



Pacific BUSINESS PARTNERS

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Shell LiveWIRE Guam 2007

Challenging aspiring young entrepreneurs

By SBDC/Shell Guam

Shell LiveWIRE is a Global Shell initiative. It began in the United Kingdom in 1982. The project has been around for over 20 years and Guam's program represents the 17th country in which it operates. The Guam program started in 2002 and is now in its 5th year of success. This program encourages participants to think through their business ideas to create a formal, documented business plan. In addition to the personal assistance received by Guam participants, young entrepreneurs between the ages of 13 through 30 will compete for cash prize awards for first, second and third place winners at the end of the competition. Shell directly contributes around \$3 Million to Shell



2006 winners, from left to right: 18-30 year old category: \$5,000 - 1st place winner Lucy Almaguera, \$2,000 - 3rd place winner Adelle Dimalanta, \$3,000 - 2nd place winner Joel Lagman; 13-17 year old category: \$3,000 - 1st place winner Frank Blas.

LiveWIRE programs globally. Shell LiveWIRE plays an invaluable community service role through the

practical assistance it gives future

continued on page 2

Familia Lawn Service



The Familia crew.

Opportunity starts with family

By Denise Mendiola Hertslet and Antonia "Toni" Tainatongo

Growing up with seven other siblings and being the youngest was a pretty big challenge for Antonia "Toni" Angoco Tainatongo. Her father and brothers were running Angoco's Equipment Rental, a family-owned heavy equipment rental business. "I guess growing up around heavy equipment and a business oriented family has always been a part of my life and is probably one the reasons for starting my own business," says Toni.

Family life started early for Toni when she married her high school sweetheart Anthony Tainatongo of Merizo, Guam. "We have been married for 17 years and have three wonderful children, Analisia, Anthony Jr., and Alexander." Toni's family enjoys spending a lot of time together. However, she admits that it's been difficult these days because the business requires a lot of her time.

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Patriot Express pilot loan program

By Small Business Administration

The new Patriot Express Pilot Loan is the latest extension to the financial, procurement, and technical assistance programs the SBA provides to the military community who want to establish or expand small businesses. Patriot Express is a streamlined loan product based on SBA's highly successful SBA Express Program, but with enhanced guarantee and interest rate characteristics. It can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory or business-occupied real-estate purchases. This new loan program is offered by SBA's network of par-

ticipating lenders nationwide and features SBA's fastest turnaround time for loan approvals. Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent for loans of \$150,000 or less and up to 75 percent for loans over \$150,000 up to \$500,000. For loans above \$350,000, lenders are required to take all available collateral. Patriot Express Loans feature SBA's lowest interest rates for business loans, generally 2.25 percent to 4.75 percent over prime depending upon the size and maturity of the loan.

Patriot Express is available to military community members including veterans, service-disabled veterans, active-duty service members partici-

pating in the military's Transition Assistance Program, Reservists and National Guard members, current spouses of any of the above, and the widowed spouse of a service member or veteran who died during service, or of a service-connected disability.

Presently Bank of Hawaii, Citizens Security Bank and First Hawaiian Bank are approved PATRIOT EXPRESS PILOT LOAN LENDERS. Additional Guam lenders are forthcoming pending the approval to be a Patriot Express Lender. For more information, please contact the local SBA Guam Branch Office at (671) 472-7419 and for a listing of Patriot Express lenders in the area. Details on the initiative can be found at www.sba.gov/patriotexpress.

Guam SBDC Training Workshops

UPCOMING WORKSHOPS

Friday, August 24th (9:00am-11:00am)

"HOW TO WRITE A BUSINESS PLAN"
Fee: \$20

Friday, August 31st (9:00am-11:00am)

"RECORDKEEPING AND CASH-FLOW MANAGEMENT" Fee: \$20

Friday, September 21st (9:00am-11:00am)

"HOW TO GET A BUSINESS LOAN" Fee: \$20

Friday, September 28th (9:00am-11:00am)

"INTRODUCTION TO FINANCIAL STATEMENTS" Fee: \$20

Wednesday, October 3rd (9:00am-11:00am)

"INTRO TO MICROCREDIT"
NO FEE WORKSHOP (FREE)

Friday, October 5th (9:00am-11:00am)

"A BUZZ: Guerrilla Marketing" Fee: \$20

Friday, October 19th (9:00am-11:00am)

"HOW TO START A BUSINESS" Fee: \$20

Friday, October 26th (9:00am-11:00am)

"HOW TO WRITE A BUSINESS PLAN" Fee: \$20

All workshops will be conducted at the SBDC #148 Jesus & Eugenia Leon Guerrero School of Business & Public Administration Building on the campus of the University of Guam. Seating is limited. Advance sign-up and payment required prior to workshop date. Individuals interested in attending the workshop should contact Lorie Sablan at 735-2590 or email laurie@pacifsbdc.com. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.

