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U.S. Small Business Administration
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BUY LOCAL.

By: Perry Inos Jr.
Director

(CNMI SBDC)

Antonio and Congxiang Palacios proud life partners and business owners of SA Farming began their business venture in the agriculture industry in 2009. Before that Congxiang arrived

on Saipan in 1999 and began employment in the garment industry and continued until she met Antonio. Since then, the couple became partners in life and soon after in business when Congxiang had an idea of opening a business and putting their skills to use.

Antonio and Congxiang started off small by selling betel nut and as business flourished, they included other products, such as dragon fruits and dragon cactus. They later added a variety of fruits and vegetables. When asked about why

they decided to start their business, Mrs. Palacios replied, "Me and my husband love farming, so I

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Happy Cleaning with Happy Ichin

By: Kayla Sablan

Student Intern
(University of Guam)

Happy Kustaf Ichin is a Chuukese native who has placed his roots on Guam for over 40 years. Since his arrival, this hard working individual has gained an abundance

of work experience from livestock to construction to 30 years of labor in the Town House warehouse. Through each occupation, Happy has been blessed with security and personal growth allowing him to strive towards bigger ambitions for his family and himself. With the support of his

beautiful wife, Esen Dickson Ichin and guidance from Guam Small Business Development Center, Happy's dreams of owning his own business came true in January 2014. He is now the proud owner of Guam I & E Cleaning Solution, an interior and exterior cleaning company that

provides a wide spectrum of quality service from house-keeping to landscaping.

When considering the journey of owning his business, qualities of hard work and dedication came to mind. These qualities are what provided Happy the opportunity to

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Guam Enterprise Initiative: One Village, One Product

By Fred R. Schumann,
 Ph.D.
 Professor
 (University of Guam)

Over the last five decades Guam's tourism industry has served as an engine for its economic growth. However, not all segments of the community of Guam actively engage in commercial activities with tourists and therefore receive little direct benefits from the tourism industry. Because of the many large corporations involved in the tour agent-dominated industry, economic benefits for residents are further reduced due to a high level of leakage of the tourists' spending on Guam. The direct income for an area is the amount of tourist expenditure that remains locally after taxes, profits, and wages are paid outside the area and after imports are purchased; these subtracted amounts are called leakage. Recent tourism studies show that each visitor to Guam spends \$1,100 on-island, but as much as 54% ends up leaving Guam. Leakage estimates in other destinations like the Caribbean islands are as high as 80%. One way to address the issue of leakage is for residents to work together as a community and better market locally produced tourism products that meet the needs of visitors.

A team from the University of Guam is in the process of gathering data to develop an inventory of agricultural clusters by village and will be using this in-



Dr. Anita Borja Enriquez with a shopkeeper from Yufuin, Oita. Customers can sample local jams and observe the production of goods--all part of the shopping experience.

formation to encourage the creation of value-added products by village residents. The team, comprised of members from the School of Business and Public Administration, then plans to introduce the One-Village-One-Product (OVOP) strategy through the linking of village agriculture and heritage tourism. This strategy is being implemented on Guam so that residents may benefit economically from the tourism industry by building up linkages with suppliers of goods and services for commercial activities involving signature products from each village.

OVOP was first introduced by Governor Hiramatsu in Oita, Japan. Successfully implemented as a regional development program in 1979, the communities had to selectively produce goods with highly

produce one product that was competitive and stable and use this particular product to gain sales revenue in the market. In Oita, the average annual income doubled, with OVOP products now sold in Narita International Airport and Kansai International Airport, thus making revenues for villages involved in the OVOP movement. Similarly, the promotion of residents' engagement in value-added production and service will result in economic self-sufficiency at the village level. This can lead to export potential of heritage-based food and agriculture products, and ultimately to shrink leakage and maximize the circulation of tourism revenue within the local economy.

The team plans to develop a map similar to that of Oita and



Assortment of kabosu products. Kabosu is a juicy green citrus fruit (like Yuzu) with the sharpness of lemon, used in Japanese dishes.

add value and one village should

further develop economic opportunities for residents by linking village agriculture and heritage tourism. It involves pursuing a specialization strategy with each of Guam's 19 villages identifying one or two products, goods or services that will eventually create a specific image to attract visitors and investments. The purpose is to show that each village has some uniqueness in terms of its history, culture, agriculture, or natural beauty.

For more information, contact the Guam OVOP project team at 735-2525 or guamovop@gmail.com.

Fred R. Schumann, Ph.D. is a resident tourism expert with the UOG Pacific Center for Economic Initiatives, and Associate Professor of Global Resources Management at the School of Business and Public Administration, University of Guam.

