

TOMORROW'S BUSINESS

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Special points of interest:

- Balanced Businesses Need Leaders with Balanced Personal lives
- Schedule Time for Family, Friends and Exercise
- Utilize Your Resource Partners to Help Achieve Balance in Your Business
- Enjoy Life

BALANCING ACTS

Balanced budgets, balanced scorecards, balance sheets, balanced checkbooks, balance of power. It seems much of our business time is focused on achieving some kind of equilibrium within our daily business routines. Too much time spent here, means not enough time spent there. And, many entrepreneurs by necessity, have to maintain this equilibrium without the advantage of delegating tasks to employees.

In the spirit of perfect balanced systems, we encourage our entrepreneurs and resource partners to broaden their scope beyond that of a balanced business, and take personal measures to make personal issues a priority in your lives. Your business needs a healthy leader and you need a healthy business. You must find balance in all areas of your life.

Spring has arrived and sooner rather than later is a perfect time to refocus your entire life to accommodate time for family and health into your daily work routine. Extend your 8-5 scheduling practices into a wakeup to sleep schedule. Make sure to schedule time for exercise, time with your kids or time for taking your spouse out for a nice dinner. You must maintain balance in your total life



Keith Mudd—Interim Director, UHV SBDC

which is more than just your 8-5 work schedule. –easier said than done.

The business advisors at the UHV SBDC understand balancing acts all too well. At the present moment, we have no fewer than 20 client projects that we are developing and flowing in and out of our offices. We cover 11 counties and have many daily commitments in our coverage area. Yet, our schedules are still open to accommodate the next entrepreneurial dream that walks through our door. We strive to maintain balance in our office and work towards helping our clients achieve

balance as well.

With each newsletter, we hope to provide you with tips and advice on how to keep your business life balanced. In future issues, we hope to feature tips and advice from our various resource partners, accountants, attorneys, lenders and professors. In short, it is our hope that we provide you with a balanced newsletter that better enables you to run a balanced business, which leads to a more prosperous and balanced life.

–Enjoy Life, Keith

You can email Keith at:
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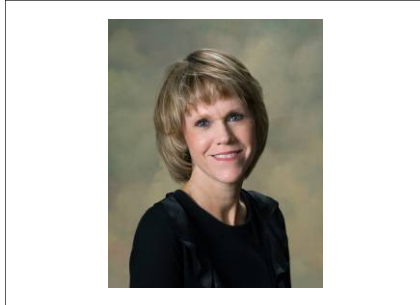
“If your business will not work on paper, it will not work in real life.”

THE WAY I SEE IT...

BY JILL HODDE

I'm unhappy with my current job and would like to start my own business. I have so many great ideas that can and will make lots of money. I need to be my own boss, so what do I need to do?

when they are contemplating a business move is to take their business ideas and thoughts and document them on paper. By carefully planning your next business move, you will increase your chance for success.



Jill Hodde—Business Advisor, UHV SBDC

The UHV SBDC has sample plans and templates to get our clients started off on the right path. When you put your ideas on paper, we assist you with planning and addressing each issue that may need more details or more thoughts before you can achieve perfection.

These are several of the thoughts and questions our clients have when looking to start a small business.

If your business will not work on paper, it will not work in real life.

Whether you are starting a small business or expanding an existing business, the first thing anyone needs to do

-Plan ahead, Jill

REASONS WHY BUSINESS PLANS ARE NEEDED

1. To Determine If Your Business Idea Will Work
2. To Outline Each Aspect of Your Business In Expanded Detail
3. To Understand the Markets You Will Serve
4. To Understand Your Competition and Your Competitive Advantage
5. To Obtain Financing
6. To Understand How Much Capital Is Needed
7. To Make Sure Checks and Balances Are In Place
8. To Project Future Earnings
9. To Attract Good Employees
10. To Have a Documented Contingency Plan

You can email Jill at: hoddej@uhv.edu

IS A WEBSITE RIGHT FOR YOUR BUSINESS...

BY MITCHELL KERN

With computers and the internet being such a big part of business these days, the question of whether or not to create a website has become a very popular question and for good reason.

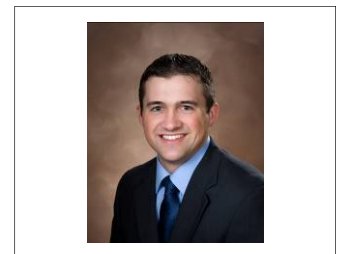
development, hosting fees, and site maintenance. Some of the advantages include: customers have more access to your services or products, your service area is no longer limited to your local communities, and it allows you to collect data on potential customers through different website tools.

A website can be a potential customer's portal into your business before they even come to your location. No matter what type of business you have whether it is retail, service or industrial based, a website can fit almost any business description.

Sorting through the various Pro's and Con's can be a challenge and that is where the UHV SBDC can help. We can evaluate the advantages of a website vs. the costs, and help you project your return on investment.

The most pressing question to answer is, does the advantage of having a website outweigh the costs. Some of the costs to consider are: website

So, is a website good for your business? For most busi-



Mitchell Kern—Business Advisor UHV SBDC

nesses, not having a website is almost like not having a phone, but performing a website evaluation can help address your specific needs to see what is right for your business!

You can email Mitchell at: kernm@uhv.edu

“not having a website is almost like not having a phone.”

COOKIN' THE BOOKS...

BY VINCENT HARRIS

To employ or to hire contract labor, that is the question. Many small business owners do not give this question serious consideration.

A decision to classify people who work for you as an independent contractor rather than an employee could be a costly mistake.