Shell LiveWIRE Guam

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business people — not only for their own personal success, but also for the jobs they will create and for the overall benefit to the business world.

Shell LiveWIRE Guam is sponsored by Shell Guam, Inc. and strongly supported by the Rotary Club of Tumon Bay as well as other Rotary Clubs on Guam. Other supporters of the program include the University of Guam's Small Business Development Center, Pacific Daily News, Sorenson Pacific Broadcasting, Star Press, Guam Premium Outlet, Marianas Business Journal (MBJ), Atkins Kroll, Guam Community College (GCC), Junior Achievement (JA) Guam, and Glimpses of Guam Inc.

What's in it for you?

Being your own boss, making your own decisions, being a success. It's an attractive idea, isn't it? Or is it? Could you cope with long hours, isolation, and pressure?

Guam Shell LiveWIRE help you decide if running a business could be right for you. It will help you start to think through your business idea with the aim of creating a formal, documented business plan.

By becoming part of the Guam Shell LiveWIRE program we can assist you in moving closer to making that final decision about starting your own business. Shell LiveWIRE does a number of things to assist, we provide:

Take the challenge

Shell LiveWIRE NOW challenges Entrepreneurs between the ages of 13 through 30 in "STARTING AND ACCELERATING YOUNG BUSINESS IDEAS"

Do you have what it really takes to do just do it? Are you ready? Then go to www.guamshelllivewire.com or call Georgette F. Reyes at 735-2591 or Eileen Guerrero at 647-0123 ext. 109. AND LET'S SEE IF YOU HAVE WHAT IT TAKES TO MAKE IT HAPPEN!!!

- Assistance and guidance to organize your thoughts with a view to write a business plan (a document stating just how & why your business will work);
- Each accepted applicant with a business mentor who will maintain close contact over a three-month period while LiveWIREs are developing their ideas and preparing their business plans.
- Each applicant will be provided a copy of the Shell LiveWIRE Business Plan Guidelines booklet;

- Participate in Business Planning Workshops; and
- The opportunity to win a share in \$16,000 dollars cash prize.

Is there a cost to you?

There is no financial cost to you. However there is the cost of your time. On average you will need to spend about 10 hours per week for 12 weeks to produce a realistic and viable business plan. You must be prepared to also work with a volunteer business mentor, who is there to provide general business advice.

What's in it for me?

- The opportunity to talk through your idea with an experienced business person.
- The opportunity to develop a comprehensive (realistic) business plan that can help you launch into the business world.
- The opportunity to share in prizes to the value of \$16,000: \$3,000 (13-17 years old) or \$5,000 (18-30 years old)



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Business owner Antonia "Toni" Tainatongo at work.

"Lawn care is not an easy job. However, it's an honest living that involves dedication and conviction."

Toni Tainatongo

Familia Lawn Service ...

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Toni explained that going into the grass cutting business was really by accident. Several years ago, her children started playing soccer with the Southern Cobras Soccer Club which participates in the island wide Robbie Webber Soccer League. The president of the club was her eldest brother Frank Angoco. She eventually started helping out by providing her lawn services to assist him in maintaining the Southern High Football and Softball fields that were used by the club for weekly practices. Toni added, "We did this for about 3 soccer seasons! It was a chance for the family to be together on the weekends and help one another for the kids."

Soon after, Toni was offered the opportunity to maintain the Tiyan Soccer field, where the Robbie Webber Soccer youth league games were played. "It was pretty exciting and lots of fun!" Toni went on to eventually get the contract for the Guam Football Association Main Facility located in Harmon, Guam. This is where the national soccer players of Guam train and prepare for off-island competition. After talking with her husband "Tony", she decided to pursue the grass cutting business in a full time capacity. According to Toni, "I really enjoyed getting on that riding mower and cutting the grass for the players, coaches, parents, and fans. It was just an honor and a great sense of pride and accomplishment."

After several seasons on the field and doing some research of her own, Toni found that this type of business had the potential to be pretty profitable. "Unless they lay cement on the entire island of Guam, there will always be grass to cut. Therefore, there is always opportunity for the business to grow."

Before starting her business, Toni had to do

some more research. "First and foremost before starting any business on Guam you need to visit the Guam Small Business Development Center located at the Jesus and Eugenia School of Business and Public Administration building at the University of Guam. My Counselor and Bank of Guam Women in Business Program Coordinator, Mrs. Denise Mendiola Hertslet, was instrumental in guiding and providing me with tips and techniques to running a successful business. The folks at the SDBC are very knowledgeable, resourceful, and skilled in starting up a business from scratch.

