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Women in Business Conference

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U.S. Small Business Administration
SBA
Your Small Business Resource

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Island Treasures opens with Palau SBDC's help

By Palau SBDC

Tourism is Palau's bread and butter. The rising demand of FIT's (Free Individual Travellers) to Palau has given the Island Treasures its purpose of existence.

Island Treasures is owned and managed by Stomu Emesiochel. A Palauan born and raised, who has worked as a professional diver, boat operator, tour guide, and is a self-taught Japanese speaker, a jack of all trades in tourism, has found his niche. That niche is the growing Japanese FIT market, those who prefer to book their hotels and optional tours independently. This growing market consists of mainly younger generations who require a little bit more attention and adventure. It is the adventure tours and the jack of all trade assets in Mr. Emesiochel that has served his business great value.

With the technical assistance of the Palau SBDC, Stomu acquired a \$5,000



Company: Owner Tsutomu Emesiochel, left, with Island Treasure customers and his wife, at far right.

micro-credit loan through National Development Bank of Palau (NDBP). In addition to approximately \$85,000 in owner's investments added to the microloan funds, Island Treasures launched with complete supplies and equipment to conduct its business and tours in full operation. Operating on his own, Mr.

Emesiochel, with the assistance of his wife, who handles the financial records of the business, is slowly progressing.

Despite the economic crises around the region, Island Treasures is still afloat and making loan payments accordingly. According to Tsutomu, "profits is not too low or too

high and not even break-even, ...we are succeeding slowly, but manageable." The Palau SBDC wishes Island Treasures all the best in the entrepreneurial world and wish for them to come back for any further assistance when needed. "Once a client is always a client," comments Lisa K. Abraham, Director of Palau SBDC.

Dedicated to its mission, the SBDC embraces every opportunity to conduct outreach and provide its services to all the state in the Republic of Palau. For inquiries and more information, please contact the center at tel. #488-6004 or e-mail to lees@pacificsbdc.com or palausbdc@palaunet.com or access to our web site at www.pacificsbdc.com. The Palau SBDC mission is to support the growth and economic development of the Republic of Palau by providing high quality, one-on-one confidential counselling and training as well as innovative workshops to existing and prospective small businesses.

Pacific Islands Small Business Development Center Network Achieves Accreditation Without Conditions Once Again

By Casey Jeszenka
PISBDCN Network Director

The Association for Small Business Development Centers voted in September 2008 to fully accredit the Pacific Islands Small Business Center Network (SBDC) without conditions and as such is nationally recognized as a high quality economic development organization. Accreditation qualifies the Pacific Islands SBDC Network to apply for Small Business Administration funds administered by the Office of Small Business Development Centers.

"I want to congratulate you and your staff for achieving this important milestone," wrote Mike Young, Chair of the ASBDC Accreditation Committee to Network Director Casey Jeszenka. "I recognize that considerable effort over a long period of time has gone into attaining the



Team: Front row, from left, are Mike Young (Chair, ASBDC Accreditation Committee), Beth Melnik (ASBDC Accreditation Team Member). Second row, from left, are Ketsen Haregaichig (Director, Chuuk SBDC), Lisa Abraham (Director, Palau SBDC), Laurine Sablan (Administrative Assistant, Guam SBDC), Georgette Reyes (Associate Network Director, PISBDCN), Anel Philimon (Director, RMI SBDC), James Limar (Director, Yap SBDC), Denise Hertslet (Business Counselor/WIB Program Coordinator), Betsy Iriarte (Network Manager, PISBDCN), James Denney (Senior Business Counselor, Guam SBDC). Third row, from left, are Rodney Webb (Business Counselor, Guam SBDC), Monica Tinag (Business Counselor, Yap SBDC), Casey Jeszenka (Network Director, PISBDCN), Skiller Jackson (Director, Kosrae SBDC) and Rinson Edmond (Business Counselor, Kosrae SBDC).

See Accreditation. Page 2



Micronesian businesses learn to sell on eBay



Specialist: Marilyn Paguirigan, Certified Education Specialist trained by eBay.

By Casey Jeszenka PISBDCN Network Director

Marilyn Paguirigan, a Certified Education Specialist trained by eBay, has been helping Micronesian business take the mystery out of e-commerce around the region this fall. The Pacific Islands Small Business Development Center Network (PISBDCN) Service Centers, along with PATA Micronesia, regional visitor's bureaus, and Continental have brought Marilyn to the region to teach island businesses how to market their products on eBay. The workshops have already been conducted on Majuro, Pohnpei, Guam, Yap



Basic training: Participants learn the e-Bay basics.

and Palau and will be taught in December in Kosrae and Chuuk. The workshops thus far have taught a step-by-step presentation designed for Micronesian businesses on THE BASICS OF SELLING ON E-BAY, which include the following areas:

1. How to open a Seller Account
2. How do Research and Create listings

3. How to Improve Your Listings with Better Descriptions and Photography
4. How to Set Pricing
5. How to Open and Uses A PayPal Account
6. How to Monitor Your Listings
7. How to Complete Transactions

The workshops have been well attended and we hope to be able to bring Marilyn back

to the region once she is done with the areas not already trained. For more information on the workshops coming to Kosrae and Chuuk, please contact the Kosrae SBDC at (691)370-2751 or by e-mail at skiller@pacificsbdc.com and Chuuk SBDC at (691)330-5846 or by e-mail at cassandra@pacificsbdc.com or ketsen@pacificsbdc.com

Accreditation: PISBDCN offers business counseling and training throughout region

Continued from Page 1

goal of accreditation. You and your staff have achieved much during the process, and the Pacific Islands SBDC Network is commended for its success."

