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The Georgia SBDC will offer an exciting new program targeted to early stage entrepreneurs in locations around the state beginning in the fall. FastTrac® NewVenture™, a Kauffman Foundation program, is designed to help Georgia's newer small business owners develop and evaluate their business models and draft business plans.

"It is important for the Georgia SBDC to serve as many small business owners as we can during their many stages of development," says Bernie Meineke, area director of the Georgia State University SBDC and director of FastTrac® programming. FastTrac® NewVenture™ is a great choice for motivated entrepreneurs who want to plan and launch a new business and for those with revenue-generating businesses who may have skipped the early planning that is essential to long-term success.

"Often entrepreneurs will tell us, 'I'm already in business. I do not need a plan.' But unfortunately they've fast-forwarded through a critical part of the start-up process," says Meineke. "Those who want to build companies that last will benefit from the program."

Since 2002 the Georgia SBDC Network has offered a related program, FastTrac® GrowthVenture™, to the state's established small business owners. Their outstanding response to this program suggested that FastTrac® NewVenture™ would help the SBDC provide important training to more entrepreneurs earlier in the process.

All FastTrac® programs are owned and developed by the Kauffman Foundation, the nation's largest private foundation supporting entrepreneurial research and education.

"The Kauffman Foundation does a great job with the course material," says Meineke.

"We have had a great experience with the GrowthVenture™ program. The NewVenture™ material

is similar in structure and uses many of the same proven adult learning principles, but it serves a very unique market: potential entrepreneurs and new businesses in the early stages of their operation. We are glad to now offer it as a part of our overall programming," he says.

The program is supported by a grant from The Wachovia Foundation, which will provide a number of scholarships for small business participants.

"At Wachovia and now as part of Wells Fargo, we have been dedicated to providing resources and expertise to small businesses within the communities we serve. Partnering with the SBDC to offer the NewVenture™ curriculum is an example of that," says Vice President Connie Bryant, Senior Community Development officer for Wachovia. "We are proud to be the lead sponsor and a catalyst in helping small business owners throughout our Greater Georgia region realize their full potential."

NewVenture™ will be delivered in ten three-hour sessions at locations in Columbus, Augusta, Gainesville and Savannah. Depending on the location, the sessions will begin in September or later and run through early next year.

A specially designed textbook and online toolkits and templates will provide NewVenture™ attendees everything they need to thoroughly evaluate their business concepts and develop detailed business plans. Participants will gain an understanding of business fundamentals and build infrastructure that supports the operations and processes for their particular business. Upon graduating, these entrepreneurs will have a working business plan and access to a wealth of business and management resources. They will also have access to SBDC consultants and a network of peers and professionals who will continue to offer advice and guidance as their businesses grow.



Need Drives a Perry/Warner Robbins Transportation Start-up to the SBDC

Martha Meens knew she was taking a big risk starting her own business. “My friends thought I had lost it,” she says. “I had a good job.” But when her parents got sick and needed help getting to doctors’ appointments, she learned there were few transportation options available in Perry and Warner Robins for individuals not covered by Medicaid.

“I felt called to open a transportation service for the elderly,” she says. “Everyone I talked to said there was a need. I knew it was going to work. God pushed me in this direction.”

A neighbor put Meens in touch with Michelle Wright, a business consultant in the Macon office of the Georgia SBDC Network. They met and began looking at the services Meens should offer.

“There were few transportation options available in Perry and Warner Robins for those not covered by Medicaid.”

Soon Meens and her 11-year-old daughter, Erika, were distributing signs and flyers for her new business, Magnolia Transportation. “I took flyers to doctors’ offices, nursing homes and assisted living centers all around the county,” she says. Her first client, Brandi Webb, called Meens after she had seen the flyer at a local beauty shop. “My business started in my car with Brandi,” she said. “She pushed me and pushed me to be a success.”

While getting started, Meens met plenty of road blocks. “There were only two underwriters in the region for her type of business in 2001,” says Wright. “Insurance was a big expense. But Martha had good credit and the determination to get started.”

Wright helped Meens develop a business plan. “She wanted that business started, so she had to sell her plan to the bank. Once she got the financing for the first vehicle, she kind of rolled from there.”

Wright consulted with Meens on financing her equipment needs and how to find and pay the best employees. They looked at ways to grow her company by subcontracting to larger companies. Together they conducted cash flow analyses and upgraded her record



keeping as the business grew. By the second quarter of 2005, Wright had advised Meens to move payroll in-house and trained her staff on QuickBooks®, saving the company \$200 per month.

Magnolia Transportation now has 13 vehicles, 25 employees and annual sales approaching seven figures. Meens recently purchased a headquarters building that she has named the Sullivan Webb building, after her beloved mother and client. It also houses her newest business, Magnolia Home Medical Supply. Wright continues to consult on the company’s cash flow analysis and record keeping and has built a relationship with the staff, who sometimes call her with questions.

