

EOM

ENTREPRENEUR OF THE MONTH

RALPH CHIODO

SOCIAL RESPONSIBILITY AND BUSINESS

should go hand in hand, believes Ralph Chiodo. So when the president of Active Green & Ross discovered a new way to reach a business objective *and* deliver employment strategies for disadvantaged people, he didn't waste time getting on board.

Active Green & Ross is a tire and auto-repair chain with 74 stores across Ontario and more than \$100 million in system-wide sales. Faced with turning 20 corporately owned stores into franchises, it hooked up with Toronto-based Social Capital Partners (SCP), which invests in enterprises that generate profits and create jobs for the hard-to-employ in Canada. To attract franchisees, they developed a program that offers flexible, low-interest loans of up to \$300,000 as well as ongoing business consultation, with just one condition: at least 50% of employees hired by the new franchise owners must be from outside the economic mainstream—say, new immigrants or street kids.

"SCP is prepared to take on unencumbered capital and assist people to become franchisees that maybe would not have otherwise," says Chiodo. And the program is working. In two years, five Active Green & Ross stores have become franchises through the program. Furthermore, Chiodo claims the initiative is helping to combat Active Green & Ross's hiring woes. SCP takes care of screening job applicants, resulting in less paperwork for franchisees. And, because of SCP's ongoing relationship with community organizations such as the YMCA, it can help franchisees fill jobs quickly. "Believe it or not," quips Chiodo, "our industry has trouble attracting apprentices and juniors. It's just not that glamorous." Glamorous or not, Active Green & Ross is offering further evidence that business and social justice can be a mutually beneficial mix. —KA