"Only a small percentage of centers throughout the nation receive accreditation without conditions during their reviews. This is the second four-year cycle in which the Pacific Islands SBDC Network achieved this goal." The Pacific Islands SBDC Network has been continuously accredited since 2000.

The Pacific Islands Small Business Development Center Network is an essential resource for individuals looking to launch small businesses," said Dean of the School of Business and Public

Administration Anita Borja-Enriquez. "The School of Business recently partnered with the center to offer a Certificate in Entrepreneurship taught by UOG faculty and SBDC counselors. The program began October 18."

"The partnership between the SBDC and the University prepares our people to participate fully in the coming military build up," said UOG President Robert A. Underwood. "In partnership with the SBDC, the University can prepare individuals to seek out small business opportunities."

The Pacific Islands Small Business Development Center Network (PISBDCN) is one of 63 networks across the United States and its Territories. The 63 networks have over a 1,000 SBDC Service Centers across

the nation that offers small businesses free confidential counseling and low cost training. The center has been housed at the University of Guam School of Business and Public Administration since 1995. From 1999 through 2002 five additional centers were opened, creating the first international SBDC Network. Centers are located in Guam, Federated States of Micronesia (Yap, Chuuk, & Kosrae), Republic of Palau, and the Republic of the Marshalls.

In FY2007, the Pacific Islands Small Business Development Center Network counseled 696 individuals who have an existing business or plan to start a business, offered 191 business training sessions around the region attended by 2,525 individuals,

and coordinated 90 loans in the total dollar amount of \$1,844,298.00, with the owners contributing an additional \$1,679,602.00 in equity injection. Sixty of the loans went to start new businesses with the remaining supporting the expansion of existing businesses. The work of the Pacific Islands Small Business Development Center Network assisted in creating 216 new jobs around the region and helped retain 116 jobs.

Pacific Islands SBDC's next scheduled review will be in the year 2012.

For information regarding the SBDC services, please contact the UOG PISBDCN/Guam SBDC at (671)735-2590 or visit the web at www.pacificsbdc.com

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The UOG's Guam Small Business Development Center
 Bank of Guam Women in Business Program

Presents a
Working Conference

on

MAXIMIZING BUSINESS GROWTH POTENTIAL

November 21, 2008, Friday

8:00am to 5:00pm

Anthony Leon Guerrero Multi-Purpose Room #129

Jesus and Eugenia Leon Guerrero School of Business and Public Administration Bldg.,

UOG

Presentations:

- **SBDC SERVICES**, James Denney, Senior Counselor, Guam Small Business Development Center
- **SBA LENDING PROGRAMS**, Josette Mueller, U.S. Small Business Administration
- **SIZING UP YOUR BUSINESS**: Denise Mendiola Hertslet, WIB Program Coordinator/Business Counselor, UOG Guam SBDC Bank of Guam Women in Business Program
- **FUNDING A GROWING BUSINESS**: Reanna Cruz, Loan Officer, Bank of Guam
- **EXPLORING GROWTH OPPORTUNITIES**: Lou Leon Guerrero, President, Bank of Guam
- **MANAGING GROWTH**: Mari Calvo-Perez, Manager of Assurance & Advisory Services, Deloitte
- **LEGAL ISSUES**: Cynthia V. Ecube, Attorney
- **ROUNDTABLE DISCUSSIONS** with successful *Local Business Women in our community.*

\$25.00 Per Person-PRE-REGISTRATION, \$35.00 Per Person-AT DOOR

Deadline for Pre-Registration is **November 19, 2008**. Payments accepted as Cash, Check (Payable to UOG), & credit cards (Visa, Mastercard, American Express, Diners, & JCB). Space is limited. Please call ASAP to reserve your seat. For more information contact Lorie Sablan at Ph: 735-2590 or laurine@pacificsbdc.com. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.

The Pacific Islands Small Business Development Center Network at the University of Guam – School of Business and Public Administration is partially funded by a cooperative agreement with the U.S. Small Business Administration. SBA's funding is not an endorsement of any products, opinions or services. All SBA funded programs are extended to the public on a nondiscriminatory basis.

Now open for business: Guam PTAC, Procurement Technical Assistance Center

By Vera Topasna
 PTAC Manager

Guam joins over 93 PTACs and over 250 satellite offices nationwide. All equipped with a network of dedicated procurement professionals working to support and extend Defense Logistics Agency's (DLA) mission of providing the best value goods and services to America's Armed Forces and other government agencies. PTACs are the bridge builders between buyer and supplier, bringing to bear their knowledge of both government contracting and the capabilities of contractors to maximize fast, reliable service to our government with better quality and at lower costs.

