiasm, excitement and a passion for what you do, then entrepreneurship has to be tied with a calling. I remember the very first day when I opened my business. There was really nothing there. There was a rented warehouse and a couple really old pieces of equipment. I wanted to invite my pastor from our

church to come with me that first day and to dedicate the business to God but in the end I was a chicken and embarrassed because there was nothing there. I went by myself and I remember kneeling in the office that very first day and I just said, "God, I believe you've led me to this but I want to beg you for me not to become so tied to it that it runs my life. I want to instead give it back into your hands right now."

This question of calling and of God's will is a very complicated one for a lot of people, but it has never been for me. It's always been very clear to me that since the very early days that God has called us into this business not only for it to be successful financially but for it to be a great place of work for those who rely on us for their livelihoods and for the proceeds to be used in a significant way to build God's kingdom here on earth.

I recall when I was young, long before I started my business, our family attended a small church in southern Manitoba. All of the men were occasionally asked to have the opening of the service with a scripture and maybe a very short devotional and a prayer. So many people in the foyer would always approach me after the service and ask whether I had considered becoming a pastor. I always laughed it off because I had never had a call to be a pastor. I often wondered why I found that funny. Later on, however, it became so clear to me. All along God was preparing me for a ministry in business not only in terms of the financial aspects that successful businessmen can have to the poor and the needy but it provides a platform for me to be a faith witness, probably far greater than most local pastors have.

**30. Who, if any one, affirmed your sense of direction in your entrepreneurial pursuits (as described in Question #29 above)? [i.e. pastor, mentor, the church, Christian friends]**

I point to the conversation that I described earlier with my accountant at the barbeque [response to Question #19].

We've had a number of other similar experiences where God clearly affirmed my calling as a way to contribute to building His kingdom. I remember one time during the second year we were in business. There was a Billy Graham Crusade in Spruce Grove, not with Billy Graham himself but with one of the associate evangelists. It was a September crusade. In February the local team began to organize the event. They were beginning to seek sponsors and I remember a gentleman from our church, Bill Daley, who headed up the local fundraising group. He invited all of the Christian businessmen from the community to an event in February where he was going to present his case. The Billy Graham Crusade Association sent an individual from Minneapolis to Spruce Grove to present the financial needs of the crusade. That evening meeting took place in February. It was a miserably cold, snowy and stormy evening. They had expected 50-60 people to attend, but only 2 people showed up, myself and a gravel truck owner-driver. The guy from the Billy Graham Crusade said, "I've come here from Minneapolis to make this presentation on the financial needs for Spruce Grove later on in September and just because no one chose to come or they couldn't come I'm still going to make my presentation." So he outlined the budget for

the crusade and that he needed to raise \$60,000.

I don't remember many other details except driving home that day feeling very strongly the Lord speaking to me saying that I should give \$20,000 towards the crusade. Now remember, this was the second year I was in business and I had already made my pledge to God that year [to tithe an amount of \$20,000]. I'd already given the money. By the time I reached home about 15 minutes later I had convinced myself that it was not God speaking to me but that this guy was tugging at my emotions. So I dismissed the idea that I should give \$20,000 to this crusade. After all, I reasoned, I had already given \$20,000 to other causes. I didn't know how much I was going to make that year and surely it wasn't God speaking to me.

Anyways, I forgot about it for two months and then I remembered again. By this time it was four months prior to the crusade. So I called the organizer and said, "I was at this event back in February and you asked for pledges. I never left anything but I feel like I should help and I want to contribute \$1,000 a month from now until September." So I sent my money in every month: \$1,000 a month for four months. I never spoke to anybody again on this topic. At the crusade, the chair of the crusade got up and said we had planned to have a crusade here and never ask for any money for the entire crusade although in most cities we do ask people to contribute. We had decided for this particular event not even to pass the collection plate around because we thought we could raise all the funds beforehand. We have had an excellent response from the business community but today we find ourselves \$16,000 short. So he was making an announcement that the following evening there would be a collection to cover the \$16,000. Well, it hit me like a ton of bricks. I went to my car first pulled out a personal cheque book, wrote the cheque for \$16,000. I went to the chair and I said here it is, I'm sorry I'm late.

**31. As a result of being a Christian entrepreneur, how has your approach to entrepreneurship changed? [i.e. I am more forgiving, more gracious, more generous, more determined, etc.]**

I've always felt that I had an advantage over people who are not people of faith because for me it's not just entrepreneurship, but it's a calling.

