



# Pacific BUSINESS PARTNER

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## Inside

### Page 2

- Q&A with Toshie Ito of Motiva Training and Consulting

### Page 3

- Guam SBDC nominees win SBA awards
- Substitute "sweat equity" for capital
- Guam SBDC training workshop

### Page 4

- Local photographer launches book

### Page 6

- Farmers learn about financial statements
- Network helps microcredit lenders
- Information sharing — Impaired knowledge proves valuable
- RMI SBDC training workshop

### Page 8

- Yap SBDC bids farewell to Michael Gaan
- Yap SBDC training workshop
- Are you prepared for the new age?

### Page 9

- New Chuuk SBDC building on its way
- Chuuk SBDC training workshop
- National Development Bank of Palau "Window of Opportunity for Small Business"

### Page 10

- Bookkeeping and accounting workshops produce favorable results
- Kosrae SBDC training workshops

### Page 11

- Ruyah Store grows in Palau
- Palau SBDC workshops



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## Eat here and you'll never 'fo getta boudit'

By Jim Denney, Guam SBDC

The Guam SBDC is proud to have played a small part in helping Gabriel's House of Pasta to open. Owners Joe Borja and Erica Tajeron came to the Guam SBDC to get assistance in the development of their business plan to submit to Citizen's Security Bank for financing. Joe Borja and Erica Tajeron became the first loan recipients for the newly established SBA Community Express Loan Program at Citizen's Security Bank.

On April 18, 2007, the staff and management from the Guam, Yap, Kosrae, Palau and RMI SBDC offices that where on Guam for professional development training had the pleasure of eating lunch there. Now we are all hooked on their delicious Italian-American food. Several of the group took some food home for supper because their servings are so large it is hard to eat it all in one sitting — especially since, being on-the-clock, we couldn't drink wine with our meal.



Business Owner Joe Borja serves the SBDC staff.



Business Owners Joe Borja and Erica Tajeron in front of GABRIEL'S HOUSE OF PASTA.

There are (five) "Starters," ten (10) Entrees served with soup or salad, Combinations, Desserts and Beverages to choose from and everything is made fresh. They also have a number of daily specials such as Meatball Subs and Chicken Parmegiana Subs that are also served in very generous portions. Once you start eating, you won't "Fo getta boudit," their motto. And then the *Pièce de Résistance* — you've had a delicious meal at a most reasonable price.

Restaurant Owners Tajeron and Borja have created an ol' country-style restaurant in the Gabriel Building on the corner of Marine Drive and Route 4 in Hagåtña. The Italian music in the background, a beautiful view of the Agaña Bay and directly across the street from Chief Quipuha statue, all give an immediate comfortable, homey feeling. Give them a call at 472-4223 for more information or to place an order. You'll be happy you did.

## Lelu Marina reopens

By Kosrae SBDC

Lelu Marina is one of three marinas that were donated under the Goods and Services bilateral treaty with the Government of Japan. It is a Kosrae State Government owned facility. The facilities are designated to promote fisheries and aquaculture activities in the state.

One morning the Kosrae SBDC staff was greeted by Moses W. Palik, a successful local businessman who co-owns the largest farm on Kosrae. After he was welcomed and seated by the SBDC staff, Mr. Palik began, "I have a dream that I own a fish market and I have a dream that my fish market is big and very unique."

Mr. Palik received intensive counseling and business planning sessions immediately. Simultaneously, Mr. Palik continued to research his dream. One day Mr.



Business Owner Moses W. Palik holding the fresh catch of the day.

continued on page 10



# Q&A with Toshie Ito of Motiva Training and Consulting

**By Rodney Webb, Guam SBDC Business Counselor**

In 1987, a young Japanese lady sailed from Japan to Guam and decided to stay. Her name was Toshie Ito. Her first job in Guam was with Micronesia Mall, running their information/help desk. Later, drawing on her extensive training experience in Japan, she joined the training department of DFS, and then went on to start Motiva Training and Consulting. Toshie was interviewed for this article on May 7, 2007.

**What led you to become a business trainer, and did you have any mentors at this time?**

"One of my first jobs in Japan was in the training department of a large department store. To save money, my employer sent me to Tokyo to learn a new training program. He told me to master the training program, then come back and administer the program to the other department store employees."

I thought the program was very basic, and not a good match for the department store employees. So I developed my own training program, presented it to the department store employees, and it was very successful.

The next year, the owner sent me back to attend another training program in Tokyo, and again I believed it to be out of step with the programs needed for department store employees. So I developed another training program, presented it to the department store employees, and it was again very successful.

When the owner wanted to send me back to a third training seminar the following year, I finally explained to him what I had been doing. He then gave me authority to develop a 5 year training program for the store.

My principal mentor throughout my training career, whom I have known for over thirty years, has been Ms. Barbara Rickwood (currently a training specialist with the World Bank in Washington D.C.).

**When did you start your own business, and what was the biggest problem you had to overcome?**

"I started my business in 2002. There are a lot of differences between working for someone else and running your own business. First, you don't get a bi-weekly paycheck anymore. Second, you don't have co-workers or supervisors – you are on your own. And the third problem I had to overcome was the perception that I only provided training in the area of Japanese language. This took me some time to overcome. Today, less than 20% of my training programs are for Japanese language training (compared with 70% when I first started my business)."