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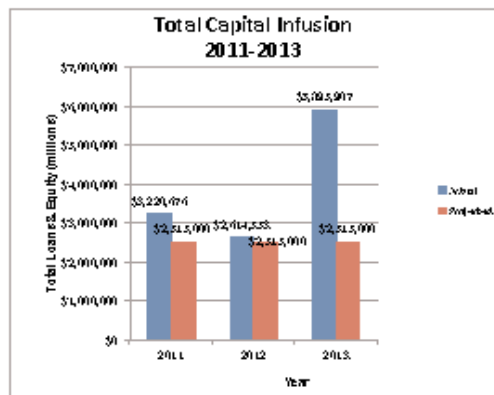
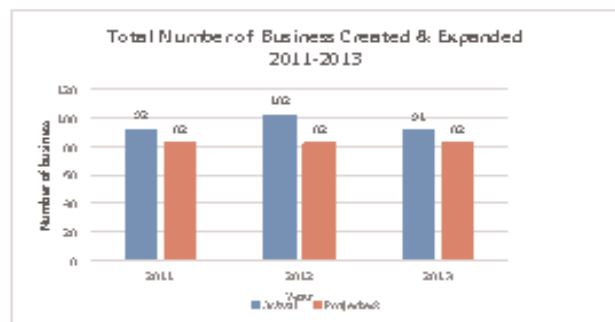
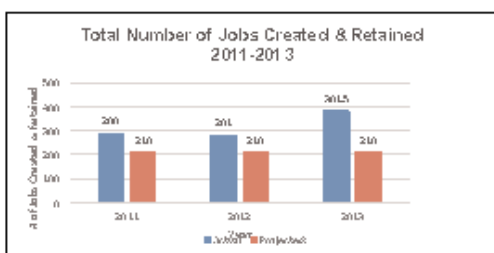
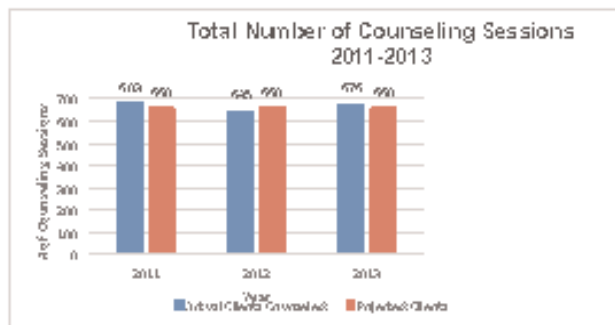
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Pacific Islands SBDC Network Statistical Highlights Comparison Chart 2011 -2013



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Upcoming Guam SBDC Workshops 2014 February - April Schedule

February

Friday, February 28th (8:30am – 11:30am) **Registration and payment deadline 02/26/2014
“QuickBooks: Working With Lists and Bank Accounts”
Presented by Fred Granillo, Business Counselor
Fee: \$50 per person

March

In celebration of the 2014 University of Guam Charter Day, the Guam SBDC will be conducting a FREE training on How to Start your Business!
Tuesday, March 11th (10:00am – 11:30am) **Registration deadline 03/07/2014
“How to Start a Business”
Presented by Denise Mendiola-Hertslet, Senior Business Counselor/WIB Program Coordinator
Fee: FREE OF CHARGE
***Seats are limited to 16 attendees.**

Friday, March 14th (8:30am – 11:30am) **Registration and payment deadline 03/12/2014
“QuickBooks: Entering Sales, Receiving Payments and Making Deposits”
Presented by Fred Granillo, Business Counselor
Fee: \$50 per person

APRIL

Friday, April 4th (8:30am – 11:30am) **Registration and payment deadline 4/2/2014 at 12noon
“How to Write a Business Plan”
Presented by Fred Granillo, Business Counselor/Training Program Coordinator
Fee: \$20 per person

Friday, April 11th (8:30am – 11:30am) **Registration and payment deadline 4/09/2014 at 12noon
“How to Prepare a Marketing Plan”
Presented by Denise Mendiola-Hertslet, Senior Business Counselor/WIB Program Coordinator
Fee: \$20 per person

Friday, April 25th (8:30am – 11:30am) **Registration and payment deadline 4/23/2014 at 12noon
“QuickBooks: Entering & Paying Bills”
Presented by Fred Granillo, Business Counselor/Training Program Coordinator
Fee: \$50 per person