Guam PTAC is funded primarily through a grant by the Defense Logistics Agency, with partnered local sponsorship by the Bank of Guam, M80 Office Systems, GTA Teleguam, and Guam Economic Development Authority. The University of Guam School of Business and Public Administration serves as its host entity, and welcomes additional partners from the business community.

Guam PTAC provides a wide range of technical assistance — most free of charge — to businesses through one-on-one counseling sessions, classes, seminars and match-making event.

Technical assistance services include:

Determining Suitability for Contracting: The government marketplace poses unique challenges that can over-

whelm or even ruin a company that does not have the maturity or resources to meet them. A Guam PTAC counselor can help you determine if your company is ready for government opportunities and how to best position yourself to succeed.

Securing Necessary Registrations: PTAC can help make sure you are registered with the various databases necessary for you to participate in the government marketplace, including the Department of Defense's Central Contractor Registration (CCR), the SBA's Dynamic Small Business Search, and other government vendor databases.

See PTAC. Page 9

For more info

Guam PTAC has three locations:
 University of Guam – Jesus & Eugenia Leon Guerrero School of Business & Public Administration, Building, 1st Floor, Guam PTAC Main Office, Room 116
 Bank of Guam – Upper Tumon Branch, East West Business Center
 Guam Economic Development Authority – 5th Floor, ITC Bldg. Tamuning

Contact:
 Vera A. Topasna
 Program Manager, Guam PTAC
 Telephone: (671) 735-2552
 Fax: (671) 735-5717
 Email: vtopasna@guamptac.com

Guam SBDC Training Schedule

DECEMBER 2008

Friday, December 5th (9:00am-11:30am)

"How to Prepare a Marketing Plan"
 Presented by Guam SBDC
 Fee: \$20 per person
 Location: Guam SBDC Room #148 Jesus & Eugenia Leon Guerrero School of Business & Public Administration Building on the campus of

the University of Guam.

Friday, December 12th (9:00am-11:30am)

"How to Manage a Business"
 Presented by Guam SBDC
 Fee: \$20 per person
 Location: Guam SBDC Room #148 Jesus & Eugenia Leon Guerrero School of Business & Public Administration Building on the campus of

the University of Guam.

Individuals interested in attending the workshop should contact Lorie Sablan at 735-2590 or email laurine@pacificsbdc.com. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis





Invest in your customer service revitalization and prepare for downtime

By Toshie Ito
Motive Training & Consulting

In recent months I had several opportunities to converse with my business associates. Because of the nature of our common ground as business owners, we talked about economy, tourism, tax, gas price, election, government, who is making headway and who is about to shut down, etc. Nothing sounded exciting or positive. As our conversation shifted to the decline of customer's expenditure, I started to hear us echoing with, "....will not,do not,cannot,wouldn't,are not going to," and I noticed the discouraged looks on our faces. We all anticipated that the year 2009 may not be a promising year.

The gloominess of our conversation reminded me of the terrible economy downtime we experienced after Typhoon Chata'an and Ponsana devastated Guam in 2002. At that time, we were barely recovering from the horror of the September 11 attacks in 2001. The second blow of the major disruption in 2002 was hard for us to swallow. A month after the Ponsana's blow, I started going out to shop, pay bills and observe how local businesses were surviving. Some businesses were still closed and some were permanently closed. I visited a large size retailer to see how the staffs were dealing with the aftermath. The volume of visiting customers was small but they were there. As I browsed through the store, I

stopped to say hello and asked the staff employees, "How are you today?" Their response was consistent. It was either "It's so slow," or "No customers today." No individual responded otherwise. I couldn't find anybody smiling to customers nor having an eye contact with them. They had tossed away the importance of customer service somewhere. The entire store had such an overwhelmingly depressing atmosphere that I had to go out to inhale fresh air. I just didn't feel welcome or appreciated for my visit. The store was actually filled with great assortment of attractive items that I could have purchased something for myself or for my mom's birthday but my appetite had diminished rather quickly. I remember driving home feeling down and deprived of something. It was the employees' mood that negatively affected my mood. I found later that many of my friends had the similar experience at numerous places during that time. Mood is extremely contagious. Mood is expressed through our verbal and non-verbal expressions. Our mood affects others – whether it is positive or negative, and whether it is at home or at workplace. People can sense it. People can feel it.

Around that time, I received an inquiry from a business owner. He also noticed the gloominess at other business scenes and wanted his business to stand out among his competitors. I found it to be rather peculiar that he wanted to invest in employee and management training during

the financially difficult time. He knew that it would take time for the economy to rise up again but he wanted to revitalize his staff to get better at customer service and get the bigger share of the pie as much as possible. For him, the slow time was perfect to send employees to attend training classes. It wasn't that he had the luxury of spending extra money on training but he just had to do something to make a difference. His staff adopted "Act-as-if" attitude and started to smile more, paid attention on customers, appreciated each and every customer's visit whether they made any purchase or not. Customer's mood was influenced by staff's cheerful manners and attentiveness. We witnessed the difference the staff employees created through their efforts. As the staff greeted, offered help and thanked customers, the customers often nodded, smiled back and thanked back to the staff. Supervisors and managers commented on employees' positive behaviors and complimented the staff immediately. Although his business was among those that were hit by the downtime, his team was successful to keep the damage to the minimum.