Consider the total amount of contract labor wages that you would pay out in a given year. If you consistently misclassify or do not withhold and pay taxes, it could become a very expensive problem, should the IRS be alerted and rule against your contract labor practices. The IRS could collect for back taxes/penalties for at least the last 3 years of your mistakes.

By contacting the Internal Revenue Service, or your trusted Certified Public Accountant (CPA) and understanding the difference be-

tween contract labor and employees, you can avoid this very common mistake.

If in doubt, some accountants say to consider all your help as employees and pay the required taxes for each employee. Then get clarification from a trusted source (your CPA or IRS personnel).

The best strategy for avoiding costly mistakes in employment taxes and employment regulations is to check the Internal Revenue Service's rules for classifying those who help you in your business.

Keep in mind, the business advisors at the SBDC do not give out legal advice or tax advice, however we are here to highlight critical issues that face your small business, and steer you to an attorney or CPA if needed.

The SBDC also has access to



Vincent Harris—Business Advisor
UHV SBDC

local, regional, state, and national resources to help you make decisions on a wide range of small business issues. Our role is to identify and make appropriate recommendations in critical business decisions that could affect your business' success. We can help you develop a strategy that will boost your bottom line.

-Vincent

You can email Vincent at:
harrisv@uhv.edu

“The IRS could collect for back taxes/penalties for at least the last 3 years of your mistakes.”

TRAIN FOR TOMORROW...

BY DONNA CASTOR

Today's business climate is faster, technology is changing, and there is more pressure on today's workforce.

- You must work smarter.
- You will work harder.
- You must train for your tomorrow.



Donna Castor—SBDC Assistant
UHV SBDC

Make time to rejuvenate your mind by attending a training seminar, or ask an SBDC business advisor to evaluate your business or marketing plan.

Perhaps enroll in a local college class or subscribe to a trade magazine.

Be sure to learn something new each and every day, or at minimum, once every week.

Make learning an integral part of your daily/weekly routine and let learning drive your competitive advantage in the years to come. You must con-

tinually learn to compete in the modern era.

The UHV SBDC strives to offer relevant, fresh topics of interest at all of our training events.

Check our website for the latest information on upcoming training events:
www.sbdcvictoria.com or give me a call and I would be happy to hear a suggestion.

-Donna

You can email Donna at:
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“Make learning an integral part of your daily/weekly routine and let learning drive your competitive advantage...”

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Check Us Out!

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*Building the Economy
One Business At A Time*



University
of Houston
Victoria



Impacts Generated By UHV
SBDC OCT 2005–MAR 2006:

Business Starts	22
Jobs Created	111
Jobs Retained	20
Business Expansions	7

About Us: The UHV Small Business Development Center is affiliated with the UHV School of Business Administration and is a part of a nationwide business assistance program that offers one-stop business management assistance through individual, confidential counseling, business training, referrals and a wide variety of information and guidance.

Our mission is to promote growth, expansion, innovation, increased productivity, and improved management for small businesses in an eleven-county service area.

Expected outcomes are improved performance for our clients, enhanced economic growth within our area, and increased success rates for startup businesses.

THE SCANT ON GRANTS

BY JOSHUA ZELLER

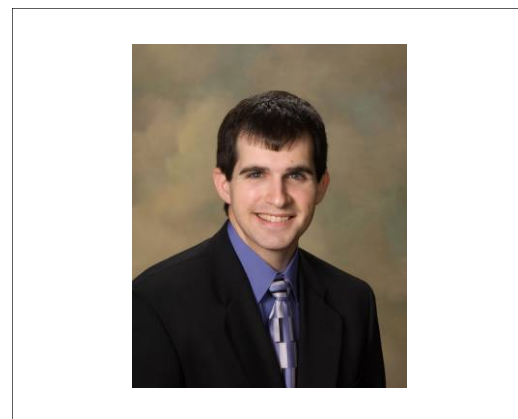
When people come in to talk with me I generally have an idea of the sort of questions they are going to ask. One of those inevitable questions is how they can obtain grant money for their business. Although the SBDC does not handle the search, application, or administration of writing grants there are a couple of things to keep in mind when considering whether grant money is something for you to pursue for your business.

The first thing to keep in mind is that you should never have to pay for a grant application. There are a host of companies that will “assist” you in applying for grant money provided you pay an up front fee. Small business owners need to be wary of these types of companies that provide these services. Usually they will not be able to get you the grant and will still pocket the fee. Legitimate grants offered by federal, state, and local governments will not charge you a fee to apply for their grants.

Also, grants are not free money and there are strings attached. Most small business owners believe that grants are an endless supply of free money, when in fact, that is not the case. Grants have specific amounts allo-

cated and are made to accomplish specific purposes or directives. Therefore, grant money can only be used for its intended funding purpose. For example, one grant offered by the Southwest Trade Adjustment Assistance Center (SWTAAC) was created to assist domestic companies that have been adversely impacted by imports coming into the US as a result of the NAFTA agreement. Only manufacturing companies that are being adversely impacted by these imports may qualify for this grant.

Most grants are “matching grants” that requires the business to put a certain amount of money toward a project in order to qualify. This may take the form of something like a 25%:75% ratio or a 50%:50% ratio and the funds may only be used for specified purchases or initiatives. The majority of grant money is only available for non-profit businesses that have been in existence for over a year.



Joshua Zeller—Business Advisor UHV SBDC

Although the SBDC does not aid in applying for a grant, our business advisors are willing and capable to assist you in applying for start up and expansion capital for your small business through traditional lending avenues. For more information please contact us.

-Joshua

You can email Joshua at:
zellerj@uhv.edu

For more on grants, click:
www.sba.gov