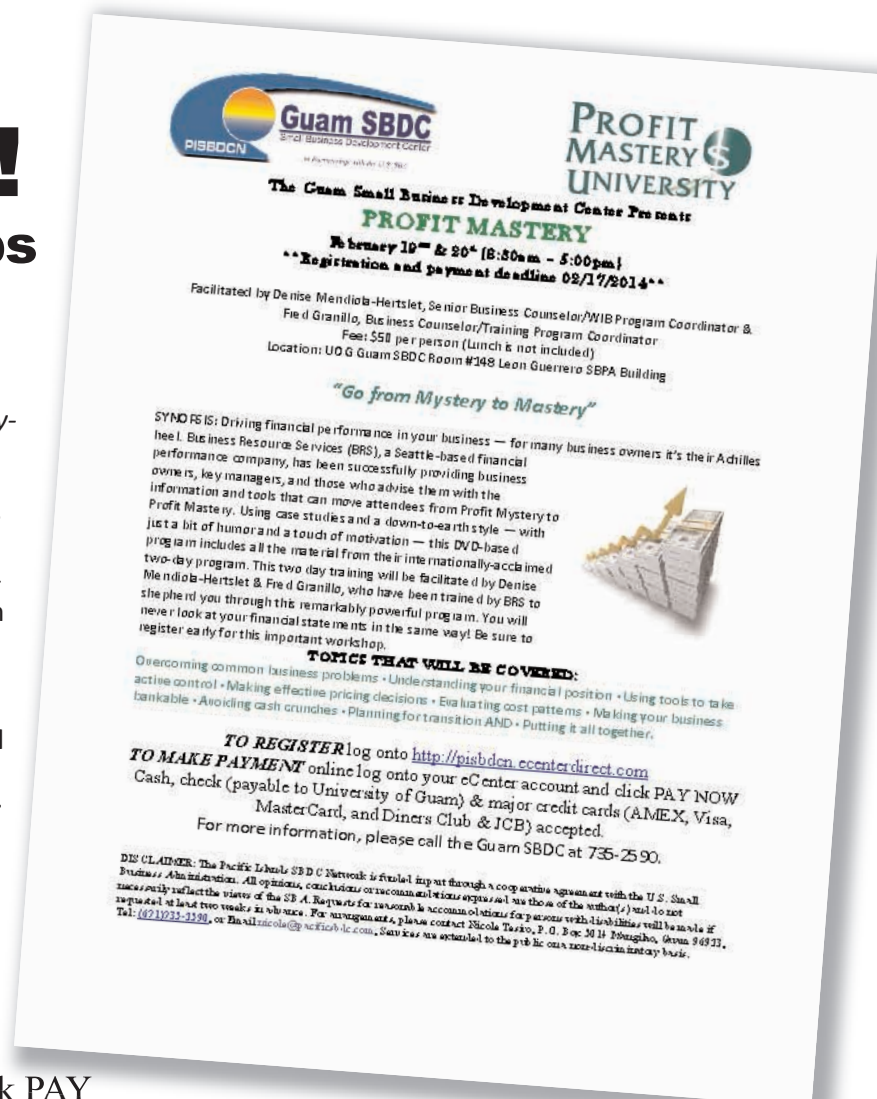
All workshops will be conducted at the UOG Guam SBDC Room #148 Leon Guerrero SBDC Building

TO REGISTER log onto <http://pisbdcn.ecenterdirect.com>

TO MAKE PAYMENT online log onto your eCenter account and click PAY NOW

Cash, check (payable to University of Guam) & major credit cards (AMEX, Visa, MasterCard, and Diners Club & JCB) accepted.
 For more information, please call the Guam SBDC at 735-2590.

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Guam SBDC
Small Business Development Center
...in Partnership with the U.S. SBA

PROFIT MASTERY UNIVERSITY

PROFIT MASTERY
February 19th & 20th (8:30am – 5:00pm)
 Registration and payment deadline 02/17/2014

Facilitated by Denise Mendiola-Hertslet, Senior Business Counselor/WIB Program Coordinator & Fred Granillo, Business Counselor/Training Program Coordinator
 Fee: \$50 per person (Lunch is not included)
 Location: UOG Guam SBDC Room #148 Leon Guerrero SBPA Building

“Go from Mystery to Mastery”

SYNOPSIS: Driving financial performance in your business — for many business owners it's their Achilles heel. Business Resource Services (BRS), a Seattle-based financial performance company, has been successfully providing business owners, key managers, and those who advise them with the information and tools that can move attendees from Profit Mystery to Profit Mastery. Using case studies and a down-to-earth style — with just a bit of humor and a touch of motivation — this DVD-based two-day program includes all the material from the internationally-acclaimed two-day program. This two-day training will be facilitated by Denise Mendiola-Hertslet & Fred Granillo, who have been trained by BRS to shepherd you through this remarkably powerful program. You will never look at your financial statements in the same way! Be sure to register early for this important workshop.

TOPICS THAT WILL BE COVERED:
 Overcoming common business problems • Understanding your financial position • Using tools to take active control • Making effective pricing decisions • Evaluating cost patterns • Making your business bankable • Avoiding cash crunches • Planning for transition AND • Putting it all together.

TO REGISTER log onto <http://pisbdcn.ecenterdirect.com>
TO MAKE PAYMENT online log onto your eCenter account and click PAY NOW
 Cash, check (payable to University of Guam) & major credit cards (AMEX, Visa, MasterCard, and Diners Club & JCB) accepted.
 For more information, please call the Guam SBDC at 735-2590.

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8th Annual Women Veterans Conference

“Our Mission Never Ends”

March 6, 2014
 Registration starts: 7:30a.m.
 Event: 8a.m to 4 p.m.

Sheraton Laguna Resort - Ballroom

Register online at www.guamveterans.com
 Conference fee is \$20.00 includes lunch

For more information contact Norma at 483-0184 or Alwin at 489-1164
 Veteran Partners, Veteran Vendors, and Information Affairs



An Interview with Rebecca Segal: The Albert's Expand B Cave Store

By: Skiller Jackson,
Director
(Kosrae SBDC)

Please tell us about your family.

My name is Rebecaa Segal Albert and I am married to Segal Alik Albert. We have 9 children, 4 daughters and 5 sons. I am currently employed as an elementary school teacher at Tafunsak Elementary School. My husband is currently unemployed and is taking care of our small retail business.

Q. Why did you decide to start your own business?

A. A few years back, my in-laws were operating a mini store and me and my husband assisted them in managing the business. There was a mini store and they added a produce market and later added a video rental. As the oldest of the family, my husband dedicated most of his time with his family and assisted them in running and managing the family business. We started managing the family business after my in-laws were starting to lose interest due to illness.