They offer business workshops and free one-on-one counseling. It's an excellent start!"

Toni started her business slowly and used her personal savings to pay for start-up costs. "I would say seventy-five percent of my business assets are owner-injected. Slowly but surely we were able to buy equipment one at a time: a little here and a little there." Recently, Toni went to the Guam SDBC and worked with Denise to apply for a small business loan. "Denise point-

ed me down the path to getting my first Small Business Loan. This loan was used to expand our current operations and working capital."

Toni stresses that lawn care is not an easy job. However, she believes it is an honest living that involves dedication and conviction. Her company, Familia Lawn Service, is fairly new and is still in the process of learning and perfecting the art and science of the landscaping industry. However, she feels that she has been blessed to have skilled workers who are knowledgeable in the maintenance of the equipment and who have been exposed to both residential and commercial cutting. Her husband is still employed and helps out after work and during the weekends, so she is grateful that his support makes it a lot easier and enjoy-

able.

Toni readily admits that running a business has its challenges. Her biggest challenge is getting more commercial customers in the private sector. Another challenge is time management. "Tossing between the business and the family is a challenge in itself. However, the support I receive from my husband and children has made the challenge that much easier and rewarding to me." Keeping up with all the jobs they have and providing the very best service possible is an everyday challenge for Toni and her crew. Another challenge today is the increase in fuel prices and licensing fees, to name a few. "The increase in the utilities and government services and fees makes maintaining a business difficult. However, with the support of my family and the superb hard work of my employees', Familia Lawn Services is here to stay!"

With challenges, there are also small and great triumphs. According to Toni, "I guess the biggest triumph for me thus far would be the lord giving my family and me the opportunity to work for ourselves. It's a great feeling and sense of accomplishment to run your own business. As long as I am in good health and the kids are fine... that's what we live for right?"

Familia Lawn Service is finally taking off and gaining momentum. However, Toni hasn't had time to relax yet. Her challenge right now is getting her foot in the door with Federal Government Contracts. Our goal is to win a Federal Government Contract or two and be able to provide ground maintenance to the various bases and federal properties on Guam.

When asked what advice she could give to other women who would like to go into business for themselves, Toni remarked "The best advice I can give is to follow your heart and it will lead you down the right path. Believe in the Lord and pray for help and guidance because you never know what you can do until you try. Finally, there is no better feeling than making your dreams and goals come true!"

For more information

For more information about the Bank of Guam Women in Business Program at the Guam Small Business Development Center, contact Denise Mendiola Hertslet at 735-2594 or denise@pacificsbdc.com.

Kosrae hosts training workshop



Front L-R: Ines Justus, Jovita Palsis, Andriet Tilfas, & Ringsley Cornelius. Middle L-R: Jacob Henry, Mixon Jonas, Nena Tolenoa, & Malun Nithan. Back L-R: Harry Jackson & Stanley Raffilman. Adam Leff is behind the camera.



Andriet Tilfas, Manager, FSMDB Kosrae Branch, presenting the bank's loan programs. Mallun & Ringsley whispering gossips at the back.

Kosrae SBDC Training Workshops

AUGUST 2007

Wednesday and Thursday August 22, 23rd (9:00am – 12:00pm)

Computers in Business – Microsoft Word and Excel

SEPTEMBER 2007

Wednesday, September 12th (9:00am – 12:00pm)

Loan Packaging – What the banks want to see

OCTOBER 2007

Wednesday, October 10th (9:00am – 12:00pm)

Management planning

NOVEMBER 2007

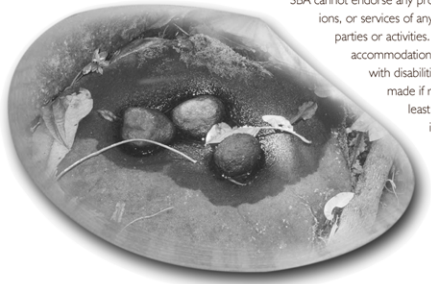
Wednesday, November 14th (9:00am – 12:00pm)

Cash Flow vs. Income Statements – What's the big difference?

For more information on the locations for the scheduled workshops, please contact the Kosrae SBDC at (691)370-2751 or call the municipal office for the Outreach Training to register your name. Individuals interested in attending the scheduled workshop can also submit a web request at www.pacificsbdc.com or send an email message to kbdac@mail.fm.

The Kosrae SBDC is a program supported by the U.S. Small Business Administration and extended to the public on a non-discriminatory basis.

SBA cannot endorse any products, opinions, or services of any external parties or activities. Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance.