**How did the SBDC assist you?**

"When I started out, I talked with other business owners about their experiences and they referred me to the SBDC. The SBDC helped me put my business plan together, and recommended that I establish networks with other businesses. For example, they recommended that I join the Guam Chamber of Commerce and other employer groups, which I did."

But most important for me when I was starting my own business, the SBDC became my motivator and mentor as I was growing my business through the early stages. While they made sure that I was aware of all the risk factors in starting a business, they also encouraged me to move forward, helped me work through any obstacles that came up."

**What is your favorite success story from your training programs and consulting service?**

"There are several that I would like to share with you from early days. The first success came to a company that experienced an 18% increase in sales after only three months of training with me. I started working with another company because they were facing the loss of several key employees. I discovered that there was a lot

of conflict between these key people and other employees within the company. I re-wrote their performance evaluation forms to eliminate problem behaviors, trained their employees accordingly, and the key employees stayed. Another occasion I am pleased about was when I worked with a hands-on owner/manager who had difficulty with delegation. After my training program, he delegated many responsibilities for the business to his managers, and with his personal time freed up he was able to start another business."

**When did you start offering your services to the Guam Chamber / SBDC Management Training series?**

"I became a member of the Guam Chamber in 2002, and later joined their Small Business Focus and Development Committee. In 2004 I provided a free training session to Guam Chamber members. Since then I have delivered another 6 training programs to Guam Chamber members. Initially, these programs attracted only around 10 participants, but with the support and advocacy of the Small Business Focus Committee, the number of participants has grown a lot. In my last three training programs for the Guam Chamber, we had 40, 74 and 134 participants respectively."

**What type of training programs and consulting service do you currently offer?**

"My services include human resource management (e.g. hiring, work ethics, healthy attitude, performance evaluation programs, appropriate discipline), employee and management training (e.g. customer service, sales and service skills, coaching skills, effective communications), and vocational Japanese language training. I also provide business profile consultation and employee counseling."

**How is your business doing today?**

"My business is doing very well. I am grateful to the community, GSBDC, Chamber of Commerce, Guam Hotel & Restaurant Association and my many long term clients whose support has helped me realize this dream of mine."

I presently have a great client base which is made up of many repeat customers. The training programs may be directed at specific immediate needs or, as in most cases, are aimed at raising the overall skill level of their managers and employees. I am presently enjoying a strong complement of bookings. However, I remain available to develop new client relationships for those needing my services."

**If you are willing, what is the secret to your success?**

"If you can believe this, it is because I don't necessarily give my client what they want initially. I analyze what the training needs of the business are. Then I sit down with the client and honestly and directly present and discuss my training recommendations, including the sequence of the training programs to address the highest priorities first."

**What does the future hold for Motiva Training & Consulting and Toshie Ito?**

"Next year, I will think about expansion. I could take on new employees, but my preference would be a partnership with another, complementary training provider."



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## Motiva Training and Consulting

Toshie has recently started seminars with the SBDC. For more details, please contact the SBDC at 735-2590 or look for our training program announcements in the business section of the PDN. For company specific training, you may also contact Toshie Ito directly at Motiva Training and Consulting at 647-2002 or email [toshie@motiva-training.com](mailto:toshie@motiva-training.com).



# Guam SBDC nominees win SBA awards

The Guam SBDC is pleased to announce that the two nominees that the SBDC submitted this year for the 2007 SBA Awards both one. The first, Lourdes "Lou" Leon Guerrero, has been a nurse, a



**Lourdes "Lou" Leon Guerrero**  
President & CEO  
Bank of Guam  
SBA's 2007 Guam Women In Business Champion of the Year

former Senator, and now President and CEO of the Bank of Guam. Lourdes "Lou" Leon Guerrero has proven to be a positive role model for women in business on Guam as she is honored as SBA's 2007 Guam Women In Business Champion of the Year.

Lou's voluntary efforts to strengthen the role of women business owners within the

community have created a partnership between the Bank of Guam and the Guam Small Business Development Center (SBDC) in continuing the Women In Business program on Guam and its neighboring islands. Providing the financial counseling to women business owners who have just started their business and offering financial options to grow their business has opened the doors to capital and growth development.

Through her efforts in identifying the needs of women business owners, she was instrumental in having the bank fund and sponsor the Pacific Islands Microcredit Institute's microcredit loan program in order to provide financial resources and assistance to low to moderate income residents who want to start a business. Statistics have shown that over 90% of microcredit participants are women.

Lou has worked with various women organizations to strengthen women's images, professionalism, and character. She is a founding member of the Soroptimist International of the Marianas, which is dedicated to the advancement of women and girls in the community, and is a member of the government's Family Violence Task Force focused on promoting legal and social

mandates and services that help women become stronger and more confident in their roles as businesswomen, professionals, etc.

## Michael R. Ady

The SBDC's second nominee, Michael Robert Ady, is often referred to as "The Office Expert" to most business associates on Guam. However, to those who have met Michael Robert Ady, SBA's 2007 Guam Veteran Small Business Champion of the Year, you would hear and see his passion to assist his fellow comrades when you mention the word "veterans".



**Michael R. Ady**  
President  
M80 Office Systems  
SBA's 2007 Guam Veteran Small Business Champion of the Year

Mike is always vocal in support of veterans and small business. He is active in the veteran community. Through his volunteerism as a speaker at the Guam Small Business Development Center Veteran Conference to his business plan mentorship with the Shell Livewire Business Planning Competition, his commitment to assisting the veterans is visibly evident. As a service-disabled veteran, he is an energetic spokesperson in support of Veterans events, and a role model for veterans seeking to start their own business. He is always a willing, volunteer participant in seminars, conferences, and community events aimed at providing veterans with access to support, information and education programs to assist them with their lives and careers.

