

NEWSLINE EIGHT

Volume 15 December 2009

SBA's Monthly
News Update
-SERVING-
COLORADO
MONTANA
NORTH DAKOTA
SOUTH DAKOTA
UTAH
WYOMING

Newsline Eight is circulated to our resource and lending partners by SBA's Region Eight Office

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Helping small businesses
start, grow and succeed.



Your Small Business Resource

Eight Critical Steps a Small Business Can Take to Survive the 2009 Holiday Season

By Dan Hannaher, Regional Administrator

According to estimates, retail and service businesses earn as much as 40 percent of total annual sales during the November-December holiday months, and a successful 2009 holiday shopping season will determine whether many businesses, already struggling through a deep recession, will survive. According to the National Retail Federation, nearly 84 percent of consumers say they expect to reduce their overall spending this year. There are steps that small business owners can take today that may help change these dynamics and make the 2009 holiday season more profitable and successful. The U.S. Small Business Administration recently surveyed its resource partners to determine their top business strategies on surviving this holiday shopping season. Below are their top eight tips:



1. **Monitor uncollected receivables.** It is critical that small business owners monitor their accounts receivable. The holiday season brings vacations and distractions that can adversely affect a customer's focus on paying their bills. Customers who become lax in paying invoices and bills become an immediate drain on business cash flow. Never let customers be late in paying their bills to your business. It creates a bad precedent.
2. **Reassess all expenses immediately.** Holiday survival means creating benchmarks and ratios to better track expenses and key performance indicators allowing business owners to react more quickly and knowledgeably to changes in the business, including materials costs, labor expenses, and a drop in sales. Maintain strict control of inventory and your chances of surviving the holiday season are increased dramatically. Ultimately, the goal is to operate within a "smaller capital box," and avoid having to refill it with outside resources like business loans or credit card debt.
3. **Employees have a lot at risk too.** Involve your employees! Your employees are critical to your success and right now they may be scared to death about losing their jobs. Options include reducing work hours instead of laying off staff. Loyal employees may even volunteer to work a few extra hours to keep the doors open on Sundays or afterhours.
4. **Reward loyal customers with discounts, "extreme" customer service, and other incentives.** During this holiday season, consider offering a 10 percent or higher discount to local customers who have supported your business throughout the year. Back this discount with what we call extreme customer service – extreme in that you treat all customers as if they are your most important. Personalized, one-on-one customer service is the main reason many people shop at a small business and forego the big box stores.

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WYOMING DISTRICT OFFICE

SCORE—Counselor's to Wyoming's Small Business—are ready and willing to help every small business achieve success. Business counseling is free and you may return as many times as needed—the best business bargain available. SCORE will connect you with a mentor who has successfully navigated the world of business. They have two offices serving Wyoming entrepreneurs.

Cheyenne:

301 East 1st Avenue
Cheyenne, WY 82001
307-433-0557

cheyenne@scorewyoming.org

Casper office:

100 East B Street, Ste 4001
(in the Dick Cheney Building on the 4th floor)
Casper, WY 82601
307-433-0557

casper@scorewyoming.org

UTAH DISTRICT OFFICE

The Utah District Office's Annual Lender Recognition Breakfast will be held Tuesday, December 15th at the Zion's Bank Basketball Center, practice facility for the Utah JAZZ, 1414 South 500 West, in Salt Lake City from 7:30 am to 9:00 am. At this annual event the SBA announces its top lenders in Utah. Recognition awards will include the following categories:

- Three Highest District Producers
- Most Loans by Asset Size
- Most ARC Loans by Asset Size
- Most Patriot Express by Asset Size
- Most RLA loans
- Most improved from FY '08
- Community Express Lender
- Capline (small/standard asset based) lender
- Most 504 loans by Small Rural Lender
- New SBA Lender (at least one loan)

For information regarding this Annual Lender Recognition Breakfast, please contact the SBA's Pat Fewkes at (801) 524-3218 or patricia.fewkes@sba.gov.

MONTANA DISTRICT OFFICE

SBA Holds Lender's Conference in Billings.

The Montana District Office will hold its regular Lender's Conference December 16th in Billings, MT at the Big

Sky Economic Development Authority. If you were unable to attend the statewide Lender's Conference in October, please plan on attending the December event. Participants will learn about changes to the new SOP 50 10 5(b), "test drive" the agency's e-lending site, learn about updates on the Recovery Act, and much more. For registration and more information contact the Montana District Office at 406-441-1081.