Q. What experience do you have in this type of business?

A. My husband and I started running and managing the business on our own and we feel that we needed

to upgrade and expand the business.

Q. How did the Kosrae Small Business Development Center (SBDC) and other resources help you?

A. We were still thinking about this expansion business when I learned about the services of the Kosrae SBDC. I visited the SBDC one day for assistance and then I was given a business plan questionnaire to fill out with my husband. Somehow, the SBDC started to visit the schools to do business plan development training. I attended the one day training and there I was able to fill out the business plan questionnaire. I visited the SBDC again to review, revise, and comment on my draft plan. Finally, we completed a full proposal and submitted to the Pacific Islands Development Bank for review. A few weeks later, I was notified by the PIDB that my loan proposal was approved awaiting processing.

▲ **Business Name:** B Cave Store
▲ **Owners:** Rebecca and Segal Albert
▲ **Type of Business:** Retail
▲ **Location:** Wiya, Tafunsak Kosrae FM 96944
▲ **Hours of Operation:** 7:00 am – 10:00 pm
▲ **Contact Information:** (T) 691-370-2639; E-mail: rebalbe@yahoo.com

Q. What was the start-up process like? How did you fund your business?

A. There was an existing structure that needed upgrading and we were then selling only a few grocery items and also selling local produce. We were able to upgrade the existing building and expand the store into selling more grocery items, locally baked goods, and local produce. Most of the funding was from the PIDB and we use our existing building and few goods on the shelves as contributions to the business.

Q. What were some of the biggest challenges/experiences you experienced in the start-up process?

A. The biggest challenge that we faced with was the planning and also the write up of the business proposal. Without the assistance from the Kosrae SBDC, we could not have come up with a fundable proposal.

What is your most memorable triumph in your start-up process?

The most memorable triumph is when

we were informed that our loan request was approved. We could not wait to start the expansion plans we had for the business.

What are your short-term and long-term goals for your business?

A. Our short-term goal is to expand the business into selling more dry foods and hopefully in the long run, we are able to increase the kinds of goods sold at our business into selling other products such as frozen goods and to be able to import rather than buying from local suppliers.

Q. What advice would you give other who want to start a business at this time?

A. If you have a business idea in mind, don't hesitate to start. When in doubt, visit the Kosrae SBDC. B Cave Store is located in Wiya, Tafunsak and is open from 7:00 a.m. – 10:00 p.m. To contact Rebecca and Segal Albert, call them at (691)370-2639 or e-mail rebalbe@yahoo.com

For more information on how the Kosrae SBDC can assist you starting or expanding your business, contact Skiller Jackson at (691) 370-2751 or e-mail skiller@pacificsbdc.com.

Kosrae SBDC Training Schedule (February– March 2014)

Date	Topic
Tuesday, February 17th, 2014	"Quality Assurance: Sessions 1, 2, 3"
Wednesday, February 18th, 2014	"Quality Assurance: Sessions 4, 5, 6"
Thursday, February 19th, 2014	"Quality Assurance: Sessions 7, 8, 9, 10, 11, 12"
Tuesday, March 4th, 2014	"Business Development"
Wednesday, March 5th, 2014	"Business Development"
Thursday, March 6th, 2014	"Business Development: Financial Statements"

The Kosrae Small Business Development Center (SBDC) trainings are open to all qualified small business owners, managers, key personnel, and individuals planning to open or thinking about opening small business ventures. Trainings are offered at NO CHARGE (FREE) and will be held at the Kosrae SBDC Training Room from 10:00 a.m. – 12:00 noon.

For more information, please call the Kosrae SBDC at (691)370-2751 or e-mail skiller@pacificsbdc.com. Requests for reasonable accommodations for persons with disabilities must be made 72 hours in advance. For arrangements, please contact the Kosrae SBDC at (691)370-2751. Services are extended to the public non-discriminatory basis.



RMI SBDC Training Schedule February – March 2014

Date	Training Topic
2/26/2014	Business Plan
2/27/2014	Financial Statement
3/26/2014	Marketing
3/27/2014	Customer Service

All workshops will be held at the RMI SBDC from 10:00am-12:00noon and are FREE OF CHARGE. All workshops are open to all qualified small business owners, managers, key personnel, and individuals starting or considering to start or expand their business venture. Individuals interested in attending the workshops may call the RMI SBDC office at 692-625-3685 or e-mail Leeno at leeno@pacificsbdc.com.

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ing, so I thought it was a good idea that we open a business." It wasn't about the money for the couple, it was about doing what they loved and that was farming. She also mentioned that farming is what brought her and Antonio together.

As for experience in the agriculture industry, Mr. Palacios seemed to be the top planter of the two. He worked in government agencies in the fields of agriculture and used his experiences and applied that knowledge he obtained. He stated, "I love farming growing up and since then I have been an avid planter."

When asked, "How did the CNMI SBDC and other resources assist you?" Mrs. Palacios stated, "Director Inos has helped us a lot by providing business training, assisting us in creating an effective business plan, and helping us seek agriculture programs. With the help of Director Perry Inos Jr., we obtained a USDA farm loan of about \$35,000 for the expansion of our

**BUY
LOCAL.**

farm".