It is not the customers that will make us happy. It is our job to create a happy environment and welcome our customers to that atmosphere. It is these little things that matter when the downtime roams around us.

So you may ask what you can possibly do to survive during this time of doldrums. Well, you may be able to

think through different perspective and appreciate this sluggish time because you have so many things you can do to catch up with! Activities to consider:

- 1) Show this column to your staff.
- 2) Conduct refresher classes for customer service, selling skills, etc.
- 3) Do a demonstration practice. Give honest feedback to elevate the level of skills.
- 4) Conduct voice training and work on cheerfulness and pleasantness – especially for the phone conversation.
- 5) Work on facial expressions which go hand in hand with tone of voice.
- 6) Train your staff to stop spreading negative talks and rumors at workplace (The rumor may be accurate but it will not be helpful to create positive environment).
- 7) Make a list of all clients you have had in the past and appreciate each one for the support they have given you.
- 8) Make copies of checks you received from your clients and keep them. It may help you feel humbled and truly appreciate the business opportunities and clients' trust you have received.
- 9) Invest in attending seminars and workshops to enhance your skills and knowledge. Check on SBDC website to locate future training classes.
- 10) Purchase books on employee management, work ethics, communication skills, marketing, time management, leadership, disciplinary action, motivation, etc.
- 11) Preplan your strategy

on customer complaints – think ahead how to apologize, explain and make up for customer's inconvenience, time loss, money loss and emotional stress. Write a manual and teach your staff.

- 12) Establish or update employee handbook.
- 13) Tailor-design performance evaluation forms for your employees.
- 14) Master how to use your equipment and increase your productivity and better manage your time (computer, cellular phone, scanner, application program, video conference system, website, etc.)
- 15) Work on presentation skills and style. Pay attention on the level of energy and enthusiasm.
- 16) Shape up your physical, mental and emotional health. Be prepared. Invest in yourself.
- 17) Adopt change of attitude and prepare for the downtime so that the hard time won't drag you down too deeply.
- 18) Execute any one of the suggestions above. Don't wait. Start NOW!

Toshie Ito is a one-woman operator of MOTIVA TRAINING & CONSULTING, which was established in 2002. Her expertise is in evaluating organization and employee performance, analyzing development and training needs, tailor-designing programs for employee and management, and personal coaching. You can contact Toshie at 777-2002 and toshie@motivatraining.com. Visit her website - www.motivatraining.com for more details.

RMI SBDC Training Schedule

NOVEMBER 2008

Wednesday, November 19 (10 a.m. to 12 noon)
 Recordkeeping

Thursday, November 20 (10 a.m. to 12 noon)

Tax and Licensing

Friday, November 21 (10 a.m. to 12 noon)
 Marketing

DECEMBER 2008

Wednesday, December 10 (10 a.m.

to 12 noon)

Financial Statements

Thursday, December 11 (10 a.m. to 12 noon)
 Marketing

All workshops are open to all qualified small business owners, managers, key personnel and individuals planning to open or thinking about starting small business ventures. All workshops are free of charge and will be conducted at RMI SBDC located at the Marshall Islands Development Bank (MIDB) in Room 404. Space is limited; advance sign up is required to have your seat reserved. For more information, please call Leeno Aikuj at (692) 625-3685. Registration can also be done through a web request at www.pacificsbdc.com or email leeno@pacificsbdc.com.

Request for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis. Please note: this training schedule is subject to change without notice.





Business fellows offers investor - client solutions

By Palau SBDC

In the Pacific Rim, traveling for investors, businesses, and landowners is apparent to make business commitments or find investor and investment opportunities. However, reservations with great conservation is at high gear due to the rising fuel costs, which in ripple effect, affects the airline, accommodations, and food/dining, the basic necessities for traveling.

"In my four years tenure at the Palau SBDC, I recall the Department of Interior (DOI) has been hosting the "Island Business Opportunities Conference", which is hosted alternatively throughout the Pacific Islands each year. The conferences' main goal is to partner investors with service, property, and/or potential partnership with islanders of the Pacific Rim. However, with the evolving changes of the economies with most of the



In action: DOI Trainer Danielle Noto assisting a Palau SBDC client with the on-line business link process.

smaller island nations depending on foreign currencies and still underdeveloped, comes the challenges of increase costs of doing business; basically the means to get to these potential money and investors during these hosted conferences. Therefore, the reduction or even zero participation from the small business community

as well as the land owners," states Lisa K. Abraham, Director, Palau SBDC.

In the spirit of a pro-active approach, DOI introduces a solution that will connect to investors with zero dollars and cents, the "Island Business Link web site." The new site was introduced and facilitated by the DOI Fellows, who were dispatched to the

Island states of the Pacific. In Palau, Ms. Danielle Noto, an MBA candidate at the Columbia School of Business, was assigned to Palau to introduce, train, and assists all interested local candidates. From here, "the Palauan dream was born," said Lisa K. Abraham, Palau SBDC.