MONTANA



NORTH DAKOTA DISTRICT OFFICE



1st Annual SBA Small Business Program Users Conference.

On January 21st and 22nd, the SBA will present its 1st Annual SBA Small Business Program Users Conference

at the Ramkota Inn in Bismarck, ND. The conference will include matchmaking opportunities as well as workshops for both contractors new to federal contracting and businesses that are already doing business with the government. This will be an excellent opportunity to meet one-on-one with state and federal government buyers to market your business and discuss existing contract opportunities. Registration fee is \$25 in advance or \$30 at the door. For more information, contact Tom Linnertz at 701-239-5131 x.215 or thomas.linnertz@sba.gov.

SOUTH DAKOTA DISTRICT OFFICE

South Dakota's new Women's Business center—The Center for Enterprise Opportunity—will celebrate its grand opening with an Open House/Ribbon Cutting on Tuesday, December 15th at the Black Hills State University in Spearfish. Black Hills State University was awarded a grant from the SBA to host the WBC project, which will provide business counseling, technical assistance and training, especially to women business owners and to women interested in starting a business. For more information on the South Dakota—Center for Enterprise Opportunity, contact the SBA's Jean Rogers at 330-4243, ext. 29.

COLORADO DISTRICT OFFICE

On Thursday, December 3rd the Colorado District Office celebrated its first graduating class of the *Emerging 200 (E200)* training program. Denver is one of 20 cities nationwide to participate in this MBA style boot camp for high potential business executives. This seven month executive training course targeted inner-city businesses from across the Denver metro area. The E200 program provided these executives with the networking, business training, and motivation required to build a sustainable business. The 13 E200 graduates include:

Business Name	City
Quality Office Products	Denver
HR Medical, LLC	Glendale
Navjoy Consulting Services	Denver
Classique, LLC	Aurora
Sonshine Furniture Today DBA Broyhill Home Collections	Aurora
Marathon Medical	Denver
RP Publishing Inc.	Denver
Meza Construction Company	Denver
Loya Construction, Inc.	Denver
Doc1 Solutions	Denver
Apex Design	Denver
Professional Perspectives, Inc.	Denver
Iron Horse Architects	Denver



RA Dan Hannaher at E200 graduation

Each business was allowed to send one executive to this high level training course. The business executives met weekly in a class room environment and were required to complete outside class work or group project assignments. The training focused on topics including organization management, financial management, growth strategies and management, market development, and strategic planning. Participation in the E200 was offered free of charge to the participants. “The executives that participated in the E200 program will be tomorrow’s business leaders in Colorado.” stated Greg Lopez, SBA’s Colorado District Director. “Now that we’ve reached the end of this intensive training course, these businesses are better positioned to expand in the current economic environment.”

Continued from Page One—Eight Critical Steps

5. **Dated inventory is a cash drain on any business.** One successful marketing technique is to hold an after Christmas inventory blow-out sale. Huge discounts on old or outdated inventory always bring price-conscious consumers to your door. This year try this before Christmas on one of the key weekend sales days. Make it a fun event. Many keen business owners are now announcing these sales on social networks such as Facebook.
6. **Immediately establish a GREAT website to drive Internet sales.** Estimates show that nearly 40 percent of all sales this holiday season will be made on the Web. With most consumers moving to DSL or other high-speed Internet connections, making a quick sale online has become simple and fast. Shopping mall crowds can be a hassle and buying online has become the norm. Establish a Website that can drive immediate sales – with relatively little cost – to your small business.
7. **Increase cash reserves and reduce unnecessary cash outlays.** This is a step that should have been instituted six months before the November/December holiday shopping season. Positive cash flow pays the bills and keeps the doors open. Don’t be one of those businesses left with no options and no cash on hand. Do your business a favor by increasing cash reserves and reducing unnecessary cash outlays.
8. **Don’t wait until December 25th to seek advice on saving your business.** Today is the day to take charge of your business by making an appointment with one of the SBA’s many resource partners – including SCORE and the Small Business Development Centers.

This time of year there is tremendous pressure on all entrepreneurs, but surviving the 2009 holiday shopping season can be less stressful if you follow a few simple survival strategies. And of course, Happy Holidays!