Mike is an active member of various civic and non-profit organizations such as the SBDC Advisory Council and is the Chairman for the Guam Chamber of Commerce's Small Business Development Committee. His sponsorship in various youth programs and donations to various schools and churches show the generosity and care he has for the community.

## Guam SBDC Training Workshop

### MAY:

**Thursday, May 17th**  
(9:00am-12:00pm)

"HOW TO MAKE THE JUMP FROM 'EMPLOYEE' TO 'BUSINESS OWNER'"

Guest Presenter: Toshie Ito, MOTIVA TRAINING & CONSULTING NO FEE WORKSHOP (FREE)

Friday, May 18th (9:00am-11:00am)  
"HOW TO WRITE A BUSINESS PLAN"

Presented By: SBDC  
Fee: \$20 per person

**Friday, June 22nd**  
(9:00am-11:00am)

"HOW TO GET A BUSINESS LOAN"

Presented By: SBDC  
Fee: \$20 per person

**Friday, June 29th**  
(9:00am-11:00am)

"MYTHS ABOUT BUSINESS OWNERSHIP"

Presented By: SBDC  
Fee: \$20 per person

**Friday, July 6th**  
(9:00am-12:00NOON)

DOUBLE ENTRY BOOKKEEPING USING EXCEL - Part I of II

Presented By: SBDC  
Fee: \$25 per person

**Friday, July 13th**  
(9:00am-12:00NOON)

"DOUBLE ENTRY BOOKKEEPING USING QUICK BOOKS SIMPLE START-Part II of II

Presented By: SBDC  
Fee: \$25 per person  
Note: Completion of the Part I - Double entry bookkeeping using Excel is a prerequisite to all registrants for this workshop.

**Friday, May 25th**  
(9:00am-11:00am)

"HOW TO MARKET YOUR BUSINESS: WHO IS YOUR CUSTOMER? CHART IT! TARGET SMART! SPICE IT UP!"

Presented By: SBDC  
Fee: \$20 per person

### JUNE:

**Friday, June 1st**  
(9:00am-11:00am)

"HOW TO START A BUSINESS"

Presented By: SBDC  
Fee: \$20 per person

**Friday, June 8th**  
(9:00am-11:00am)

"HOW TO WRITE A BUSINESS PLAN"

Presented By: SBDC  
Fee: \$20 per person

**Friday, June 15th**  
(9:00am-11:00am)

"CREATING A BUZZ: Guerrilla Marketing"

Presented By: SBDC  
Fee: \$20 per person



All workshops will be conducted at the SBDC Room #148 located in the 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. If paying by check, please make payable to: UNIVERSITY OF GUAM. Individuals interested in attending the workshop can submit a web request at: [www.pacificsbdc.com](http://www.pacificsbdc.com) <[http://www.pacificsbdc.com](mailto:http://www.pacificsbdc.com)> or contact Lorle Sabien at 735-2990 or e-mail [lorle@pacificsbdc.com](mailto:lorle@pacificsbdc.com). Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.

## Substitute 'sweat equity' for capital

**By Rodney Webb**  
SBDC Business Counselor

You can often reduce your financing needs by doing work yourself or by substituting personal or second-hand equipment. Spend your weekend going around looking for used equipment that you can substitute for newer, more expensive equipment. Instead of hiring someone to keep your books, take a course in bookkeeping and do it yourself. Instead of advertising in the daily newspaper, print up flyers and distribute them yourself, at nights and on weekends. Instead of rent-

ing an office, get a post office box number and work from your home until you find business is good enough to move. In short, for the beginning, think of ways to save cash by using creative substitutes, and by using your own time and labor to the maximum. Until you are sure what you are doing becomes successful, hard work from you and your family can be your best investment in a successful business. Henry Ford ran a bicycle shop before opening his car company. No successful entrepreneur on record has been afraid of hard work.



# Local photographer launches book

**Presented by  
Denise Hertslet, Guam SBDC**

Have you ever had an idea that you thought was great? Sure, most of us have. But where do you begin? Ultimately, even a simple idea requires extensive preparation to turn that vision into a reality.

Like many people, professional photographer and business owner, DL Lasrihmmavan dreamt of numerous business ideas. Recently, she turned one of her ideas into reality with her first book, *Guam Beautiful Scenes & Delicious Local Food*. According to DL, "I can write an entire novel about this venture because so much was involved." However, she focused on the concept and design development phase of her venture.

Shortly after DL arrived on Guam in the summer of 2005, she was searching for a book. Not just any book – a specific book about Guam. She wanted to show the beauty of this island to families and friends, since most were not too familiar with it. Most of all, she wanted them to see the reasons why she fell in love with Guam and decided to make it her new home.

In her search, she was hoping to find a book that had a brief history on Guam, reference maps, scenes, historic landmarks, and perhaps some favorite local recipes. While there are few books that contain the histories, recipes, or maps, a book with all of these specifications did not exist. This experience generated an idea.

DL's plan was to create the perfect Guam souvenir book that had it all. The book would be a hybrid, by combining a cookbook and coffee table book. The contents would be full of colorful photographs of Guam scenes, local food, maps, and interesting facts. In addition, the book would also be diverse, compact, affordable, practical, and stylish.