In her two weeks term, Ms. Noto conducted a week long, full day training with one-on-one client sessions, providing assistance in the write-up, file uploads, and even the process of creating e-mail addresses for clients. "Ms. Noto accommodated the clients at her hotel lobby after working hours, visited clients' sites for pictures if clients did not have the capability to do it on their own. Her commitment and ambitions to help Palau and its community, has brought Palau and Palauans closer to investors", states Lisa K. Abraham. Ms. Noto's efforts have contributed to the

site housing more than 700 participants consisting of investors and partners.

Information on DOI investment site and Business Opportunity Conference can be obtained at www.island-businesslink.com. The conference is scheduled to be held on April 2009 and the next venue will be in Honolulu, Hawaii. For further information, please visit the web site or contact Palau SBDC at #488-6004.

The Palau SBDC mission is to support the growth and economic development of the Republic of Palau. For assistance, inquiries, and further information, please contact Lisa K. Abraham, Director, at the Palau SBDC at tel. #488-6004 or e-mail to lees@pacificsbdc.com or palausbdc@palaunet.com or access to our web site at www.pacificsbdc.com.

Palau's small business community and prospective businesses benefits from visit

By Palau SBDC

In the Pacific conference room at the beautiful environment of the Palau Pacific Resort and the warm hospitality of the resort staff, the Palau small business community and prospective businesses benefits from the four hours (half-day) presentations given by Kenneth "Ken" Lujan, United States Small Business Administration (U.S. SBA) and the joint company of Joe Diego, United States Department of Agriculture (USDA). Presentations covered meticulous areas of lending opportunities, grants, and guaranteed loan programs for business expansions, research & development, and housing/resident facilities.

The thirty-two participants comprised of grassroots businesses, i.e. local market producers, members of the root crops association, tropical fruit association, as well as the general businesses in retail and service industries. "It was a different scenario for a change. Usually when there's presentation opportunities, the most inspired groups to attend are government employees and members of large business enterprises; and we are very



Audience: Joe Diego of USDA looks on as Ken continues on SBA services.

happy to see the small business communities are caring enough to be informed of the great availabilities of opportunities," Lisa Abraham, Director of Palau SBDC.

"We are very proud of these groups and we will provide all needed assistance to them whenever possible. The Palau SBDC and its collaborative partners and stakeholders believe that Palau has great chance for self-reliance; financially and economically through production of its own food, creation of local jobs, and networking", Minister Besebes comments in his welcoming remarks.

Information on USDA loan, grants,

and loan guaranteed programs may be obtained from their local office, USDA Rural Area Office also known as Farmers Home at Lebuu Street or contact Timuteo Ngcheed at telephone #488-4990. Similarly, all U.S. SBA loan and loan guaranteed program information may be obtained through Lisa K. Abraham, Palau SBDC office at telephone #488-6004 or direct inquiry through any FDIC lending institutions; Bank of Hawaii, Bank of Guam, or Bank Pacific.

Dedicated to its mission, the SBDC embraces every opportunity to conduct outreach and provide its services to all the state in the Republic of Palau. For inquiries and more information, please contact the center at tel. #488-6004 or e-mail to lees@pacificsbdc.com or palausbdc@palaunet.com or access to our web site at www.pacificsbdc.com. The Palau SBDC mission is to support the growth and economic development of the Republic of Palau by providing high quality one-on-one confidential counseling and training as well as innovative workshops to existing and prospective small businesses.

Palau SBDC Training

All workshops are open to all qualified small business owners, managers, key personnel and individuals planning to open or thinking about starting small business ventures.

The workshops will start at 6:00 pm. For location, please contact the Palau SBDC at (680)488-6004 or email: lees@pacificsbdc.com or palausbdc@palaunet.com. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.



From the bottom of her soul (and the sole of her shoes), Ibanez brings us a true success story

**By James E. (Jim) Denney Senior
Business Counselor,
Guam SBDC**

This is a true story about one person who just wouldn't listen to reason. Few of us recognize business potential of a single product. Yet, most of us will listen to and gladly follow advice offered by experienced business owners, such as "You must open on Saturday".

It turns out that this businesswoman is ahead of us all. Who would have thought that selling shoes would turn out to be a great business? What started out as a small wholesale business has turned into a thriving retail business with one store in Tumon (just below Outback Restaurant) and an "outlet" store, opening in a few weeks, in Hagåtña. Inventory needs of several dozen pair per month, which at first came from the trunk of her car, has expanded to 5,000 pairs per month. They now have two warehouses.

Meet Beverly Ibanez, President and owner of Real



Big: Jim Denney with small business owner Beverly Ibanez.

Deal Enterprises, Inc. – also known as CROCS – standing by her car. Meet husband Gordon Ibanez with Beverly in one of their warehouses. Gordon is VP and Warehouse Manager for the company.