For the proud couple, starting a business was "hard but no problem," Mrs. Palacios said. The Palacios' funded their business out of their pocket. When asked if there were any obstacles, she said that "there were many obstacles, but we did not care about it. We were sure about opening our business no matter what".

For the couple, the biggest challenge they faced was getting approved from the Department of Public Lands (DPL) to utilize land to expand their business. Their "most memorable triumph is the addition of other fruits and vegetables, especially our dragon fruits," Mr. Palacios stated.

SA Farming's short term goal is to get approved from DPL for the usage of land. As for long term goals, Mr. Palacios stated that their long term goals are to get tourists to visit their property, explore their botanical farm and experience what they do.

Lastly, the advice that Mr. & Mrs. Palacios wanted to share with others regarding starting their business is "to start a business with the CNMI Small Business Development Center!" SA Farms are



open every day 6:00 a.m. – 6:00 p.m. For inquiries, contact (670) 783-0918 or via email at congxiangpalacios@hotmail.com

The CNMI SBDC is sponsored and funded by the Department of Commerce, the Commonwealth Development Authority and the Pacific Islands Small Business Development Center Network. For more information on how the CNMI SBDC can help you, contact Perry Inos Jr. at

(670)644-3018 or e-mail perry@pacificsbdc.com.

Business Name: SA Farms
Industry: Agriculture
▲ **Business Hours:** Monday - Sunday from 6:00am - 6:00pm
▲ **Contact Information:** (670)783-0918
e-mail congxiangpalacios@hotmail.com

CNMI SBDC February Training Schedule

Date	Title	Location
Feb. 21, 2014	Health Insurance for Small Business	Tinian
Feb. 27, 2014	Health Insurance for Small Business	Rota

Interested in starting or expanding a business? The CNMI SBDC workshops are offered at NO CHARGE and are conducted by Perry Inos Jr. For more information, please call the CNMI SBDC at 670-664-3018 or e-mail Lynette Sablan at lynette@pacificsbdc.com or Perry Inos Jr. at perry@pacificsbdc.com. Requests for reasonable accommodations for persons with disabilities must be made 72 hours in advance. For arrangements, please contact the CNMI SBDC at 670-664-3018. Services are extended to the public on a non-discriminatory basis.

Get Ready, Get Set, Go Solo

By: The SCORE Association

At any given time 30 percent of the population is thinking about starting a business. If you are thinking that you would like to open your own business, then prepare for success. Entrepreneurs succeed because of hard work and preparation. Don't underestimate the importance or time commitment involved in preparing for small business ownership.

While an employee may lose a job as a result of a reorganization, a business owner can lose his or her life savings. You want to protect your investment, if you own a business. The best protection for your business is to be prepared for entrepreneurship. There are five ways in which you can prepare for business ownership, before you actually take the plunge and open your own company. Five pre-business preparation tips appear below:

- Define Your Professional And Personal Goals
- Take A Course On Business Management
- Prepare A Complete Business Plan
- Complete A Loan Application
- Test Market Your Idea

You may want to own your own business in order to be your own boss and set your own schedule. You may want to own your own business to get rich. You may want to own your own business to pursue a self-directed career in a field you love. All three are valid reasons for wanting to own a business. The critical aspect after you answer the initial question of why be an entrepreneur becomes what you want to achieve in the long term, professionally and personally.

You need to look at your work and personal life based upon a 10 year span. Most small businesses are considered start-ups or growth firms through their first five years in operation. The company only begins to mature after the five-year mark. Does this time investment suit your goals? What do you want out of life? Many entrepreneurs tell me they now work harder than ever, usually 50-70 hours a week. Can you make that commitment?

As you begin to answer these fundamental questions, you are mapping out the course, profitability and role you want a small business to have in your life. One of the reasons often cited as why a small business fails is the lack of management experience.

Do you have management experience? If yes, great what else do you need to know? If no, are you willing to learn about business management before going into business?

Preparation helps protect your investment both in time and money. Since most entrepreneurs need some capital financing to start a business, preparation is necessary to develop the business plan and loan application package required in order to secure a bank loan. Along with that preparation, a lender will expect you to have capital or assets to invest in the business. Whether or not you receive a loan will depend upon your credit history, your ability to repay debt and the soundness of your business idea and business plan.

If you make it this far in the process, you are serious about entrepreneurship. Next, test market your product or service. Find out if consumers are willing and able to purchase what you want to offer the marketplace. You may find that adjustments are needed, the idea is right or that there isn't a market after all. This testing phase allows you to invest a small amount of money in order to find out if this business can work in the market-

place. You may gather your results and change the business idea or decide against entrepreneurship.

Make well informed decisions based upon fact and preparation. If you would like to learn more about starting a business, preparing a business plan or test marketing, contact the SCORE Association (Service Corps of Retired Executives).

The SCORE Association was formed in 1964 as a nonprofit association dedicated to entrepreneur education and the formation, growth and success of small business nationwide. For information about starting or operating a small business, call

1-800/634-0245 for the SCORE chapter nearest you. As part of pre-business counseling, you can receive a free copy of the business-planning workbook *How To Really Start Your Own Business*. More than 12,000 volunteer members provide individual counseling and business workshops for aspiring entrepreneurs and small business owners. SCORE has assisted nearly 4 million Americans with small business counseling. Visit SCORE on the Web (www.score.org).



