

IT'S YOUR BUSINESS

December 2008

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District Director:
Robert H. Nelson

Editor:
Elizabeth Moisuk

Helping small businesses
start, grow and succeed.



Your Small Business Resource

LOCAL SMALL BUSINESSES EMERGE FROM THE PACK



Every day it seems there is more bad news – businesses are closing, unemployment is up, another bank has shut its doors. In the face of these challenges, the Small Business Administration is doing something positive to help entrepreneurs gain the knowledge and experience they need to keep moving forward.

Enter Emerging 200.

The Emerging 200 initiative, or e200, which commenced in June of 2008, is focused on helping leaders and owners of small businesses in Boston's inner city achieve their full potential.

"Entrepreneurs have the power to bring about positive change by creating jobs and stimulating the local economy," said Bob Nelson, district director of the SBA's Massachusetts District Office. "Job creation and business development is particularly important in neighborhoods where there is a higher concentration of unemployment and poverty."

Twenty local companies participated in the e200 program and attended regular sessions held at UMass Boston. These businesses, from a wide variety of industries including jewelry and clothing manufacturers, general contracting, IT consulting, and tourism, have been in operation for at least three years and have annual revenues of at least \$400,000.

Through e200, entrepreneurs have gained access to a network of government resources and mentoring from local business leaders prepared to invest time and energy in the participating businesses. Participants have attended sessions focusing on growth goals, marketing, sales, financials, human resources, exporting, government contracting and access to capital.

Cambridge-based InnerCity Entrepreneurs has been providing the executive training aspect of e200. SBA's initiative uses InnerCity Entrepreneur's unique "StreetWise Steps to Small Business Growth" curriculum. The only cost of the e200 training, mentoring and networking is the time and commitment of the participants. All other costs of preparing, training and assembling the initiative's coalition are being assumed by the U.S. Small Business Administration and local partners.

SBA's Massachusetts District Office has taken the lead by forging a cornerstone coalition of key business leaders, government organizations and professional business associations, including: the City of Boston, The Hispanic American Chamber of Commerce of Greater Boston, Massachusetts Small Business Development Center (MSBDC) State Office and the MSBDC Boston Regional Office/Minority Business Center. This group of committed individuals and organizations is sponsoring the e200 initiative to encourage the lasting success of its participants.



e200 participants presenting to a panel of experts at the final class of the first session on December 15.

ECONOMIC SURVIVAL EXPO—JANUARY 14, 2009



Find out what resources are available to help you in these economically challenging times. Lenders, technical assistance providers and community organizations will be available to speak with you.

Date:

Wednesday, January 14, 2009

Time:

8:30 –10a.m. e200
Graduation

10–12pm Economic
Survival Expo

Place:

Tip O'Neill Federal Building
Auditorium
10 Causeway Street, Boston

If your bank or community organization is interested in exhibiting at this event, contact David Polatin at 617-565-5562 or email him at david.polatin@sba.gov.

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Local Small Businesses Emerge from the Pack

From the start of the very first class, the participants were off! One by one the urban entrepreneurs had to give their “elevator pitch” - a process that e200 participant Manoj Shinde of tCognition, Inc., an IT/Software consulting services business, said was invaluable. Each member had to quickly put into words the essence of the goods or services they provided. This proved to be an enlightening process for some who found that outsiders didn't have as clear of a picture of their business as they originally thought.

According to student Christine Bernstein, President of Balloon City of Boston, a full service balloon decorating service and retail store, the CEO mentoring groups were very beneficial. “The best way to grow your business is to take a step outside and look inward.” e200 requires participants to meet outside of regularly scheduled training sessions to discuss different aspects of small business ownership. Bernstein has found it helpful to be able to look at her business through the eyes of the peers in her group.

While Bernstein, with no formal business training, who has been in business for 25 years, found the program very beneficial to the continued growth of her business, so did Shinde who earned his MBA at Northeastern University.

“e200 is a road map for what to do and what not to do in your business,” said Shinde. “Anyone can start a business, but e200 teaches how to become an entrepreneur.”

Considering the current economic climate, this lesson couldn't have come at a better time. The e200 entrepreneurs all seem to echo the same theme. Economic decline can lead to increased opportunities to outsmart competitors who may not be as able to adapt.

On dealing with an economic downturn, Melissa Tyler, owner of TummyToys, which makes patented belly rings featuring a snap lock closure, had this to add, “Customer service, customer service, customer service. Don't be afraid to spend your marketing dollars and keep thinking of new ways to grow.”

“Existing businesses have a tremendous impact on employment opportunities in urban neighborhoods which affect local living conditions,” added director Nelson. “The SBA created the e200 initiative to focus on improving the skills of these entrepreneurs and in turn allows them to strengthen their businesses, which is more important now than ever.”