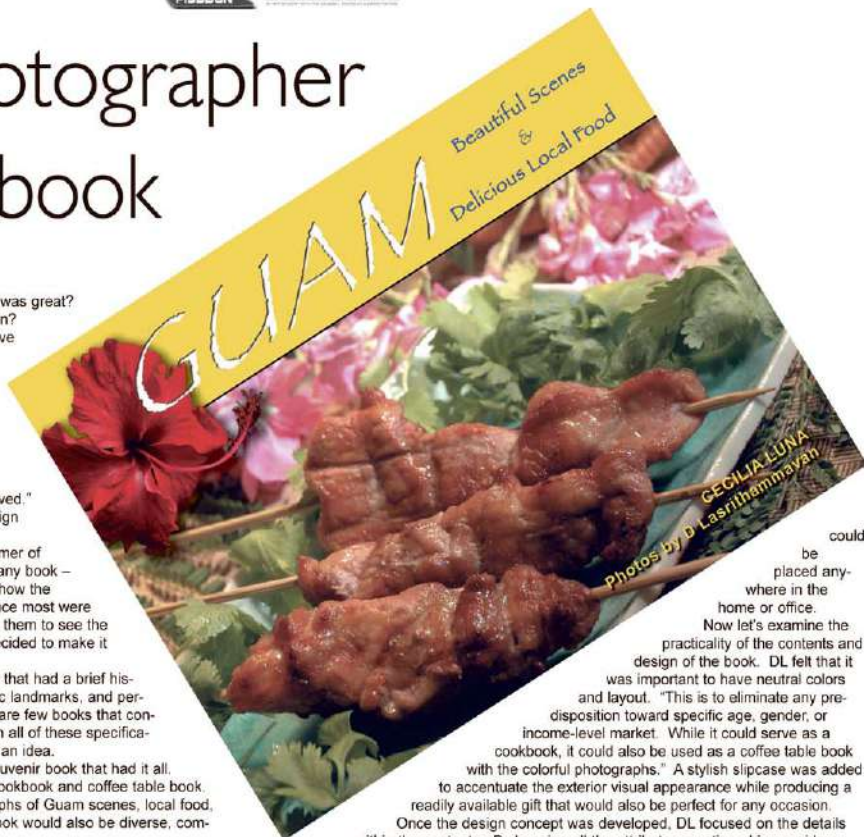
Sounds overwhelming? DL says, "Not really, because I was committed toward this goal. I was prepared to invest my personal time (and lots of it) in researching the project thoroughly before I begin the design in addition to managing my photography business." She began by researching the demographics on Guam and consulting with the Guam Small Business Development Center.

DL met with Denise Mendiola Hertslet, Business Counselor and Program Coordinator for the Bank of Guam Women in Business Program. They immediately discussed the plan to research the target market for the book and the business plan for this venture.

They figured out that since the people of Guam vary in ethnicity and background, the book had to be written in a couple of languages. While the majority of residents are Filipinos and Chamorro, the majority of tourists are Japanese. Therefore, an English and Japanese text would be the appropriate languages. The next step was to determine the size of the book.

Size determination of the book is important because it will govern the overall project. According to DL, "A compact book would be necessary to save cost. First, it would reduce production cost of material and enable an affordable retail price of the book. Secondly, it would also reduce parcel cost. Since it is a souvenir item that would be designed for simple mailing, a compact and lightweight book is necessary especially for individuals with many families and friends living off-island." She also stressed that other important factors to consider are airline travelers and tourists.

The book would have to be of a non-bulky or undistruptive (non-hazardous) material. With the unpredictable changes of security measures within the airline industries, this would contribute to reducing unnecessary delays for travelers should they decide to carry aboard. Lastly, a compact book would be ideal when storage space is limited. It



could be placed anywhere in the home or office. Now let's examine the practicality of the contents and design of the book. DL felt that it was important to have neutral colors and layout. "This is to eliminate any pre-disposition toward specific age, gender, or income-level market. While it could serve as a cookbook, it could also be used as a coffee table book with the colorful photographs." A stylish slipcase was added to accentuate the exterior visual appearance while producing a readily available gift that would also be perfect for any occasion. Once the design concept was developed, DL focused on the details within the contents. By keeping all the attributes mentioned in consideration, she determined that the appropriate scenes to be highlighted would be of sufficient landmarks throughout the entire island instead of one specific area. In regards to the food, DL decided to include photographs and recipes of some popular dishes such as those served in local fiestas. She found that it is the familiar and appetizing recipes that can be simple to prepare.

The final contents included in the book are maps, cooking tips, and a brief history on Guam. DL says, "The intention is to introduce the reader to the island and its people. It is also aimed to increase interest and promote Guam's natural beauty."

While DL spent six months to complete *Guam Beautiful Scenes and Delicious Local Food* book, the brainstorming and research phase took months prior. However, with sheer determination and assistance from the Guam Small Business Development Center, the final result was exactly as she had envisioned and she was completely delighted with the product.

*Guam Beautiful Scenes and Delicious Local Food* books are currently available for purchase and are also available at a discount price when purchasing in bulk for promotions and fundraising. Please contact DL if you have any questions or if you are interested in her book: DL Lasrihmmavan, (671) 727-8177.

Individual books may be purchased at these stores: Bestseller, Faith Bookstore, John Paul the Great Book & Gift, Guam Council on the Arts & Humanities Gallery (Two Lover's Point), The Guam Gallery of Art, Coconut Villa Gift Shops, Asahi One (Tumon), and Asahi Duty Free (Hyatt).