CROCS International suggested that she open a "Concept store" last year. This is not a franchise, but a business rela-

tionship in which she would own the store, a store designed and approved by CROCS headquarters. Visiting with the Guam SBDC, I, James "Jim" E. Denney (Senior Business Counselor) told her to wait a few months since she had just opened her first warehouse and business was booming. While searching for a storefront, most seasoned



Storefront: Beverly Ibanez in front of her store located in Tumon.

business owners also advised her NOT to open. But their response was based on the fact that she was determined to close on her Sabbath, which is from sundown on Friday to sundown on Saturday. After all, this is the busiest time of the week for most businesses! In fact, she didn't receive much encouragement from anyone until she met the managers of Pacific Place,

the retail outlet in Tumon where Outback is located. Their response to her was in effect to say that she seemed mature enough to make her own business decisions and she was free to close on Friday night and Saturday. But, they had only one small location available for her to rent. When she called to ask

See CROCS. Page 9

Opening soon: New business on block

**By Rodney Webb,
Guam SBDC**

The Toves family has a long history in the bakery business. Tina's grandfather (Jose Eustaquio) had a bakery in Hagatna before WW2, which he was forced to close by the Japanese occupation of Guam. After the war, when Guam was liberated, he re-opened his bakery business. The bakery continued to operate in Hagatna after his passing by his daughter Josefina, and sometime later the business relocated to Yona.

Toves Bakery is now owned and operated by Christina ("Tina") Perez and her mother Josefina Toves.

In recent years, however, the small size of the bakery has been limiting their ability to grow. For this reason, Tina decided to relocate the business back to Hagatna, and to expand and diversify into related business areas. She was supported by other family members who are professionally

trained and highly skilled in culinary arts and who are willing to work in the new business. She initially identified a potential location for the new business and began negotiating with the owner.

Tina started down this road first with a visit to the Guam SBDC. On March 8, 2007, I (Rodney Webb Guam SBDC Business Counselor) had an initial meeting with Tina. This first meeting was exploratory, and we discussed a range of topics including.

How the business got started;
Location;
Concept;
Estimated financing requirement;
Available equity contribution;
Proposed menus;
Proposed layout of facilities;
Current bank; and
Competition in the Hagatna area.

Tina advised that she had already started work on her



Breadwinners: From left, Richard Balajadia, Christine Perez, Anika-Jewle Perez, Amber-Ruth Shimizu, Joseph Toves and Ralph Balajadia.

business plan utilizing the online ActivePlans network product (now known as www.PitchThenPlan.com). The next tasks we identified were to: Prepare a list of existing and required equipment; Develop the menu and pricing structure; Prepare job descriptions for required employees; and

Analyze the competition in the Hagatna area. We met again 5 times between March and August 2007, continuously refining the business plan and developing a financial forecast for the business. We prepared a staffing pattern for the business, developed a competitor matrix, developed a pricing schedule with corresponding

food costs for menu items, prepared a unit sales forecast, and after conducting sensitivity analysis under different assumptions, validated cash reserves required for the first year of operation of the business. Tina also significantly strengthened the market analysis section of the business plan, and attached resumes of key personnel as well as a detailed staffing plan. Some additional comments were added to describe the very healthy status of current operations.

On August 2, 2007 we finalized the business plan, and Tina made an appointment to submit her to submit her loan application to the Bank of Guam in the following week.

Then, for over one year, nothing happened. For this reason, I then sent a follow-up email from time to time but guessed that she had been sidetracked by family matters, or even got cold feet.

See BLOCK. Page 9

Bakery business – a reality with Kosrae SBDC assistance

By Kosrae SBDC

The challenge and enjoyment in sharing information and putting business dreams together for a young married couple, Mr. Rollinson Neth and wife Sharon Neth not only create a unique, intimate relationship but also increase their awareness on the level of business resources and professional services currently accessible through SBDC's overall business and client service umbrella.

This couple currently resides at Tafunsak Municipality and had spent a considerable amount of time and effort pursuing their dream to one day own their own bakery business. This couple have observed continuing "unmet" demand and hope to enter into business to provide a consistent supply on a daily basis of freshly baked varieties of bakery items, servicing over 1,000 potential customers at the targeted market.

To begin their entrepreneurial journey, the couple began by sharing information and discussing various business options. Soon thereafter, both agreed to seek the technical assistance of the Kosrae Small Business Development Center (KSBDC) to help them to chart their course in order to eventually realize their business dreams in the future. The couple also had committed a considerable amount of time to complete the number of counseling and training sessions needed to develop and finalize their business plan. Training sessions



Above: In the front row, from left, are Shirley T. Sigrah (baker), Mrs. Sharon R. Neth (co-owner), Mrs. Sepe C. Neth (baker). Behind them is Mr. Rollinson Neth (co-owner/manager).

included but not limited to business planning, marketing and cash flow management.

According to Mr. and Mrs. Neth, the challenge was in compiling the information as required to complete the bank proposal for presentation to present to potential lenders. Also, to produce a business plan useful to meet long-range goals and show feasibility. For this start-up business, the assistance obtained through the Kosrae SBDC proved to be very rewarding. Putting your business plan in a more organized fashion with reliable financial projections tailored to meet the requirements of

the potential lenders remain as a potential hurdle for many entrepreneurs and that is where SBDC's technical assistance became very important.