'How to apply for a business loan'

By Kosrae SBDC

From March to May 2007, Kosrae Small Business Development Center (SBDC) received phone calls and personal visits to inquire on "How to Apply for a Business Loan?". Kosrae SBDC staff called FSM Development Bank to qualify whether it will be possible to develop a training/workshop to answer the question. Andriet Tilfas, FSMDB Manager, Kosrae Branch said, "Hey, I was going to ask you the same question. Recently, the bank had received many calls inquiring the same question." The Kosrae SBDC staff went right to work right away. After two days of hard working, the training was good to go. Ms Tilfas agreed to be a guest speaker for the proposed training speaking about the loan programs available at FSMDB. The training was set for June 15, 2007 at Department of Commerce &

Industry Conference Room.

As the speakers/presenters present the topic, there were nods and smiles on the participants' faces. It was obvious that the information presented was an eye opener and very meaningful to the participants. After the presentations, there was a very long Q & A session for the curious questions from the crowd. It was not just the loan programs that the participants learned they also learned the 5Cs of Credit and income-to-debt ratio. Mallun Nithan turned to his left and whispered into Ringsley's ears, "Now I can see why the bank turned down my loan application." Kosrae SBDC and FSMDB Kosrae were very happy and delighted with the outcome though it was a short notice. Thanks to all that participated in the training. Kulo malupal! For more information on upcoming trainings, please contact the Kosrae SBDC at (691)370-2751.

RMI SBDC extends its training arm to the Ajeltake community

Recently the group leaders of the Ajeltake Community had requested the Ministry of Resources and Development Trade and Investment Division to provide to their people training for processing noni juice and virgin oil. This same invitation was extended as a request to the RMI Small Business Development Center to offer trainings focused on the business aspect of this venture. The SBDC training was specific to "How to obtain micro finance loans and to enhance skills and have a better understanding on managing a business". A total of 24 individuals participated. Of the total, twenty

two (22) were members of the Ajeltake Women's Group and the remaining two (2) were potential small business owners. Both training sessions were a success.

Participants were pleased with the information sharing and business tips provided.

The training sessions conducted by the RMI SBDC are open to all potential and existing small business owners.

The training sessions conducted by the RMI SBDC are open to all potential and existing small business owners. For more information on the RMI Small Business Development Trainings, you may contact the SBDC at (692) 625-3685 or visit the SBDC at the Marshall Development Bank Building 4th Floor Room 404.



Ajeltake community participates in the joint training offered by the RMI SBDC and Ministry of R&D Trade Division.

Startup business spells SUCCESS

By RMI SBDC

Mr. Waer Samuel visited the center to get assistance on obtaining small business loan to start up a fishing business in Laura village. He attended our business training workshops and successfully completed the one-to-one counseling sessions allowing him to acquire a business plan as required for bank financing. Shortly thereafter, Mr. Samuel submitted his proposal to the Bank of the Marshall Islands (BOMI). The proposal received a favorable approval for his loan in the amount of \$2,300 to start his fishing business. The funding to include owner's contribution allowed for the hiring of two (2) experienced fishermen from his area to assist him with the initial operations of the business. Since then, the business has been expeditiously improving and growing. Mr. Samuel told us that now his fishing business has been very successful that he now has plans to expand to a small retail service. The RMI SBDC congratulates Mr. Waer Samuel on a very successful business venture in RMI.



Mr. Waer Samuel Assisted by RMI SBDC to Get MicroCredit from the Bank of the Marshall Islands.

For more information regarding the RMI SBDC programs, please contact the Center at (692)625-3685 or visit the Center which is located at the Marshall Development Bank Building, 4th Floor, Room 404 or email rmissbdc@ntamat.net.

RMI SBDC Training Workshops

RMI Small Business Development Center offer trainings and workshops aimed at potential and current small business owners. These workshops are open to the general public and all other interested individuals. All workshops are FREE OF CHARGE and held at the RMI SBDC located at the Marshall Development Bank Building, 4th floor, Room 404. Individuals interested in attending workshops can call RMI SBDC at (692)625-3685 or e-mail rmissbdc@ntamat.net. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.



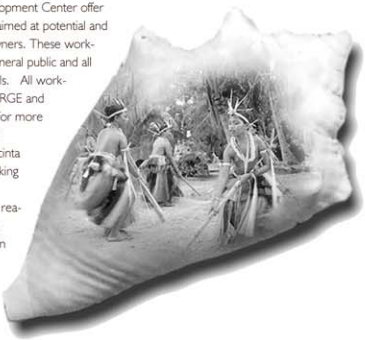


From cultural attractions to traditional events and beyond, key is customer service.