As e200 participant Rob Pyles, founder and creative director of Audissey Guides a company that produces audio walking tours which are downloadable to MP3 players, sums up, “A recession weeds out the weaker businesses and forces you to be the most efficient, effective business possible. This class came at the perfect time.”

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The final class of the first session of e200 in Boston took place on December 15. After 6 months of hard work, participants were able to present to a panel of small business experts and receive feedback on how to further improve and expand their businesses.

Come and join us to celebrate the graduation of the first inner city businesses to complete e200 in Boston! A formal graduation ceremony will take place on January 14, 2009, 8:30am–10:00 am, at the Tip O'Neill Federal Building Auditorium, 10 Causeway Street, Boston. The ceremony will be immediately followed by an Economic Survival Expo!



Panel members posing with one of Balloon City of Boston's creations after the conclusion of the final e200 class.

IRS GIVES SMALL BUSINESSES A HEAD START ON THE TAX FILING SEASON

The tax filing season is right around the corner. The Internal Revenue Service's January Tax Talk Today (TTT) program, "Getting Ready for Filing Season 2009", on Tuesday, January 13, 2009 at 2 p.m. gives small businesspeople a head start with a special, 100 minute program.

Tune in to this extended program to hear TTT panelists discuss updates to forms, the latest tax law changes, common error to avoid, and IRS processing issues that will assist you in preparing your 2008 business returns.

Sponsored by the IRS, Tax Talk Today is a free, live, monthly interactive Web cast aimed at educating tax professionals and their business clients on the most contemporary and complex tax issues. They are encouraged to watch and submit questions.

To access the Web cast at no charge, viewers can register online at <http://www.taxtalktoday.com/>. They can view Tax Talk Today with Windows Media Player and Real Player. Both players are free software that may already be installed on your computer. If not, click the link for Installing System Software to view Internet Broadcast under "How to View" at <http://www.taxtalktoday.tv/index.cfm?page=8.2114>.

The next show, "Surviving an IRS Audit", scheduled for Tuesday, March 10, 2009, might also be of interest to you.

To learn about the availability of IRS products and services, subscribe to IRS's e-News for Small Businesses. To see a representative sample and to start a free subscription to e-News, just go to IRS.gov at <http://www.irs.gov/businesses/small/content/0..id=154826.00.html>, type in your e-mail address and submit.

8(A) GRADUATE APPOINTED TO NATIONAL WOMEN'S BUSINESS COUNCIL

Wendi Goldsmith, President and Founder of Salem, MA-based The Bioengineering Group, Inc., has been appointed to a three-year term on the National Women's Business Council. Founded in 1992, Bioengineering Group has grown from a home-based firm with one employee to a firm with over 55 employees and offices in Massachusetts, Louisiana, New Jersey, and North Carolina. The firm provides a range of science, engineering, landscape architecture, and construction management services featuring environmentally sustainable solutions to common needs. Bioengineering Group was a participant in SBA's 8(a) Business Development Program.



"Being asked to serve on the National Women's Business Council is a deep honor," said Goldsmith. "I look forward to working with the Council and using my experience as a successful business owner to promote federal policies that support women entrepreneurs, and welcome the platform for sharing ideas about women involved in sustainable design."

The National Women's Business Council is a bi-partisan Federal government council that serves as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners. The Council's mission is to promote bold initiatives, policies and programs designed to support women's business enterprises at all stages of development in the public and private sector marketplaces -- from start-up to success to significance. Members of the Council are prominent women business owners and leaders of women's business organizations. Current topics include access to capital and increasing federal contracting opportunities for women owned firms.

SBA MASSACHUSETTS SMALL BUSINESS ECONOMIC HOTLINE

Economic uncertainty creates challenges in credit markets that affect small businesses nationwide. If you would like the chance to talk to someone directly about specific concerns for your business consider calling the Massachusetts SBA's *Small Business Economic Hotline* for free, confidential advice. SBA employees will listen to callers' concerns and respond directly or refer calls to professional business counselors at one of our many partner organizations. You can reach the hotline at 617-565-5627, Monday thru Friday from 8:30 a.m. to 5:00 p.m.



SBA's Ready—SET—GO
Community Workshops

Learn about SBA's programs & services.

12/23/2008

SBA, 10 Causeway Street, Room 265, Boston, 10:00 a.m.—12:00 p.m. Call 617-565-5590 to register. Also on: 1/27/2009

1/15/2009

Quincy Career Center
152 Parking Way, Quincy
1p.m.—3 p.m. Call 617-745-4000 to register.

1/21/2009

Career Works, 34 School St., Brockton 2:00 p.m.—4:00 p.m. Call 508-513-3400 to register.