**32. How did you (or do you) integrate your business/entrepreneurship expertise with your Christian commitment (and how are they complementary)? [i.e. a Christian architect assisting in the design of a new church building]**

The reason why I'm slow in answering this question is because I think it personally totally wrong for churches and Christian organizations to constantly call upon successful entrepreneurs and businessmen to serve in areas where they have needs. For example, I have never served on a church board. Why? In most cases we are the largest financial contributors, I do not want the reputation or the perceived notion that because I give the money I call the shots. We've only ever been in two churches but I have been constantly bombarded



when people in churches or other Christian organizations see a very successful business and that there must be a successful entrepreneur. I get asked all the time to get involved and I always say no.

I always say no because I just don't believe that I should be serving in these board or leadership capacities just because I am good at it. I cannot serve their purpose fully unless it is associated with a calling that goes beyond the church committee. So I have a totally clear conscience in saying no all the time. My church doesn't ask me anymore. We've been there for 26 years and everybody knows my position now.

That doesn't mean that I don't get involved in any way. For example, 15 years ago I was sitting in Sunday School at our church. The Sunday School teacher had this little ice breaker conversation at the start of the class. He had a whiteboard and he had this sentence up on the whiteboard that said: my name is "\_\_\_\_\_" and my biggest frustration in life is "\_\_\_\_\_". So we went around our tables and everybody had introduced themselves by name and told the teacher what their biggest frustration was in life. So my turn came and I said my name is Ben Sawatzky and my biggest frustration in life is serving on committees and boards. Everybody had a little chuckle and so we continued with the Sunday School class. At the end of the Sunday School class there was a little lady, about my age, waiting outside the Sunday school room. She had not been to our Sunday School class and she asked if she could speak to me for a moment. I said sure. So she calls me into a little room in the church and she said, "Myself and two other ladies have been meeting together to pray about a Christian school in Spruce Grove and last night, in the middle of our prayer meeting, we all of a sudden quit, stopped, opened our eyes and looked at each other and said we have to ask Ben Sawatzky to be on our board. So would you consider serving on our board?"

Well, I laughed out loud, told her what had just happened in Sunday School, went to the service, drove home and with a big chuckle told my wife what happened in church. She said maybe you shouldn't be so flippant. Maybe you should pray about that before you answer questions like that so quickly. The net result was that I phoned back and said, on second thought, I will serve on your board. That was in March 1992 and in September 1992 the school called "Living Waters Christian Academy" started in a rented facility.<sup>3</sup> I was a founding chairman.

**33. How have you been involved in your local church (that you now attend and the ones you have attended in the past)? (Whether or not these are related to your business expertise)?**  
[See response to Question #32 above.]

**34. Have you been involved in your church denomination and how? (i.e. conference organizations)**

I am a supporting member but I do not serve in any capacity as teacher or leader or on

<sup>3</sup> See <http://www.lwca.ab.ca>.

the board. I frequently meet with our pastor and sometimes pastors over the years have come to me for mentorship in leadership particularly. Our current pastor came to see me within the last couple of years on a number of occasions on leadership issues. I was able to find some courses for him to take and things of such nature but in an official capacity my calling is not church leadership.

**35. Have you been involved in para-church organizations and how? (i.e. Campus Crusade for Christ, Gideons, etc.)**

Yes, I have been involved in Living Waters Christian Academy [see response to Question #32]. Living Waters is an independent, non-denominational Christian school.

I serve on a number of charity boards. We also have a foundation called The Ben Sawatzky Foundation and we have partnered with a number of groups in Africa. We've built a dozen orphanages over the years. We are currently in the process of working with the Samaritan Foundation in the Dominican Republic and building an entire village of 200 homes.

**36. What are some examples [i.e. situations with partners, suppliers, customers, etc.] of how you have integrated Biblical principles into your business practices and thus acted differently than a non-Christian due to your Christian faith?**

There are many, many cases that I can mention to you. To be honest, to be truthful, and to be transparent are good business principles. In those of us who have a faith conviction it's not just a good business principle--it's the right thing to do, it lines up with our faith conviction. It just becomes easier. I guess I have more reasons as a Christian business man to a honest and forthright and honorable because its not only our business principle, it's our life whether it's at home or with friends in business. If you have a faith conviction it shows.

**37. What are the most important lessons (up to 3) you have learned that you believe are important for Christians pursuing entrepreneurship?**

If you plan a life of entrepreneurship you need to do a deep search in your heart to find out whether it is a calling that you have, because if it is not a calling, the flame's going to go out. I remember I was going to be an academic. I was preparing myself for the world in academia and I was given an opportunity to switch and take on a management position in business. I always saw my job and this factory as a temporary thing until I became some sort of educator. Suddenly out of the blue one day without any prior discussion I was offered a management position which I knew, if I took, would totally turn my world and my dreams upside down. I was working as a factory worker not even in a management position in Winnipeg. My boss came to me and he said, "I have purchased a little company in Calgary and I'm looking for a young manager whom I can train to go and run that business. Your supervisor has identified you as a candidate. Would you consider

it? And, by the way, could you let me know by Wednesday?" This was Monday afternoon! And so it was the only night that I have ever spent awake over any topic in my entire life. I've never, ever not slept for one night; that night I didn't sleep and I kept wondering how I could make a decision.