Yap SBDC Training Workshops

Yap Small Business Development Center offer trainings and workshops aimed at potential and current small business owners. These workshops are open to the general public and all other interested individuals. All workshops are FREE OF CHARGE and held at the YAP SBDC. For more information on workshop dates/times, please call Jaicinta Primo during regular working hours at (691)-350-4801/4802. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.



Customer service is essential ingredient to Yap tourism

By Yap SBDC

No matter how good a business plan a tourism entity may have, tourism is a customer service oriented business. The success of any tourism product, be it an international airline or regional hotel, a traditional attraction or local event, depends on employees who care most about the customers they serve and the companies they work for. While this maximum has always been true in most every sector, the tourism industry, due to uncontrollable factors, bounds to pass through uncertain times more often. Tourism business' ability to weather the frequent ups and

downs is based on the loyalty and quality of its employees. Regardless of how robust an advertising campaign or marketing program a tourism business may

Tourism business' ability to weather the frequent ups and downs is based on the loyalty and quality of its employees.

have to compensate for the poor service and bad reputation it has, true success is limited if its staff members are not loyal team players. Tourism is indisputably an employee driven business that depends on the good will, caring and loyal-

ty of its employees. For your needs in customer service training or business plan development assistance, please call your local Small Business Development Center at (691)-350-4801.

Dedication, persistence pay off in Weno

By Chuuk SBDC Staff

Iofina Joseph, a resident of a remote area in the southern part of Weno Island, came to the Chuuk Small Business Development Center (SBDC) one day not knowing much about the center and its mission. She heard of the U.S. Small Business Administration (SBA) when SBA personnel came to Chuuk after the typhoons that badly hit Chuuk and confused the SBA with the Chuuk SBDC. This is not uncommon since the SBDC program is partially funded by the U.S. SBA to provide technical assistance to prospective and existing business owners throughout the region and the United States.

Mrs. Joseph shared her story with the counselor at the center. Mrs. Joseph has been trying her best to run a small family store at her residence in the remote area of the island with a lot of difficulties

because of no capital to purchase inventory and the distance between town and her where she lives. She walks some miles from her home to a place where she can catch taxi to go to town. The distance between her home and town makes it very difficult for her to buy things when needed. When she gets to town she cannot buy a lot of inventory for her store since she has very little money. Transportation and capital are the problems she faces in growing and expanding her business to help support her family.

After a long counseling session between the SBDC counselor and Mrs. Joseph, Mrs. Joseph decided to come back the next day and attend one of our business workshops. After the first workshop, she committed herself for two weeks to attend all the business workshops being offered at the Chuuk SBDC

even though she still had to walk some miles from her home to a place where she could catch taxi to go to town. Because of her dedication in coming to the workshops despite of all the obstacles she had to overcome to get there, she was introduced to the members and the board of the Chuuk Microcredit Enterprise and was entered into the program. After faithfully attending peer group meetings and following all the requirements of the Chuuk Microcredit Enterprise Loan Program she was accepted as a member of a peer group. The client worked closely with the Chuuk SBDC to develop her business plan and cash flow projections to present at the next peer group meeting. At the next meeting, her plan was approved by her peer group members and she got her first loan from the Chuuk Microcredit

Enterprise. With the loan Mrs. Joseph got from the Chuuk Microcredit Enterprise, she was able to purchase enough inventory for her store that could last over a month before needing restocking. This now saves her a lot of time and trouble from having to come and go back to town to get inventory all the time. She is also now able to draw a little salary from her business to help her husband support their family and create a job for another family member who is helping her with her business. Mrs. Joseph already paid off her first microloan and is thinking of borrowing some more for expansion. For more information about the free business counseling and training available at the Chuuk SBDC or how to become a member of the Chuuk Microcredit Enterprise please call the Chuuk SBDC at 691-330-5846.

History of the Chuuk microcredit program

By Chuuk SBDC

The concept of Microcredit Program is not a new one, it started in Bangladesh many years ago, and has gained popularity in almost every counties of the world. Microcredit was first started in Micronesia in the state of Yap by the Yap Small Business Development Center (SBDC). Yap SBDC started the Yap Microcredit program in approximately 1998 starting with donations from Mr. Lee Webber of \$1,000 and matching funds by Gannett Enterprises Incorporated who saw the potential of the program in Micronesia. The former Governor of Chuuk Dr. Ansito Walter directed the Small Business Development Center (SBDC) Office in Chuuk to look for assistance that can be given to the "grace roots" Chuukese, who have the passion to start up a small business but lag the capital. The term grace root is used with a very special meaning here. The grace grows with leaves above the ground, but the roots are not able to see the sky, and are buried under ground. Many families in Chuuk are not able to send their children to private schools, or enjoy getting pay bi-weekly, since they have no income. The Chuuk SBDC was assigned to look for

of our operation. The Chuuk Microcredit Enterprise has been incorporated as a not-profit organization. A governing Board has been established to regulate the operation of the program. The first set of loans was awarded to 18 individuals who have successfully completed the program.