Island Mart Opens Doors for Business

By: Ketsen Haregaichig
Director
(Chuuk SBDC)

Mr. and Mrs. Hersin Ruben from the Island of Fefan in the Southern Namoneas Region opened the doors of Island Mart. Island Mart is comprised of several businesses including the wholesaler/retailer of general merchandise, a gas station, an ice block maker, and sea transportation.

The store first started in a small room in a rented house in Sefin, Weno and four years later was relocated across the airport. After five years of operation, Mr. Ruben purchased a piece of property within the downtown area and established another wooden store. Years later, Mr. Ruben constructed a new two story building and was completed in September of last year.

The Chuuk Small Business Development Center (SBDC) was there to as-

sist with free consultation and offer advice on how to prepare their business plan especially in the financial projection area to request financing from the bank. Because of SBDC's help and the Hersin's willingness and determination to complete their business plan, they were able to secure a line of credit from the FSM Development Bank. This line of credit helped them purchase additional inventory before the grand opening of the new two-story Island Mart.

On September 30, 2013 a small crowd gathered for the grand opening and blessing ceremony of the store which stands in the heart of downtown area, Weno. The new two story mart is conveniently located right in the corner



of the main road and the road to the Transco Dock which caters to businesses and commuters who accept exceptional services and good quality, inexpensive items.

On our quick walk through the beauti-

fully redecorated store, we found the prices to be more competitive on some of the items we had the opportunity to see. There was a large selection of meat cuts, frozen foods, and ice cream presented in the well stocked refrigerators and freezers. On the second floor, we found clothing for both men and women and the offices for the manager and the owners. Outside the owner's office, there was another space for customers to sit and see the view of the beautiful islands in the lagoon.

For more information on how the Chuuk SBDC can help you, please contact Ketsen Haregaichig at 691-330-5846 or e-mail ketsen@pacificsbdc.com.

Chuuk SBDC Training Schedule February – April 2014

February 2014

Title: Financial Statements Analysis (Vertical/Horizontal) 2 days
Date: 02/17/14

Title: Financial Statements Analysis (Vertical/Horizontal) 2 days
Date: 02/18/14

March 2014

Title: Business Model Performance
Date: 03/24/14

Title: Inclusive Business Models
Date: 03/25/14

April 2014

Title: How to Write Business Plan Date: 04/14/14

Title: Financial Statements Analysis (Vertical/Horizontal) 2 days
Date: 04/15/14

Title: Financial Statements Analysis (Vertical/Horizontal) 2 days
Date: 04/16/14

All training/workshops are open to all qualified small business owners, managers, key personnel, and/or individuals planning, considering to start or expand their business ventures. All training are offered at NO CHARGE (FREE) and will be conducted at the Chuuk SBDC from 9:00am – 11:00am. To inquire about the workshop information, please contact your Chuuk SBDC at 691-330-5846 or e-mail Cassandra@pacificsbdc.com or ketsen@pacificsbdc.com for more details. The Pacific Islands Small Business Development Center Network is a program supported by the U.S. Small Business Administration (SBA) under a cooperative agreement. SBA does not endorse any products, opinions, or services of any external parties or activities. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.



UN Resident Coordinator Meets YES!

By: Lisa Abraham, Director
(Palau SBDC)

Ms. Osnat Lubrani, UN Resident Coordinator and UNDP Resident Representative was in Palau to present her professional credentials to his Excellency President Tommy Remengesau, Jr. Per the Fiji Times newspaper:

Ms. Lubrani holds a Bachelor of Arts in sociology, anthropology and history of Africa from the Hebrew University of Jerusalem in Israel. She has a Master of International Affairs degree from Columbia University and a Master of Fine Arts degree from New York University.

Previously, she was the UN development coordinator and UNDP resident rep-



representative for Kosovo, director of the United Nations Development Fund for Women (UNIFEM) in Brussels and regional program director in Slovakia. She was seconded to UNDP's office in the former Yugoslav Republic of Macedonia as

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Bureau of Youth & Sports Director Melson Miko, UN Resident Coordinator Osnat Lubrani, Palau SBDC Executive Director Lisa Abraham and several YES Phase II participants pose for a photo after their meeting.



In the Business of...Urban Farming and Happiness

By: Denise Mendiola-Hertslet
WIB Program Coordinator/Senior
Business Counselor
(Guam SBDC)

Every year, I look forward to my pilgrimage to the Mecca of Happiness. I will just tell you now that it is not a place, but rather, it is a people. The annual BALLE conferences are hosted by different cities in the United States that have Local First! Organizations. And every year, I meet inspiring people from many backgrounds that all have one thing in common. They genuinely believe that the formula to a sustainable and happy life is "people, profit, and planet" and that we need to move away from "me" to "we." So, it was on this trip that I learned about how urban farms help to encourage happy and sustainable communities.

Agriculture is New York State's number one economic driver, with apples, grapes, milk, beef, corn and hay being the largest sources of income. The city of Buffalo is located within Erie County, which is occupied by approximately 1,500 traditional farms. Agriculture has been an integral part of the Western New York landscape over the past two hundred years, however, farming has been decreasing the past fifty years and fertile land is going unused. Organizations like the Farmer Pirates, The Green Entrepreneurial Center and the Massachusetts Avenue Project (MAP) have been instrumental in promoting healthy eating and lifestyles in the city of Buffalo through the development of Urban Farms.