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](mailto:denise@pacificsbdc.com).

## FREE MARKETING FOR YOUR BUSINESS

The Pacific Islands Small Business Development Center Network website now offers a telemarketing medium called a **BUSINESS CARD**. This presents another wonderful opportunity for businesses to advertise their Company's products and/or services by expanding their exposure beyond the Pacific Rim.

Logon to [www.pacificsbdc.com](http://www.pacificsbdc.com)





## Farmer learn about financial statements

### By RMI SBDC

The members of the Laura Farmers Association were enthusiastic to be participants during the training on Financial Statements. At this training, they were able to learn how to create an Income or Profit and Loss Statement and Cash Flow Projections. They also learned to determine and find the following: projected sales, cost of goods sold, gross profit margin, fixed expenses, net profit, gross profit margin percentage, cost of goods sold percentage, fixed cost percentage and net profit margin percentage. The training took place at the R & D Agriculture Training Building in Laura on the 28th of March 2007. The outcome was astounding and the RMI SBDC looks forward to continuing a partnership with the Laura Farmers Association.

## Network helps microcredit lenders

### By RMI SBDC

The President and CEO of the Bank of the Marshall Islands (BOMI) Mr. Patrick Chen met with the PISBDCN Network Director Mr. Casey Jeszenka at the opening ceremony of the 2006 PISBDCN 4th. Quarter Staff Development Meeting held in Majuro during the month of



Chen

November. At the request of President Chen, Network Director Jeszenka was asked to plan for a revisit to the island to train his key-staff about Business Planning and Financial Projections relative to the micro credit lending program, which he readily agreed to.

President Chen and Center Director met and worked out a proposed training schedule. The final details and arrangements were confirmed. On the 2nd thru the 6th of April, a Business Planning and Understanding Financial Projections training was conducted by the Network Director. The training session was held at the RMI SBDC and was well attended by the BOMI Staff.



Network Director Jeszenka uses the newly purchased HP to conduct the business planning and financial projections training to the management and staff of BOMI.

Participants were pleased with all the information and learning tools provided. President Chen said, "Reviewing of all business plans being submitted by the RMI SBDC will be done more effectively and accurately as these key-staff of mine including myself have learned a lot from these two very important and valuable training workshops". There is further discussion of more training by the PISBDCN during future visits.

## RMI SBDC Training Workshop

### Training Schedule for May thru August 2007

#### MAY

Customer Service  
Wednesday 16  
10 a.m to 12 noon  
Marketing  
Thursday 17  
10 a.m to 12 noon

#### JUNE

Business Plan  
Tuesday  
10 a.m to 12 noon  
Tax and Licensing  
Wednesday

10 a.m to 12 noon

#### JULY

Recordkeeping  
Wednesday  
10 a.m to 12 noon  
Marketing  
Thursday  
10 a.m to 12 noon

#### AUGUST

Financial Statements  
Tuesday  
10 a.m to 12 noon

Do You Think If You Are  
Charging the Right Price?  
Wednesday  
10 a.m to 12 noon

Note: All workshops will start  
at 10 a.m. and end at 12 noon.



(Sessions are open to all qualified small business owners, managers and key personnel and individuals planning to open or are thinking about opening small business ventures. Enrollment in all classes is limited. All sessions are free of charge. The sessions will be conducted at the RMI SBDC which is located at the Marshall Development Bank Building, floor 4, Room 404. Individuals interested in attending the workshops can call RMI SBDC at (692) 625-3625 or e-mail [rmi.sbdc@ntamr.net](mailto:rmi.sbdc@ntamr.net). Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.)



## Information sharing – Imparted knowledge proves valuable

### By RMI SBDC

In addition to completing the site visit (service center review) for the RMI SBDC, the PISBDCN Associate Network Director, Ms. Georgette Reyes, was requested to conduct a workshop entitled "Recordkeeping to Cash Flow". This training was held on the 5th of April at the Conference Room of the R & D and MIMRA Office Building. Word was circulated through print and broadcasting Medias such as the local radio station V7AB. Attendees included individuals who are in the planning process of starting up their own small businesses and the Bank of the Marshall Islands (BOMI) staff members who attended the Business Plan and Financial Projections Workshops conducted earlier by the Network Director. Once again, the workshop proved valuable, participants were pleased with the information sharing and knowledge imparted. One of the BOMI Staff said, "As we have learned more about proper recordkeeping procedures and cash flow, we will now apply this knowledge so our work is done more efficiently and effectively". The RMI SBDC, BOMI Staff and the RMI Small Business Community extend its appreciation to the PISBDCN....

# Yap SBDC bids farewell to Michael Gaan

## By Yap SBDC

The Yap SBDC is saddened to bid farewell to one of its seasoned business advisors, Mr. Michael Gaan. Michael had departed the SBDC program to pursue a cabinet level post as the new Director of the Department of Resources & Development in the newly elected Yap State administration under the leadership of Governor Sebastian L. Anefal. Mr. Gaan commenced his tenure at the SBDC on July 2003 and left almost four years later on the 13th day of April 2007. Mr. Michael Gaan was truly an asset to the SBDC program. He was nominated a "state star" for the years 2006 for commendable performance making significant contribution to the program as well as showing strong commitment to small business. Mr. Gaan will certainly be missed not only by his peers from Yap but the whole Pacific Islands SBDC regional network. The Network wishes him all the best in his future endeavors.