The Chuuk SBDC is looking for other donors to increase the funding for the programs so that more Chuukese can be assisted. There are many people who have approached the Center in Chuuk seeking assistance through this program. However, due to limited funding, the number of those to receive assistance is kept to a minimum. One of

support. Additionally, appreciation extended to the US SBA Branch Manager and his staff in Guam, the Chuuk State Legislature, both the House of Senate, and House of Representatives, their staffs, the Board of the Chuuk Microcredit Enterprise and those 18 individuals who gave up their valuable time to work with the staff of the Chuuk SBDC to make the first round a proven success. Also, a great

many thanks to Dr. Haines and his wife Linda who traveled to Chuuk three times to work with us on the program and are still extending their support to us every time we needed their help. Lastly, to the Chuuk SBDC Staff and their families a big Thank You!

For more information on becoming a peer group member of the Chuuk Microcredit Enterprise, please contact the SBDC at (691)330-5846.



Mr. Francis Hartman, Microcredit Board President

the Municipalities in Chuuk has given \$5,000 of its Compact I funding to assist the Women from that Island to start a Microcredit Program. Our Center is working closely with the Women Association of that Island. We wish to encourage all the municipalities in Chuuk to set aside some of their Compact I funding to assist the development of businesses on their Islands. The Chuuk SBDC is ready to assist in the development and execution of the program. We have qualified and experienced staffs that are

ready to assist and develop your microcredit program. The Center is also capable to assist in maintaining the reporting and accounting of funds for the program.

The Chuuk Microcredit Enterprise is a success. The Center in Chuuk is very appreciative to a lot of people who have reentered their assistance to the development and success of this program. The Chuuk SBDC would like to extend its appreciation to the OIA staff in Washington and Hawaii, to the previous and present Chuuk State Governor and their Administrations, to the Director and Staff of the PISBDCN at the University of Guam and to our office in Chuuk for their assistance and

Chuuk SBDC Training Workshops

Thursday

Tax & Licensing
August 24 - 9 - 11 a.m.

September

Wednesday
MS Excel Inventory
September 16 - 9 - 11 a.m.

Monday

Fatal Flaws
September 24 - 9 - 11 a.m.

Tuesday

MS Excel-Organizing Data
September 25 - 9 - 11 a.m.

October

Monday
Pre Business
October 23 - 9 - 11 a.m.

Tuesday

Business Plan
October 24 - 9 - 11 a.m.

Wednesday

Financial Statements
October 25 - 9 - 11 a.m.

Thursday

Recordkeeping
October 26 - 9 - 11 a.m.

Friday

Customer Service
October 26 - 9 - 11 a.m.

Monday

Tax & Licensing
October 29 - 9 - 11 a.m.

Tuesday

Principals of Accounting
October 30 - 9 - 11 a.m.

Wednesday

Banking I & II
October 31 - 9 - 11 a.m.

The CHUUK Small Business Development Center (SBDC) Training sessions are open to all qualified small business owners, managers, key/personnel and individuals planning to start or thinking about opening small business ventures. All training sessions are FREE OF CHARGE. All workshops are conducted at the Chuuk SBDC which is located on the 2nd floor of Building B at the Chuuk High School. Enrollment in all classes is limited. Individuals interested in attending the workshops may call the Chuuk SBDC at (691)330-5846 or email HYPERLINK "mailto:chuuksbdc@mail.fm" chuuksbdc@mail.fm; Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.



USDA loan program available to Palau's small-scale farmers

By Palau SBDC

Palau SBDC is proud to announce the technical and financial support provided by United States Department of Agriculture Farm Service Agency (USDA-FSA) to Palau's small-scale farmers. In addition to the great partnerships is the United States Department of Agriculture's Natural Resource Conservation Services (USDA-NRCS) office. The local USDA-NRCS office is located next to the USDA Farmers Home in Lebuu Street. They provide free technical assistance to farmers on developing a conservation plan, a tool to properly cultivate one's real estate property in farming to reduce soil erosion and loss of top soils.

Commencing in the year 2006, Ms. Laurie F. Talbo, USDA-FSA Loan Specialist, visited Palau and together with the Palau SBDC met several local farmers through site visits and one-on-one counseling meetings. As a result, small-scale farmers in crop farming, animal farming, and vegetable farming families came forward in expressing interests in expanding their subsistence farming into small-scale commercial farming. This year 2007, few of the farming families obtained financial support through the USDA-FSA allowing them to realize their dream and pursue their commercial goals. "An approximate loan amount of



Cassava farm in Aimeilik.