1/22/2009

Plymouth Career Center, 36 Cordage Park Circle, Ste. 200, Plymouth 10:00 a.m.—12:00 p.m. Call 508-732-5399 to register.

For a complete listing of our upcoming events as well as events being conducted by our resource partners go to: www.sba.gov/ma and click on "Events Calendar" link on the right-hand sidebar.

LOANS AVAILABLE FOR HEATING OIL AND LIQUEFIED GAS DEALERS

The SBA's *Seasonal Line of Credit Loan Program* is available to help qualified heating oil and liquefied gas dealers finance their inventory and accounts receivable.

A rule change has been approved that clarifies the size standard for the heating oil industry which will enable more than 90 percent of businesses in this industry to qualify for SBA loan guarantees. For specifics on the program, please visit www.sba.gov/ma and view the information titled "**Financial Assistance for New England Fuel Oil Dealers**".

MILITARY RESERVISTS WORKING CAPITAL LOAN PROGRAM



Changes have been made to make an SBA loan program more accessible to small businesses facing financial loss when the owner or essential employee is called to active military duty. The application period has been extended, the unsecured loan threshold has been increased and the maximum loan limit has been raised as well.

For more information on this program and to learn how to apply go to:

www.sba.gov/aboutsba/sbaprograms/ovbd
and click on: MREID Loans for Deploying Reservists.

SURPRISING ADVANTAGES FOR MOST BUSINESSES FROM GREEN CHEMISTRY

Large and small businesses have access to green chemistry, which can offer benefits for customers, safe operations, and bottom line. As new research raises concerns about toxics and environmental regulations continue to become more stringent – especially in Europe and Asia – exporters are looking for suppliers who “get it” about green products and services. Local customers and investors are also concerned, and respond to an expert and competent message from businesses about their attention to toxic chemicals.

Whether your business uses paints, solvents, oils, greases, inks, cleaning materials, flame retardants, pesticides, sterilants, fungicides or other material, the Massachusetts Toxics Use Reduction Program can help you learn about your green options. Examples include water-based substitutes for the cancer-causing chemical perchloroethylene in dry cleaning; flooring that reduces asthma triggers; and greener fire retardants in wire and cable and plastic housing for equipment. For twenty years this groundbreaking environmental program has been considered a model worldwide, training professionals in industry to examine their operations and to consider or create greener alternatives. Companies leading in these initiatives like Allegro Microsystems, Bose Corporation, Gentex Optics and Rohm and Haas report savings of from \$200,000 to over \$1M annually in reduced use of toxics, energy and water. These initiatives help businesses achieve advantages in agility, cost and risk avoidance, and advanced standing in a competitive market.

The Toxics Use Reduction Institute (TURI) is located at the University of Massachusetts Lowell. TURI offers free or low cost peer and supply chain networks, workshops and conferences, research and access to technology and health information. The TURI Laboratory will test the performance of solvent cleaning alternatives, including parts or janitorial cleaning, and the TURI Library has a friendly librarian who is expert in many sectors and chemistries. Grants are available for technology change, demonstration or research partnerships. To find out about these resources, call 978-934-3346 or visit www.turi.org.

LOWER COST FINANCING AVAILABLE FOR EXPANDING MANUFACTURING BUSINESSES

MassDevelopment, the Commonwealth's finance and development authority, is open for business and ready to help you expand your manufacturing company in Massachusetts. The agency continues to offer a wide range of low-cost financing solutions for your business, including bonds, loans and loan guarantees.

Our Tax-Exempt Industrial Development Bond (IDB) program can save manufacturers seeking to move to Massachusetts, expand in state, or purchase equipment up to two percent per year – and sometimes more – in borrowing costs. Depending on your borrowing need, your company could save hundreds of thousands of dollars per year during the term of the loan. Manufacturers are also eligible for attractive rates and a higher loan-to-value through our direct loans and guarantees, and additional targeted programs for technology firms, exporters and seafood industry businesses.

MassDevelopment makes it easy by working with your bank, or helping you find a new banking partner. Currently more than 60 Bay State banks offer or participate in agency finance programs, and many are seeking to develop new relationships with borrowers that utilize MassDevelopment financing incentives. Our IDB and lending programs are available to all types of manufacturers, from food producers like Mar-Lees Seafood of New Bedford and Progressive Gourmet of Wilmington, to high-tech and traditional manufacturers like Millstone Medical Outsourcing, Inc. of Fall River and Valley Steel Stamp, Inc. of Greenfield.

Please call (800) 445-8030 or visit www.massdevelopment.com for more information. Staff finance and business development experts are available to meet with you at our offices in Boston, Devens, Fall River, Lawrence, Pittsfield, Springfield and Worcester, or at your facility. We look forward to working with you!

HAPPY HOLIDAYS,
FROM THE MASSACHUSETTS SBA!