Mike displays a plaque given to him by the PISBDCN to commemorate his stellar performance as Yap SBDC economic adviser.

## Yap SBDC Training Workshop

### YAP SBDC Training Schedule, May to July, 2007

Yap SBDC has scheduled the following business workshops for the following months as follows.

Months	Date	Title	Presenter
May	16	Cash Flow Projection, Excel	Monica
	16	Break Even Point Analysis, Excel	Mike
	17	Price Analysis, Excel	Monica
	17	Double Entry, Excel	Maelynn
	18	Inventory Applications, Excel	Maelynn
	29	Customer Service I	Monica
	31	Customer Service II	Maelynn

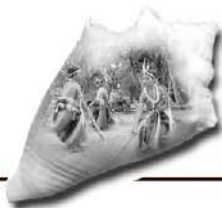
June	5	Customer Service I	Monica
	7	Customer Service II	Maelynn
	20	Tourism Product Development	James
	18	Youth Entrepreneurship Program (June to August, 2007) 3 months	Maelynn
		Double Entry Bookkeeping Using Excel	Jacinta
		Managing Inventory	Monica
July	2	Hiring & Managing People with Special	Monica
	16	Business Decision Making Concepts	James
	23	Minutes Taking for Corporate Boards	Maelynn
	30	Finding Hidden Cash	Monica

Yap SBDC workshops are open to all qualified small business owners, managers, key personnel and individuals planning to open or considering starting a small business venture. All workshops are FREE OF CHARGE and will be held at the YAP SBDC. Above schedule is subject to change without prior notice. For more information, please call Jacinta Primo (691)-350-4801/4802.

Individuals interested in attending the workshop can submit a web request at [www.pacificsbdc.com](http://www.pacificsbdc.com) or email [ysbdc@mail.fm](mailto:ysbdc@mail.fm) Requests for reasonable accommodations must be made 72 hours in advance.

Services are extended to the public on a non-discriminatory basis.

Note: Above schedule is subject to change without prior notice.



## Are you prepared for the new age?

### By James E. Denney, SBDC Senior Counselor

More goods and services are reaching more people of the world today than ever before. It is easier than ever for people of the world to play the game of business because the field is expanding and getting flatter. However, America is losing jobs to India, China and other 3rd world countries every day, the middle class is disappearing and yet the unemployment rate is not rising as fast. And, American companies are struggling to compete with foreign companies who are offering the same goods or services at a much cheaper price to the world's consumers. How can individuals and com-

panies compete in this new economic world? Why does the number of people in poverty, especially in the developing and 3rd-world countries, keep rising when they are taking all these jobs and receiving more goods and services than ever before?

Welcome to the 21st Century and the beginning of the new age of flat economics. This and the next three articles present some solutions that have been found, some economic lessons learned and some recommendations for thriving in this new age of flatness. The source of this information is one book last published in 2006.

America and other countries are feeling the growing pains of the start of a new age. This new

age has been explained by looking back at the driving economic forces of the past. The Industrial Age was driven by countries that could amass the most muscle – horsepower, wind and steam power. The information age was driven by companies that took advantage first of falling transportation costs and then falling telecommunication costs. And now in the age of flat economics, the driving force is the individual who competes and collaborates globally. Other driving forces are that these individuals are not centered in the West nor confined to the modern world. They are a much

continued on page 10



# New Chuuk SBDC building on its way!

## By Chuuk SBDC

Very recently, the Construction Company Vincent & Brothers won the bid for the Chuuk SBDC Building which will cost about \$322,000.00 once completed. The two buildings that was once the Chuuk Marine Recourses Development Building will be taken down to make room for the new Chuuk SBDC Building. The building will be in a T-shape form, extending out from the main road and run toward the water front. The building is a one story structure; however, it will be built in such a way to accommodate future extension plans to a two story building. The section of the building that will face the main road will be elevated from the ground, with the dimension of 30ftx60ft, open space underneath. This 30ftx60ft space will be very use-

ful for an incubator at a later time. The building once completed will have a classroom on the first floor for our seminars and conferences on the extension facing the waterfront and on the second floor will have the offices and a computer lab. The building will certainly give a face left to the area and will be ideal for those people who commute to Weno everyday and also to the business communities since the location will be in the midst of downtown Chuuk. The Staff and Management of the Chuuk SBDC are excited and greatly looking forward to the birth of its new building. The new building is definitely progress and will further enhance the environment and our ability to continue helping existing small businesses and the prospective small businesses in Chuuk State.

# Chuuk SBDC Training Workshop

The CHUUK Small Business Development Center (SBDC)

Training sessions are open to all qualified small business owners, managers and key/personnel and individuals planning to open or thinking about opening small business ventures. All training sessions are FREE OF CHARGE.



(The workshops will be 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 can call Chuuk SBDC at (681) 330-5846 or e-mail chuuksbdc@nabp.fm. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.)

# National Development Bank of Palau 'Window of Opportunity for Small Business'

## By Palau SBDC

The Palau Small Business Development Center (Palau SBDC) is proud to announce to the public that National Development Bank of Palau (NDBP) opens Micro-Credit in Palau. "We hope to see more small business developments through the micro-credit program and even housing project development", Ms. Ulai Teltull, acting President, NDBP.