\$15,000 was awarded to Palau farmers creating four positions for this year 2007, and the year is still half way through," states Lisa K. Abraham, Palau SBDC Director.

Palau SBDC Director further states, "The most rewarding now is that a lot of the rural farmers and prospective commercial farmers are eager to learn about financial management." This of which is vital for when farmers obtain loans through USDA-FSA, a year round farm site and financial assessments will be conducted by USDA-FSA and with support of

the Palau SBDC. Similarly Palau SBDC, USDA-FSA/USDA-NRCS and the Bureau of Agriculture have joined together to provide knowledge awareness workshops. Training topics cover areas to include information on farm loans, soil quality, economic value of soils, business planning, and financial workshops. To date, the partners have conducted three no fee workshops with fifty-two (52) participants. "As an entrepreneur, no matter what type of industry, learning about expenses versus income paves the way for entrepreneurial spirit and we look forward to these enthusiasms," Lisa K. Abraham, Director, Palau SBDC.

Once again, the Palau SBDC takes this great opportunity on behalf of Palau farmers, prospective farmers, and

prospective commercial farmers conveys its deep appreciation to USDA-FSA/NRCS for its technical and financial support, to Bureau of Agriculture (Palau's Ministry of Resource and Development) for their continued technical support in the development of prospective commercial farming businesses and heightening awareness on Palau's agriculture industry. Lastly, the SBDC welcomes its newest partner USDA-NRCS. We look forward to a fruitful relationship with you.

Junior Achievement program visits Palau

What it's all about and its benefits ...

On May 28-31, 2007, Palau SBDC welcomed the 2007 Guam Junior Achievers, JA Executive Director Ms. Maria Pangelinan, and JA Chairman Mr. Joe Rios. The group conducted a presentation to regarding Junior Achievement (JA) program for school personnel, parents, and interested students about launching JA Company Program in Palau. The Palau High School students were very eager and excited to learn about the program and hoped that JA Company Program be implemented in Palau so that they too can learn how to start their own companies.

JA program encompasses business, economics, and entrepreneurship curriculum for students in grades 9 through 12. The program emphasizes business content, while providing a strong focus on mathematics, reading, and writing skills. The JA program experience enhances students' classroom

curriculum. Students are encouraged to use innovative thinking to learn business skills that support positive attitudes as they explore and enhance their career aspirations. Through a variety of hands-on activities and new technology designed to support varied learning styles, students develop a better understanding of the relationship between what they learn at school and their successful participation in the local economy. JA program meets the after-school programming needs of a diverse group of students by providing engaging, academically challenging, and experiential learning sessions in economic education. The following concepts are presented: company structure



JA student, advisor, SBDC staff and Minister of Education.

and the student's role within a company; company capitalization; customer-product focus; product-market pricing; company operations; product sales and company liquidation.

The Palau SBDC would like to take this great opportunity and thank everyone in Palau for their kind hospitality, Palau Community College-Palau SBDC host agency, Ministry of Commerce & Trade, Bank of Guam, Ministry

of Education, Palau High School and the rest of the government agencies for their patience and support. "This is the first time Guam JA Company Program visited Palau and we hope that next time, it will be Palau JA Company Program that will visit Guam," states Lisa Abraham, Director, Palau SBDC.



Corporations are finding that when jobs are sent abroad, they not only save 75 percent on wages, they get a 100 percent increase in quality and productivity. This is embarrassing!
What happened to America's pride and ambition?

The New Age, America is not ready

By James E. Denney,
SBDC Senior Counselor

America is not ready to move from the Information Age to the age of flat economics. Evidence of this is in the dwindling of the middle class. And why is America not ready? Almost 40 percent of the 18,000 plus people at NASA will be retiring in just a few years and the majority can not be replaced by American college graduates in science and engineering. In 2003, Asian universities graduated 1.2 million scientists and engineers, 830,000 in Europe and 400,000 in the U.S. The National Science Board reported that jobs requiring science and engineering skills in the U.S. grew at a rate of 5 percent per year in comparison to the rest of the labor force which grew at just over 1 percent. Problems in the American school system mirror this decline of math and science professionals. For example, in 1999, compared to the international average of 71 percent, only 41 percent of eighth-grade students in the U.S. received instruction

from a mathematics teacher who specialized in mathematics. In the Pacific Daily News article "Gates: U.S. needs to better teach its children", on Friday March 9, 2007 Bill Gates states that "...overhauls of U.S. schools and immigration laws are urgently needed to keep jobs from going overseas." He added that Microsoft had not been able to fill almost 3,000 technical jobs in the U.S. because of a shortage of skilled workers.