“I needed help in everything,” says Meens. “Michelle walked me through when the business was just a twinkle in my eye. I feel very blessed for our paths to have crossed. She’s been a continuous help and a good friend through all of this.”

Business owners have to be committed to succeed, says Wright, who points to Meens as a perfect example of the dedication needed. “At many different junctures along the way, Martha Meens could have said, ‘Forget it. This is too difficult.’”

“She’s grown from one to twenty-five employees in about eight years. She’s one of the few women in this industry, so most of her dealings are with men. It’s a challenge, letting them know she’s in charge. She doesn’t get pushed around; she gets involved. If she can build relationships with legislators or others in the industry, she does it. You have to have that kind of commitment,” says Wright.

Georgia's Small Businesses Must Look to the Familiar to Make it Through Tough Times

by Eric Bonaparte

It wasn't very long ago that the federal government passed the financial rescue package. Georgians embraced this historic government action with both optimism as well as with deepening concern about the state's and country's economy.

One major segment of the economic engine, the nation's small businesses, continues to struggle in today's difficult market conditions. Small business owners have seen stagnant sales and increasing costs limit their profitability. In fact, a recent survey completed by American Express Open focusing on small business owners revealed that over the next 12-18 months, 46 percent of small business owners believe economic conditions will worsen, while 34 percent think the economy will get better.

So, what is a small business owner to do? Most are very reactive in a bad economy and often make the decision to control costs and acquire new customers as a strategy to get them through the tough times. In fact, 70 percent of a typical company's marketing budget is focused on finding new customers and only 30 percent on keeping current ones. Research, however, proves that existing customers are a more profitable segment to focus on. In addition, companies which focus on existing customers often improve profitability quicker and have better control over their operating expenses thereby improving their bottom line. So if an owner is looking at riding out the tough market, going with the familiar is the best strategy.

This strategy isn't without challenges. Current customers, though familiar with a company's products and

services, tend to be more critical in buying decisions in an economic downturn as they are more intent on increasing value for their money. In addition, they may be working with less disposable income and will be less forgiving of a mediocre or poor service experience. Owners should conduct customer analyses to find out which ones represent the top 10, 15, and 20 percent of sales. Very often, 20 percent of the company's customers generate 80 percent of the revenue. For these customers, the business owner should adopt an aggressive strategy. Most experts recommend using a trusted, experienced employee to work the relationships so if an issue comes up or there is an opportunity to sell more products or discuss overall needs, the customer can be serviced promptly. This closer relationship also allows for a better feel for the customer's business and trends. In addition, analysis must be done on the other 80 percent of customers that only generate 20 percent of the revenue. In looking at that group, business owners must evaluate the value of retaining customers which can cost more to deliver service to than they pay. In addition, other current customers may be good targets to sell to with expanded products or services.

Technology can also simplify implementing a proactive strategy to existing customers. Customer Relationship Management (CRM) software and other available tools make keeping in contact a snap. Targeting the familiar makes good cost effective business sense for small business owners because establishing new relationships requires a lot of time and expense, but retaining and cultivating existing customers is a proven strategy that works especially in tough times.

Eric Bonaparte is an assistant state director and metro-Atlanta director for the Georgia SBDC Network.

SBDC to offer FastTrac® NewVenture™ beginning this fall (continued from page 1)

All NewVenture™ classes will be facilitated by specially trained SBDC consultants. The program's unique format includes presentations by guest experts and encourages discussion among attendees who are at similar stages in their company's development. "A lot of learning happens around the room, between members of the class," says Meineke. "This interaction leads to the sharing of best practices and mutual challenges. It makes for a powerful learning experience."

"Practical application is the foundation of the program," he goes on. "The participants apply the principles, discussions and readings from each module to their business. When they do their homework, they complete a section of their business plan. All of the tools are there."

FastTrac® NewVenture™ is the newest SBDC program expected to promote the success of the state's small businesses by offering a comprehensive way to learn and apply important business fundamentals.

Go to www.georgiasbdc.org/newventure for information on FastTrac® NewVenture™.

New Program Being Offered Throughout the Georgia SBDC Network

The Georgia SBDC Network has developed a new program to help small business owners survive the economic downturn. "Small Business Success Strategies for Tough Times" will be offered by each of the Georgia SBDC Network's 17 offices. The following topics are covered during this program:

- Solve any immediate cash crisis
- Collect accounts receivable
- Contact creditors
- Adjust prices and reduce costs
- Manage inventory
- Require accurate and timely accounting
- Establish checks and balances
- Focus on marketing
- Pay attention to your retail image
- Set critical business policies
- Be an effective business owner



To find the program located nearest you, visit our web site at www.georgiasbdc.org and click on "classroom training."

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University of West Georgia

Kennesaw State University

Georgia State University

Georgia Southern University

Clayton State University

The University of Georgia

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