The Micro-Credit program is a window to help those individuals who are starting a small business with a small capital demand, expanding their existing small business, and/or facility enhancement. Small, means as small as \$500 for commercial and/or housing. Whereas in the previous years, the National Development Bank of Palau's (NDBP) minimum commercial loan amount was \$5,000, so if an individual wanted to launch a small business with \$500 or \$1,000, they were not able to solicit a commercial loan from NDBP unless, they go for the minimum of \$5,000. "Thus, it was always a challenge to advise client(s) to either go for a personal loan from the other lending institutions or bring up their start-up loan request to a minimum of \$5,000", states Lisa K. Abraham, Director, Palau SBDC.

NDBP micro-credit loan program was launched in February 2007, offering a minimum loan at \$500 to \$10,000 unsecured at six percent (6%) interest rate for a maximum term of five (5) years; no real estate collateral necessary. However, for small businesses that are risky business(s) and evaluations will be conducted by NDBP loan officer(s) to determine the risk factors. Hence, real estate collateral might be necessary. Eligibility requirements includes,

must be a Palauan citizen, 18 years and older, and must show a steady income; either an existing employment or steady revenue from existing businesses. Similarly, for a business start-up or

expansion(s), a business plan is a "must" in order for NDBP to expedite commercial loans efficiently. Therefore, for business plan developments, the Palau SBDC is one (1) of the many partners and a technical assistance support to assist those individuals interested.

For more information and assistance, individuals may approach the National Development Bank of Palau and inquire more information. Similarly, the NDBP may conduct eligibility requirements for prospective client(s). Interested individuals may contact Tel.

#(680)488-3955 or 2578 and speak to any loan officers or Ms. Ulai Teltull, acting President, NDBP.

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. Dedicated to this mission, the SBDC embraces every opportunity to conduct outreach and provide its services to all the state in the Republic. Future workshops will be promoted with flyers posted at all the large shopping centers, and government public bulletins. Similarly, each workshop announcement will be aired through Eco-Paradise 87.9 FM. If you should need any assistance in setting up a workshop/seminar for your business (s) or organization, please do not hesitate to contact the Palau SBDC at Tel. #(680)488-6004, Fax #(680)488-1549/2447, or e-mail at lees@pacificsbdc.com.





## Bookkeeping and accounting workshops produce favorable results

By Kosrae SBDC

The Kosrae SBDC recently held two workshops that covered topics for both Record Keeping and Accounting. While these workshops were held on different days and covered different topics, several participants attended both training sessions.

One of the attendees, local business owner Ruth Timothy, said, "I'm really glad that I was able to attend these sessions. This is the kind of information that I really need to know to run my business and understand all of my finances."

The record keeping workshop focused heavily on real life examples of the right and wrong to keep books. Each of the participants was able to practice separating business transactions into their proper accounts. The accounting workshop also had a heavy focus on utilizing real life business examples to better understand the proper function of business finances. By the end of the day, each of the participants was able to create their own set of financial statements and explain each statement's unique function.

The success of each workshop was very rewarding that the staff of the Kosrae SBDC intends to continue to offer workshops that allow participants to see real world business examples.

## Are you prepared for the new age?

continued from page 8

more diverse, non-white group from around the globe. Economic and structural barriers, such as the Berlin Wall, are being removed thus flattening the playing field. This then is helping to create a new middle class for these individuals while pulling the old middle class away from America.

American businesses are being forced, by stiff competition, to drive down the cost of doing business partly by outsourcing more of the middle-class jobs. Radiologists in the US are outsourcing the reading of CAT scans to doctors in India and Australia where the work is done the same night providing a quicker turnaround at a much lower cost. Two McDonald's, one each in Minnesota and Massachusetts, have outsourced their drive-through ordering to a company in Colorado. This has proven to be profitable to all involved as well as providing better service to the customer. And, in early 2006, there were 245,000 people in

India answering phones from all over the world or dialing out to sell credit cards, cell phones or collect overdue bills. The outsourcing to other countries is forcing Americans to make drastic changes just to keep their jobs and stay in business and yet changes are not being made fast enough so America is losing it's middle-class. America is capable of thriving in the new age of flat economics but she is not ready.

America is not ready to move from the Information Age to the age of flat economics and this applies to everyone – except possibly the highly trained professional scientists, mathematicians and engineers. Stay tuned for the next article which discusses why America is not ready. The "bottom line" may shock you. The third article in this series explains what Americans can do. Yes, there is hope! Then the fourth and final article discusses ways to stop the spread of poverty along and includes the story of how one developing country is thriving in this new age.

## Lelu Marina reopens

continued from page 1

Palik came to the SBDC and said, "I have opened a fish market but it is not the one I dreamed of. With your help, I will find my dream business." Toward the end of 2006 Mr. Palik found out that Lelu Marina had been abandoned for several years and was about to be opened for bidding again. Immediately he came to the SBDC office to revitalize his counseling sessions. His business plan and projections were amended and updated, and submitted to a review board. The review board reviewed the proposal and approved it.

On March 1st, 2007, the lease commenced. However, Mr. Palik could not open for operation immediately. The facility needed to be cleared and cleaned and all equipment needed to be upgraded. Mr.

Palik was also notified that he could not get electricity installed until he cleared an outstanding utility bill unpaid by the previous lessee. While these costs were substantial, Moses footed the bill so he could be closer to achieving his dream. Moses was determined to have the facility back in operation. Near the end of March his years of dreaming paid off – Lelu Marina opened. Lelu Marina is open 5:30am – 11:00 pm from Monday to Saturday. The marina carries reef fish, deep bottom fish, and ocean fish.