The Wilson Street Farm is a member of the

Farmer Pirates, an urban farm cooperative that works together to share information, buy seeds and purchase equipment. The farm is located on Buffalo's East Side and occupies a two-acre plot that was once occupied by twenty-five small, dilapidated homes. Mark and Janice Stevens and their eight children are the first business urban farm in the city, and fought through many challenges by the city, but with a rally of public support, the family was able to transform unused land into a lush, sustainable family farm. More importantly, it is a beacon in the poverty-stricken community and has helped to develop a sense of neighborhood, with most of its customers living within a one-mile radius.

The Green Entrepreneurial Center provides affordable, fresh food to the city's food deserts by creating urban farms. Food deserts are defined as urban neighborhoods and rural towns without ready access to fresh, healthy, and affordable food. Instead of grocery stores, they may have no food access or are served only by fast food restaurants and convenience stores that don't offer healthy, affordable food. One of GEC's urban farms consists of three greenhouses and 6,000 square feet of outdoor growing space. Annually, this system is capable of growing over 35,000 pounds of fresh food.

The Massachusetts Avenue Project (MAP) is a non-profit organization that has a variety of

local economic programs, including a one-acre urban farm located on Buffalo's emerging West Side. MAP staff work with local youth groups to grow fresh food, maintain chickens, and operate a multiple closed-loop aquaponics system capable of raising a total of over 50,000 pounds of fish. They have received awards for their unique mobile vegetable market, youth enterprise program and farm education. Most notably, they boast that 95% of their high school seniors graduated and went on to college.

Unlike New York State, where growing food can be challenging due to their four seasons, Guam is ideal for growing fresh fruits and vegetables year-round, and in our back yards. So, why are we still importing most of our fresh produce?

If you are in-

terested in learning how to start a small agriculture business, contact the Guam Small Business Development Center at 671-735-2594 or denise@pacificsbdc.com.



The Massachusetts Avenue Project (MAP) farm stand located in Buffalo



The Wilson Street Farm's sign is pictured here in Buffalo, New York's East Side.



The Green Entrepreneurial Center is shown here showcasing their 6,000 square foot urban farm



2014 Tax Tips for the Small Business Owner

By: Fred Granillo

Business Counselor/Training Program Coordinator
(Guam SBDC)

Now that we are into 2014, business owners should be aware of the overall income tax requirements when filing their income tax returns. Plus we will revisit the ongoing requirements for gross receipts and payroll taxes that most businesses must deal with.

Income Taxes

For the small business owner, we always suggest seeking professional tax advice and tax preparation assistance. This should ensure that you have taken advantage of all the available deductions for your business and presented your information as required by the tax regulations. However, every small business owner must be aware which income tax documents are required and expected to be filed so one does not blindly accept the documents filed on behalf of the preparer.

The required income tax return forms for the self-employed include the follow-

ing:

- Form 1040 – this is the base form that summarizes the net operating results for the business along with other income and calculates the overall tax due or refund.
- Schedule C – the form that summarizes business income and expenses. The figures that go into this form should already be compiled into income and expense categories based on an accounting system.
- Schedule SE – one half of total self-employment taxes is a deduction from gross income and calculated on this form.
- Form 1040-SS – self-employment taxes due are calculated on this form based on the income and expenses from the business operating results.
- Form 4562 – use this form to calculate depreciation only when the business uses or owns assets in the business.
- The above forms can effectively be completed when the business possesses an accounting system; either manual or automated that accurately compiles the income, expenses, assets

and liabilities of the business.

Gross Receipts Taxes

Business Privilege Tax imposes the gross receipts tax (GRT) on business activity in Guam. The GRT is imposed on the gross income received by the person (or entity) engaging in the business activity. Here are few key items to keep in mind:

- Once a person or separate legal entity obtains a business license they also obtain a GRT account number on the license. This requires the business operator to initiate GRT Filing.
- Form GRT-1 must be filed monthly, even if no taxes are due – most small businesses file under Lines 2 -8
- Tax Rate: 4%
- Monthly filing due on the 20th day of the following month
- Exemption guideline: maximum exemption - \$40,000 of income and gross income limitation of \$50,000. This means as long as gross income is less than \$50,000 annually, then the small business person can take the exemption the following year. Should gross income exceed \$50,000 then the

following year the small business cannot take an exemption against their gross income and must pay every month.

Payroll Taxes

The small business owner must have an accurate accounting system of payroll that includes the computation of gross pay and taxes withheld from the employee's pay that includes income tax withholding, social security taxes, and Medicare taxes. All these withheld taxes are then paid to the respective taxing authorities being Department of Revenue & Taxation and Internal Revenue Service. The timing of the payments depends on the amount of taxes due each quarter. The small business owner should be aware of the required payroll reporting as follows:

- Quarterly: Form 941-SS, Form W-1, and SW-2
- Quarterly Due Dates: April, July October and January
- Annually: W-3SS and W-2's

Happy Cleaning with Happy Ichin

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to become the businessman he is today. When asked why he wanted to start his own business he simply stated that, "Owning my own business guarantees my position and allows me to sell my own skills!" Not only has Happy gained experience here on Guam, he has an agricultural background when he was living in Chuuk. Being raised on a farm and understanding the concept of sustainability provided him with experience and inspired him to pursue this type of business in interior and exterior cleaning.