And what stand is the U.S. government taking? Federal funding for research in physical and mathematical sciences and engineering, as a share of GDP, declined by 37 percent between 1970 and 2004. The Department of Energy's Office of Science, the most important funder of physics research in America, received what amounts to a budget cut after inflation over the past two years. In the first three years of the Bush Administration, the U.S. dropped from 4th to 13th place in the global rankings of broadband Internet

usage. In fact, the U.S. is the only industrialized state without an explicit national policy for promoting broadband. The International Telecommunication Union ranked the U.S. at 11.4 broadband subscribers per 100 people at the end of 2004. This is less than half the number in South Korea – the most wired country in the world – with 24.9 subscribers per 100 people.

Here is another disturbing reason America is not ready. Corporations are finding that when jobs are sent abroad, they not only save 75 percent on wages, they get a 100 percent increase in quality and productivity. This is embarrassing! What happened to America's pride and ambition? This problem also applies to industrialized countries in Europe. Steven Pearlstein, business reporter for The Washington Post explains it this way: A curtain has descended across Europe. On the Eastern side which is embracing capitalism, there is hope, optimism, freedom and prospects for a better life. On the

other side there is fear, pessimism, suffocating government regulations and a sense that the best times are in the past. This time however the East is likely to win because "The energy and sense of possibility are almost palpable..."

But here is the bottom line to America's problems. Thomas Friedman, author of *The World is Flat* makes it perfectly clear. "In China today, Bill Gates is Britney Spears. In America today, Britney Spears is Britney Spears – and that is our problem," said Friedman. For example, Bill Gates has commented that when he meets Chinese politicians "...they never discuss '...give me a line to embarrass my rivals. You are meeting with an intelligent bureaucrat.'" And, Bill Gates is so popular in China; young people scalp tickets and hang from the rafters just to hear him speak.

Next will be a discussion on how individuals and companies must change to thrive in the age of flat economics.

The best business I know

By Guam SBDC

How many times have you looked at someone and thought "I need to start a business like theirs. Look how successful they are." Normally we base our judgment on our perceived dollar value of their car, store, inventory, etc. This thought occurs more often today because the number of successful businesses increases each year. According to the National Federation of Independent Businesses' 2003 Business Policy Guide, the survival rate for small businesses has dramatically improved to 65% lasting 2 years, 40% lasting 5 and 25% lasting 10! If my memory serves me correctly, fifteen years ago 80% of small business startups failed within three years. So how are they doing it? What makes them so successful? How do I get into their business?

Numerous books and millions of articles have been written on the subject and now after nine years as a small business counselor and trainer you can read mine. There are several seemingly contradictory traits of small business owners that occur on a regular basis such as being determined and enthusiastic yet patient at the same time. This type of person is excited about their business idea yet willing to study and plan before making

their move. They know that by just "jumping into it" they could lose everything.

Most successful entrepreneurs are proud and self-confident yet humble. To them, the numerous problems they encounter each day are no more than bumps in the road. Nothing slows them down, not because they just roll over everyone, but because they are quick to admit when they need help. They value the skills and abilities of others and are not too proud to ask for assistance nor too proud to rely on others.

Working in the field of micro credit has taught me just how true it is that a person can be very intelligent yet lack any formal education. They can know the value of the product or service they sell but they couldn't begin to read an invoice. They know the difference between profits and assets but don't know financial statements. This is more apparent in the 3rd-world countries than in the U.S. But it still applies to both because they all have something in common – a willingness to learn new things.

Then there are those who are highly intelligent, educated, trained and experienced who get lost in their own office. What they have come to realize is that they should stick to what they do best and

let others do the rest. This is evident in scientific laboratories and professional offices.

There are many others such as learning to fail intelligently, but this last one needs special attention. A truly successfully business owner (or manager, etc.) makes time not just for work, but for family too. According to Dun & Bradstreet's 21st Annual Small Business Survey of 2002, 48% of the business owners worked 41 to 60 hours per week, 17% worked over 60. Most of us know people who have worked these long hours yet failed at their business. Often the failures happened soon after the family fell apart. They had made the common mistake of making time only for work and forgetting the family. What we have learned is that this problem is generally experienced by men and not women. To be successful, we all must learn to balance the personal, family and business activities in our lives.

The best business I know is the one that you know best. Identify a product or service in which you have better skills than most and involves an activity that makes you happiest. Then, if there are enough people willing to pay for it and you have most of these contradictory traits, you now have the perfect business and you will be successful.