With an extended amount of time dedicated to complete the requirements with continued assistance by the Kosrae SBDC, their business plan was completed and submitted to the FSM Development Bank. The weeks of waiting paid off as clients Rollinson and Sharon Neth received favorable response for their loan request. With their small business loan of \$9,000 and about \$1,500 in equity contri-

bution, Rollinson and Sharon Neth proceeded to start up their bakery business.

According to this new business couple, it feels like a great personal achievement to finally get their business to start operation and start servicing arrays of customers buying varieties of their bakery goods on consistent daily basis. As a result, each has witnessed better sales performance each day. As envisioned and as part of one long-range goal, the couple expect to see an increased volume of sales and production in the future, including possible expansion of services targeting potential cus-

tomers at other locations throughout the island.

The Kosrae SBDC is a member of the Pacific Islands Small Business Development Center Network, whose mission is to support the growth and economic development of the U.S. affiliated islands in the western pacific region by providing high quality training and one-on-one confidential counseling to existing small businesses and to small business start-ups. For more information, please call Kosrae SBDC at (691)370-2751 or visit the web at www.pacificsbdc.com.



NOVEMBER 2008

Tuesday, Nov. 18 (10 a.m.)
Women In Business

Kosrae SBDC Training Schedule

Friday, Nov. 28 (10 a.m.)
Women In Business

DECEMBER 2008

Friday, Dec. 12 (9 a.m.)
Cash Flow Management

Friday, Dec. 19 (9 a.m.)
Financial Statement Ratio/Analysis

Tuesday, Dec. 23 (9 a.m.)
Basic Business Excel Program

For more information, please contact the Kosrae SBDC at (691)370-2751 or call the municipal offices for the outreach training to register your name. Individuals interested in attending the scheduled workshop can also register on the web 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.

Guam PTAC: secure certifications with PTAC

Continued from Page 3

SDB, 8(a), HUBzone and other certifications: Certain small businesses are eligible for preferred status in some government solicitations. A Guam PTAC counselor can help you determine if your company is eligible for any of these certifications and guide you through the steps necessary to secure them.

Researching Procurement Histories: "What agencies have bought products like yours in the past? Which companies have been awarded these contracts? How much have they been

paid?" Answers to questions like these are necessary to guide your marketing strategy and give you a competitive edge. Guam PTAC can help you ask the right questions and get the information you need to succeed.

Networking: Guam PTAC will sponsor regular "matchmaking" events, providing critical opportunities to connect with agency buying officers, prime contractors and other businesses that may offer teaming or subcontracting opportunities.

Identifying Bid Opportunities: Guam PTAC can make sure that you are notified — on a daily basis — of all government contract opportunities that your company is eligible to bid on.

Proposal Preparation: A procurement specialist can help you navigate even the most difficult solicitation package, including securing necessary specifications and drawings and determining pricing. You will never need to pass up a great contract opportunity just because the solicitation is too complicated.

Contract Performance Issues: Even after you've been awarded a contract, PTAC may be able to help with certain contract performance issues, such as

- negotiating and interfacing with the agency
- developing a cost-accounting system
- bonding and interim financing

● developing environmental, quality control and accident prevention plans
Preparing for Audit: When it's time for your contract audit, PTAC can make sure you know what to expect, and what you will need to have all documentation in order.

Whether you are new to government contracting or you have sought contracts in the past, PTAC can help you! Bidding on government contracts is a time-consuming, yet worthwhile process. PTAC is here to guide you through the process and give you information and referral on how to be more competitive.

CROCS: Ibanez finds success in shoes

Continued from Page 7

my help with developing financial projections for the retail outlet, I again advised her to hold off, only to find out that she had already signed the lease.

So, we built some financial projections with the store being closed at the peak traffic time of the week. Hey, I'm just doing my job! It turned out that the one store available was located at the spot where a bus drops off and picks up tourists every eight to ten minutes, every day! They have been so busy since opening that we have not been able to revise the projections. Over the past year, I'm proud to report, that her sales have far exceeded our projections — from fifty to 200 percent more each month. What kind of a shoe is this? Here is a good picture of the type of CROCS shoe that started the whole business. That's me, with Beverly, trying on that oversized (display) CROCS that is the same style of shoe I bought from her over a year ago.

The original CROCS style was a great 'deck shoe'. But with continuous innovations in style combined with function and purpose, you can purchase a pair of CROCS for the beach, the office, the warehouse, the snow country and many more places AND in a multitude of colors. It has become so popular around the world that imitations are now hitting the market. Watch for the name and the image of the crocodile so you get the real deal. Once you have tried on



Owners: Beverly and Gordon Ibanez in the Crocs warehouse.

a pair of the real CROCS you will just love the comfort, practicality, etc. And, they're priced the same here on Guam as they are in New York or California — but cost less because we do not pay sales tax!