I basically had 24 hours to make a decision. I was reminded of a youth conference that I attended with a speaker by the name of David Breese at Prairie Bible Institute some years earlier. I honestly wanted to search God's will. This was a major decision and it was a complicated process for me as it is for so many young people but I learnt a lesson that this guy preached one day and it's been dear to my heart. I've shared it with anybody who's come to ask me. So many people have come to ask me, "I really want to start a business, but I want to make sure that it's in line with God's will. How do I know that for sure?" The principle I applied is based on Psalms 37:4: "delight yourself in the Lord and He will give you the desires of your heart." It's an over-quoted verse and it's used flippantly, but I gained an understanding from that verse. It is actually two very distinct principles. I said to myself that what I'm going to do here is to forget about the desires of my heart and focus for a given and a defined period of time—for me it was 24 hours—and delight myself in the Lord, period, end of story. Never mind asking him for direction or for fulfillment of something; just delight yourself in the Lord. I deliberately trained my thought process for a 24 hour period to think of his blessings: to think of the blessings that he had given to our family; to think of the blessings of having come from a God-believing background; to focus on the marvel of his creation; to focus on the answers to prayers in my specific personal life; to focus on the big things that He'd done for me like going to the cross; and to focus on the little things like creating butterflies. All of this is done to focus on delighting yourself in the Lord.

Then after that set period of time—whether that's an hour, a day or a week, and for me it was a 24 hour period—if you have so filled yourself and your heart and every waking moment and every breath you took, you have thought about delighting yourself in the Lord, and all the marvelous things that he means to you, whatever desires remain in your heart must be of God because you are pure in his eyes and any impurity he has dispelled at the end of that period. I said to myself that I want to take this job that means God is telling me I should take it and that's what I did.

**38. How could the church in a general sense (i.e. a local congregation) support you in applying your faith in the context of entrepreneurship?**

I have never given that any thought.

**39. What have been the most significant challenges for you as a Christian pursuing entrepreneurship?**

I can't think of any significant challenges that are specifically related to me being a Christian entrepreneur.

**40. Who was most helpful (and why or how) in addressing these challenges: church leadership, Christian friends, etc.?**

I have mentioned in previous responses the support of my wife [see response to Question #32], my affirmation from a friend [see response to Question #19], and the support of an unofficial mentor [see response to Question #3].

**41. Have you hired people from your church? If so, has that been a positive or negative experience?**

I prefer not to hire people from church. I used to constantly get asked by leaders in our church, including our pastor, about people who need jobs. The expectation then becomes that I hire somebody that is outside of the box of qualifications I'll look for. It has always backfired on me. So, I don't do it. I don't exclude people from my church if they come for a job, but it doesn't earn them any points.

**42. Have you done business with other people in your church and how? (i.e. mentoring, in partnerships, buying products, giving them referrals, etc)**

No, I have never done business with people in our church. Not because I don't want to, but it is the nature of the business. We're a manufacturer, so we don't retail sell to anybody.

**43. Has your relationship with those people you have done business with in your church been positively or negatively affected—from a business and spiritual standpoint—by doing business together and how?**

n/a

**44. What do you believe are appropriate means to share your faith in your company?**

That's a really good question and it's a big question for me and one that I have wrestled with and one that is actually a fun challenge for me. I have had a private prayer for over 20 years that I would be given an opportunity to lead one of my employees to the Lord every year. It hasn't happened every year but it's happened many, many years and sometimes more than one in a year. I always wait for them to come to me. My prayer is that I may live so in their presence that when they come to the end of their road they would come to me for advice and not me trying to push my advice on them. I never ever forgo an opportunity. When we have our year end party—which we call Christmas party in this company—I never forgo an opportunity to tell people what Christmas means to me.

