

Toronto startup takes CanadianNanny under its wing

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Book a nanny or, better yet, book a babysitter, a pet sitter and a house sitter at the same time.

This is what Toronto-based startup CareGuide promises to offer, and it has just acquired CanadianNanny.ca to bolster its brand presence in the country.

CareGuide is an online portal that owns a portfolio of other websites dedicated to matching various caregivers, such as babysitters or elder-care providers, with families. The company secured \$5.5-million in capital last year from Canadian investors, a signal of just how large and still underserved caregiving needs are in Canada.

Thirteen-year-old CanadianNanny is currently the most dominant caregiver platform in Canada.

The two found a good match in each other. CareGuide currently gets 95 per cent of its business from the United States, despite being a Canadian company. “It wasn’t by design. It was just when we first launched, CanadianNanny was so dominant in Canada that we didn’t make much of a dent,” said John Philip Green, chief executive officer and founder of CareGuide.

And for CanadianNanny, founder Martha Scully was set on keeping the company Canadian despite being approached multiple times for partnerships and acquisitions. “I just loved the idea of a business that was also Canadian taking CanadianNanny. It felt more right,” Ms. Scully said.

Financial terms of the deal were not disclosed.

The acquisition of CanadianNanny brings CareGuide’s total user profiles of caregivers and families to 500,000, favouring the supply side of caregivers. It will also allow CareGuide to consolidate its presence on both sides of the border.

Aside from a new CanadianNanny website to match the CareGuide style, users will not notice much of a difference in services. Mr. Green said the goal is to keep things going the way they are. “As the acquirer, our job is to not rock the boat too much. CanadianNanny is a very trusted brand and they are well loved

and we don't want to mess anything up.”

The fact that it is perceived to be a homegrown service has helped CanadianNanny grow and benefit from word-of-mouth referrals, Ms. Scully said. “Families prefer Canadian caregivers that live here,” she said. “CanadianNanny blocks profiles from being created from outside the country.”

It's a real problem, as there is enormous demand by domestic workers and nannies from outside the country for sponsorship into Canada. “A lot of families will get inundated by requests from foreign workers who wish to be sponsored, but that's not the first preference for Canadian families.”

“They want to interview the candidates and watch them interact,” Mr. Green added.

CareGuide is also receiving a bright new idea from CanadianNanny. “We are going to have a new line of business for providing payroll services, something that [CanadianNanny] started a year and a half ago,” Mr. Green said.

“It's one of the greatest needs that families have after being matched with a caregiver, to do the tax filings and accounting work from paying them,” he said. “Turning your household into an employer is very onerous, so we are expecting this to be a really bright spot moving forward.”

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