



<http://www.cbc.ca/thenational/indepthanalysis/gopublic/story/2010/06/07/bc-grantbook.html>

Websites sell incorrect info on government grants

Government agencies warn business people not to get taken in
Last Updated: Tuesday, June 8, 2010 By Kathy Tomlinson [CBC News](#)

Provincial and federal government agencies are warning business people not to be duped by companies selling directories on how to get government grants.

"In my opinion, they are of very little use," said Mark Eversfield of Small Business B.C., a multi-government-funded agency that gives advice to small businesses.

"With the economic downturn, I think this is becoming more of an issue."

Eversfield said he's heard several complaints about companies selling information over the internet on how to get government grants and loans. They charge hundreds of dollars for information he said can be found easily on government websites — for free.



1 The Canadian Business Resource Centre is based in Ottawa and is one of several businesses selling information on government grants. (CBC)



2 Stephan Grisbrook says he paid \$500 for a government grant directory that is worthless to him. (CBC)

"At the end of the day, you should look to an agency like Small Business B.C., because that information is accurate, it's updated and it's free," said Eversfield.

In addition, information sold over the internet is often outdated or just plain wrong, he said.

For example, the Canadian Business Resource Centre sells a resource directory for \$500 that lists "loans and grants" as one of the "rewards" offered by Small Business B.C. Eversfield said his organization has never offered loans or grants.

"It's poor information," he said. "It's really poor information when you look at the description of our office in that book."

Information outdated or wrong

Eversfield also pointed to listings of government programs that expired years ago. The B.C. Job Protection Commission, listed in the directory as a resource "to aid business," was wound down in 2002, he said.

"It's very deceiving," said Stephan Grisbrook, a B.C. entrepreneur who bought one of the directories.

He was drawn to the Canadian Business Resource Centre, he said, because its office is in Ottawa and its website — with its Canadian flag — made it look official.

"They make it look like it's attached to the federal government, which it's not," said Grisbrook. When he called, he said the salesperson told him their directory would give him information on hundreds of government grants.



3 Mark Eversfield of Small Business B.C. says businesses can get better information from his agency for free. (CBC)

"She said there are grants available — over 300," said Grisbrook. "I thought, well this is great. I'll be able to apply for money and it's going to take some of that pressure off your business in that first year."

However, Grisbrook said when he received the \$500 directory he found there was not one grant he could apply for. Most of the listings are for loan programs. The only grants he found were for sectors like agriculture and the arts.

No free money

"I had told [the salesperson] my business would be in health and fitness," he said. "After I got the book and looked through it, I realized there's no such thing as free money."

"We can't guarantee for anybody that they will receive anything," said Shannon Tostello, manager of the Canadian Business Resource Centre in Ottawa.

Tostello said clients are not told there are 300 grants but that "there are 300 programs available," she said. "Every business is eligible for only 10 to 20. We wouldn't have told [Grisbrook] that he could get grants."

Tostello also said she issues about 10 refunds a month to consumers who complain they did not get what they thought they were promised.

"If anybody has a complaint, they have to take it up with us," she said

When asked why some of the information in the directory is out of date or incorrect, she said she couldn't answer that question. She also made no apologies for selling information that can be found easily, for no cost.

"We don't tell anyone they can't get the information for free," Tostello said.

1,000 complaints

"We get about a thousand complaints a year about these sites," said Victor Hammill, assistant deputy commissioner for the federal competition bureau in Vancouver.

The bureau posted a bulletin last fall that states, "The Competition Bureau ... participated in a joint internet sweep to expose fraudulent and misleading websites. This year, the Bureau focused on loan and grant scams."

"You can't mislead people," said Hammill. "You have to make sure that it's clear and they understand what's going on."

He would not say whether the Canadian Business Resource Centre or any other site is currently under investigation. However, he indicated because of the number of complaints about such sites, the bureau is actively looking into such sites.

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4 The Job Protection Commission is listed in a directory currently on sale, but it was discontinued years ago. (CBC)



5 Victor Hamill of the Federal Competition Bureau says it's received 1000 complaints in the last year about websites selling information on government grants. (CBC)