There is one more part to this story and that is of the Jibbitz that can be purchased to fill the holes in the shoe to customize each pair. This story appeared in Reader's Digest a few months back. The woman who came up with the idea had just sold all rights to CROCS for \$12 million. As the story goes, she had bought a pair for her two daughters and together they began playing with designs

and 'buttons' to fit in the holes as a way for them to tell 'whose is whose'. This customizing has become popular with everyone from children to grandmas and grandpas. Just one more reason their sales are so good and why I am thankful she didn't listen to me. So let it be a lesson to you that despite all advice to the contrary, sometimes it pays off handsomely NOT to listen. We here at the Guam Small Business Development Center don't see Beverly much anymore but are very proud to have had a small part in helping Real Deal Enterprises, Inc. get started and expand. They have grown so fast that they now have

thirteen full time and part-time employees and have hired an accounting firm to handle payroll and taxes.

Watch for the grand opening of their new outlet store very soon in Hagåtña. You can contact Beverly or Gordon at the Tumon store at 647-8792. You may even be lucky enough to meet one of them at the store — if you're quick enough. They're moving so fast that I only saw the sole of their shoes the day I went to take these pictures.

For more information about the services at the Guam Small Business Development Center please call 735-2590 or visit the website at www.pacificsbdc.com.

BLOCK: Deli dream realized with SBDC help

Continued from Page 7

Then, one year later, on September 9, 2008, an email arrived that began: "Hi Mr. Webb, It's been awhile since we last communicated. How are you? Hope all is well."

Tina pointed out that she changed her mind about the original location, after feedback from friends and family, and decided to look for another location. It took quite a while before she found "the perfect location", but there were many obstacles that she had to overcome. She said that she had already submitted her loan application to Bank of Guam, and was awaiting a response.

Hearing from Tina, resulted in a followup meeting was scheduled on September 10th 2008 to review the business plan one more time - in view of the elapsed time and possible changes to her original assumptions. At this meeting, we agreed on the changes that needed to be made to the financial forecast and the business plan. We then contacted Bank of Guam, and asked them to wait for a final version of the business plan before submitting it to their loan committee for review.

One week later, Bank of Guam advised that Tina and her family had been approved for a SBA Community Express Loan. On behalf of the Guam SBDC, we extend big Congratulations to Tina and her family on this success. To the Community of Guam, look out for the grand opening of the New Business on the Block "Main Street Delicatessen and Bakery" in Hagatna!

For more information about the services at the Guam Small Business Development Center please call 735-2590 or visit the website at www.pacificsbdc.com.

Franklin Covey Seminar Comes to Yap

By Yap SBDC

An intensive, two and half day workshop focused exclusively on the management application of the 7 Habits of Effective Managers provided local participants with a robust and tactical implementation plan to fully integrate the 7 Habits into their work lives. It gave participants, majority of whom are in management positions, the tools to take initiative, resolve conflicts, and unleash the talents and passions of their team. Managers and supervisors were helped to create balance in a healthy, cohesive work environment. The whole training exercise included a 174 page manual, DVD presentations, practical exercises applicable to the daily workplace, and the Planning System to provide this life-changing foundation. The concept of the maturity continuum of the 7 Habits are:

- Be Proactive
- Begin with the End in Mind
- Put First Things First
- Think Win-Win
- Seek First to Understand and then be Understood
- Synergize,
- Sharpen the Saw

Two certified Trainers, Ms. Georgette Reyes and Mr. James "Jim" Denney, from the Pacific Islands SBDC Network facilitated the seminar for 30 plus Yap Small



Trainers:
Covey facilitator in action..



Participants: Covey participants look on attentively.

Business owners and managers. The seminar was held on September 30 through October 2 at the newly completed training center located on the ground

floor near the Yap Small Business Development Center.

For upcoming trainings, workshops to include the next planned Franklin Covey



7 habit seminar, please contact the Yap SBDC at (691)350-4801 or visit the office at Suite #205 Small Business Incubator Colonia Yap. Interested individuals may also visit the website at www.pacificsbdc.com.



Chuuk SBDC Training

Chuuk Small Business Development Center's (SBDC) training sessions are open to all qualified small business owners, managers and key personnel, and to individuals planning to open or thinking about opening a small business venture. All training sessions are FREE OF CHARGE. The sessions are held at the Chuuk SBDC, which is located on the 2nd floor of building B at Chuuk high school. Enrollment in all classes is limited. For more information please contact the Chuuk SBDC at (691)330-5846 or email chuuksbdc@mail.fm. Request for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.



Yap SBDC Training Schedule

November 2008

E-Bay for Island Businesses
MS Excel for Business Applications I
MS Excel for Business Applications II
MS Excel for Business Applications III

Institute for Young Entrepreneurship Society (4 YES)

December 2008

Institute for Young Entrepreneurship Society (4 YES)
Break-Even Analysis

Pre-Bookkeeping Seminar

All workshops are open to all qualified small business owners, managers, key personnel and individuals planning to open or thinking about starting small business ventures. All workshops are free of charge and will be conducted at RMI SBDC located at the Marshall Islands Development Bank (MIDB) in



Room 404. Space is limited; advance sign up is required to have your seat reserved. For more information, please call Leeno Aikuij at (692) 625-3685.

Registration can also be done through a web request at www.pacificsbdc.com or email leeno@pacificsbdc.com. Request for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis. Please note: this training schedule is subject to change without notice.