Moses W. Palik would like to thank the Kosrae SBDC for their tireless effort and determination to assist him during his many years of hard work. The SBDC has helped to make his dream become reality. Kulo Malulap!!!

## Kosrae Small Business Development Center (SBDC) Workshops

### May Workshops

Thursday, May 24th (9:00am – 12:00pm)

"Pricing"

Wednesday, June 13th (9:00am – 12:00pm)

"FSM & Kosrae State Tax Law/What business owners need to know"

Wednesday June 20th (9:00am – 12:00pm)

"Tax Reform: From Gross Revenues to VAT"

Thursday July 12th (9:00am – 12:00pm)

"Business Planning: Steps to Writing a Business Plan"

Thursday July 19th (9:00am – 12:00pm)

"Export: How to Start a Successful Export Business"



For more information on upcoming workshops, please contact the Kosrae SBDC at (691)370-2751 and/or call the municipal offices for the Outreach Training to register your name. Individuals interested in attending the workshop can also submit a web request at [www.pacificsbdc.com](http://www.pacificsbdc.com) or send an email message to [kbsdc@info.com](mailto:kbsdc@info.com). The Kosrae Small Business Development Center 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, options, 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.



# Palau's business industry sustains another member

## Riyah Store grows a step further

### By Palau SBDC

Coming off the plane and driving down the main road, the first store encountered on the way to down town Koror, comes Riyah store in Airai State. What most visitors do not know is the Palau International Airport is located in Airai State; one of the sixteen states of the Republic of Palau. Well, for most adventurous visitors and returning Palauan residents, a stop at the Riyah store serves the quench for thirst or for local food, and the friendly "Alii" smiles of the local employees.

Riyah store, a husband and wife owned and operated small business started as a two (2) personnel run business to a total of eighteen (18) to date. Similarly, despite the regional economic crisis in the late 1990's, Riyah struggled to stay afloat. By year 2000, Mr. and Mrs. Alfonso Seklil sought to hire more people as their business expanded



Inside Riyah Store.

a little at a time. At this point, Riyah Store Owners developed the urge to elevate their expansion plan at a quicker pace and decided to seek the Palau SBDC for technical assistance services. Their commitment and hard work to complete all requirements reached favorable outcomes garnering additional funding support awarded by the National Development Bank of Palau (NDBP). Riyah store was able to purchase additional inventories for retail, retain its existing employees, and expand their business a step further.

"We hope Mr. and Mrs. Seklil will fulfill their long-term goals. They have been living in the never-ending struggle and competitiveness of Palau's small business industry challenges such as business taxes, import taxes, and etc.," states Lisa K. Abraham, Director, Palau SBDC. However, with their "enthusiastic" entrepreneurial spirits, the Seklil's are in high gear for challenges and work towards great success. "The magic is keeping accurate recordkeeping records as well as control of overhead expenses, and don't lose focus of your business directions", notes Mrs. Siska Seklil.

"NDBP is keen to see many small businesses develop", states Ms. Ulai Teltull, acting President, NDBP. Similarly, small businesses that are expanding means, there is great future

for the respective business or its owner(s) as well as economic growth for the country. An expanding business has proved its viability by being in business for more than a minimum of five (5) years. "Any business that has been in business for five (5) or more years provide historical characteristics that any lender is seeking", comments Ms. Teltull. Hence, the NDBP hopes to see and receive more people either prospective small businesses or business expansions. Any individuals or group over the age of 18 and over and are Palauan citizens are welcomed at the NDBP for more lending opportunities. For more information and assistance,

individuals may approach the National Development Bank of Palau and inquire the various lending opportunities. Furthermore, the NDBP may conduct eligibility requirements for prospective client(s). Contact numbers are Tel. # (680)488-3955 or 2578 and speak to any loan officers or Ms. Ulai Teltull, acting President, NDBP. The Palau SBDC once again, takes this great opportunity to wish Riyah Store and its owner(s), Mr. and Mrs. Alfonso Seklil the best in the upcoming years in entrepreneurship. "We wish a healthy growth", Lisa K. Abraham, Director, Palau SBDC.

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Business owner Francisca K. Seklil in front of Riyah Store.

## Palau Small Business Development Center (SBDC) Workshops

### May 14-16, 2007

Farm Loans with USDA-Farm Service Agency  
Time: 6pm-8pm

### May 22, 2007

Business Plan  
Time: 6pm-8pm

### May 23, 2007

Financial Forecasts  
Time: 6pm-8pm

### May 29, 2007

Marketing & Sales  
Time: 6pm-8pm

### June 12-15, 2007

Business Toolkits for Small and Medium Enterprises  
co-sponsored by: Palau SBDC, University of the South Pacific, and the Pacific Islands Forum Secretariat  
Time: 8am-5pm

### June 12-15, 2007

Country Branding  
co-sponsored by: Palau SBDC, University of the South Pacific, and the Pacific Islands Forum Secretariat  
Time: 6pm-7pm

### June 19, 2007

Customer Services - GAP in the workforce  
Time: 6pm-8pm

### June 26, 2007

Are you Charging the right price?  
Time: 6pm-8pm

Individuals interested in attending the workshops can contact the Palau SBDC at (680)488-6004 or email: lees@pacificsbdc.com or palausbdc@palau.net.com. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.