In the last number of years, only because our employees have asked repeatedly, I tell them about our charitable activities. We kept it a secret for many years; nobody knew what we did in the world of philanthropy. Only in the last five years have we become public with our philanthropic activities because employees have asked. Four years ago I made my Christmas speech to them. My employees are largely representative of Canadian society; probably 7 - 8% are evangelical Christians. I said to them, because you have asked,

here's what we do. I explained the construction of an orphanage that we are doing in Kenya. I explained the village for the homeless Haitians in the Dominican Republic. I said that if you want an opportunity to be a part of this I don't want to stop you. I said if you are really interested and if you would consider donating one hour per week of your pay, you could do this for the orphanages, you could do this for the village in the Dominican Republic and by the way in the middle of your tables there are some questionnaires which you can fill out and hand in to your supervisor who'll bring it to the personnel office next week and you can start being a part of it. 78% of our employees started donating money to these causes; I've never seen an appeal in a Christian church with a 78% response.

**45. Is there any particular passage(s) of scripture that you have found particularly meaningful or that is inspirational to you?**

I mentioned Psalms 37:4 previously [see response to Question #37].

Chapter 12 of the Book of Kings - From the very start we have made our gifting specific to causes and amounts at the start of our fiscal year and never at the end, I always say if you make \$1 million and you decided to give \$100,000 at the end of the year it doesn't require any discipline and it doesn't require any faith. But if you have never made \$1 million and if you make a commitment to the Lord at the start of each year that you're going to give \$100,000—now you're practicing your faith!

We get so many requests for giving that it would require a full-time person to answer the phone and say no every day. Our approach is that we tell people when they phone that we don't take telephone presentations; if they have a cause that they would like us to consider, they can write us a one-page request and if its mission aligns with what we do we'll consider it. We receive written requests all year long and many of them are for causes that are not mission aligned with us that we just toss them right away and respond with a letter. However, if they're at all mission aligned with us and our foundations then we will keep them until the end of the year.

My wife and I take a period of time away from distractions in order to consider all funding requests. We have four children and they're all on the board of directors of the foundation now. We take a whole family weekend in order to study requests and to get some questions answered. We spend time in both private and corporate prayer over these requests and we make our gifting decisions.

One year we were very pressed for time and my wife and I decided that instead of going somewhere we would just go and check ourselves into a nice hotel in Edmonton for a weekend and wrestle these things through in study and in prayer and make our decisions. On the way to the hotel I said to my wife, "I feel like that this year, in order to make the process a little easier, we should work in numbers of 12. I don't know why 12. I know 12 is a significant number in scripture, such as the 12 disciples, but it was just a thought that occurred to me. We'll give \$12,000, \$24,000, \$36,000, etc. always working in multiples of 12.

So we had eliminated all of our requests down to maybe 60 or 70 and we were working through this process: we read all of them, we checked all of them, the work that they do and all the rest of it to our purpose statement, we checked to see if this organization's mission is in line with what we want to do. We decided because of the comment I had made that we would select 12 of these requests in front of us that we would assist financially that year and the amount of money we would give them would be in multiples of \$12,000. We decided that we would separate ourselves for a period of prayer over this specific question. After my wife and I got back together we both had a piece of paper in our hand and we had both check marked the exact same 12 causes out of 40 that were still remaining. Then when we added up the dollars beside it, we did not agree exactly on each of them, but the total amount added up to the exact same amount of dollars. That was one of those moments where we said that God has a sense of humor, He likes to work with us and He likes to make our work interesting.

At the end of that weekend, on Sunday morning, I was waiting for my wife as we were getting ready to leave the hotel. She told me to be patient, sit down, and read a chapter from the Bible to her. I said, "What should I read?" She said, "You should read the twelfth chapter of the twelfth book in the Bible." I opened my Bible to 2 Kings 12. The chapter explains how Jehoash repairs the temple:

So it was, whenever they saw that there was much money in the chest, that the king's scribe and the high priest came up and put it in bags, and counter the money that was found in the house of the Lord. Then they gave the money, which had been apportioned, into the hands of those who did the work, who had the oversight of the house of the Lord; and they paid it out to the carpenters and builders who worked on the house of the Lord, and to masons and stonecutters, and for buying timber and hewn stone, to repair the damage of the house of the Lord, and for all that was paid out to repair the temple. However there were not made for the house of the Lord basins of silver, trimmers, sprinkling-bowls, trumpets, any articles of gold or articles of silver, from the money brought into the house of the Lord. But they gave that to the workmen, and they repaired the house of the Lord with it. Moreover they did not require an account from the men into who hand they delivered the money to be paid to workmen, for they have dealt faithfully. The money from the trespass offerings and the money from the sin offerings was not brought into the house of the Lord. It belonged to the priests.<sup>4</sup>

Isn't that something? We had always, because we are not in ministry per se, given larger sums of money over the years to organizations whose work we had never physically wit-

<sup>4</sup> 2 Kings 12: 10 - 16. The Holy Bible, New King James Version (Nashville, TN: Thomas Nelson, 1982)