Happy knew that his experience and inspiration was only the starting point and in order to become successful, he would need professional assistance. The Guam Small Business Development Center (SBDC) provided him with the counsel and resources he

needed to transform his ideas into reality. According to Happy, "Paper work and finances were the biggest challenges I faced throughout the start-up process." SBDC provided thorough step-by-step individual counseling and group workshops that presented the information for him to be able to write his business plan. With great business networking, SBDC also partnered up with

the Pacific Island Microcredit Institute which offers a 12 week course conducted by Mrs. Denise Mendiola-Hertslet. The course which is scheduled once a week over a 12 week highlights information on five keys to success of a micro credit institution: training, peer groups, revolving loans, mentoring and savings. After Happy completed and graduated from the course, he was awarded a \$5000

grant to fund beginning inventory, equipment and licensing. Happy expressed that, "Without the help of SBDC I don't think I would have a chance of my own business. They were a great

help and I cannot thank them enough."

Guam I & E Solutions may be new on the market but it has already impressed a good number of people and continues to build its clientele. When asked, "What is your most memorable triumph in your start-up process?" Happy responded, "Having a satisfied customer. I will go the extra mile to make my customers happy! A happy customer makes Happy happy." Short term plans for Guam I & E Solutions is to continue quality service and good work ethic to gain loyal customers. Long term plans include the expansion of his business to provide jobs for people interested in the field as well as provide more in the areas of community service. Happy explained that volunteering is important for a thriving society. As his business expands, he has plans not only to work for his income but to work out of the kindness of his heart. With this mentality, it is evident that Happy Ichin creates a promising fu-

"Do not doubt yourself or be afraid. There is always someone who will be willing to help you from the kindness of their heart."

ture for him and his business.

A warm invitation from Guam I & E Solutions is sent out to any home owners or other community institutions that are in need for quality maintenance assistance. To all individuals who interested in starting your own business, advice from Happy would be, "Do not doubt yourself or be afraid. There is always someone who

will be willing to help you from the kindness of their heart."

▲ Business Name: Guam I & E Cleaning Solutions (Interior and Exterior Cleaning Service)

▲ Owner: Happy Kustaf Ichin

▲ Hours of Operation: Monday through Saturday; 8am to 4pm (varies upon appointment)

Contact Information:

▲ Phone Number: 671-929-9369

▲ Email: happyichin@hotmail.com

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the former Yugoslav Republic of Macedonia as deputy resident representative, and worked with UNIFEM in New York. During her visit, Lubrani met with several Bureau of Youth and Sports Director, Melson Miko, as well as with several Youth Entrepreneur Solutions (YES) Program Phase II participants. Director Miko directly manages the Palau National Youth Council (PNYC) and is a partner with the Palau SBDC in overseeing the

achievement of the YES Program Business Incubator. The Palau Small Business Development Center (SBDC) and the Ministry of Community and Cultural Affairs (MCCA) work continuously to support Palauan youth and help pave the way to an exciting future of Palauan entrepreneurship. Though support from the United Nations Development Program (UNDP) has been received (in the form of seed money) to start on the construction of the YES Pro-

gram Business Incubator, the present deteriorated state of the facility will require additional support from the community. The Youth Entrepreneur Solutions (YES) Action Plan launched Phase 2 of its program on March 15, 2013. Their theme for this year's business plan training and competition was: "Building the Spirit of Entrepreneurship." The YES Action Plan was first launched in April 2012 and is a joint initiative under the Small Business Development Center of Palau

(SBDC) and the United Nations Development Programme (UNDP). If you would like more information about the Youth Entrepreneur Solution Business plan competition or you are interested in supporting the launching of the YES Program Business Incubator, please contact Lisa Abraham at 587-6004 or email at lees@pacificsbdc.com.

Palau SBDC Training Schedule February – April 2014

February 25 E-Marketing	March 12 Module 3: The Route to Market Module 4: Food Safety & HCCP	March 19 Module 9: Import Regulations & Standards by Country Module 10: Food Labeling & Packaging
February 26 Marketing	March 13 Module 5: Quality/Global Quality Systems Module 6: Quality: Approved Supplier Program & Customer-Owned Quality Systems	March 20 Module 11: Product Consistency & Testing Module 12: The Audit Process
March 11 What are Quality Systems? Module 0: Definition Module 1: Quality Systems Module 2: The Relevance of Quality Management	March 18 Module 7: The Costs of Quality Module 8: Choosing a Quality System	April 24 Business Development

All workshops will be facilitated by Lisa K. Abraham, Palau SBDC Director. Please contact your Palau SBDC at 680-587-6004 or e-mail lees@pacificsbdc.com for more details. **DISCLAIMER:** The Pacific Islands SBDC Network is funded in part through a cooperative agreement with the U.S Small Business Administration. All opinions, conclusions, or recommendations expressed are those of the author(s) and do not necessarily reflect the views of the SBA. Requests for reasonable accommodations must be made 72 hours in advance. Services are extended to the public on a non-discriminatory basis.



A's Pure Water: *It all Began with a Dream*

By: James Limar

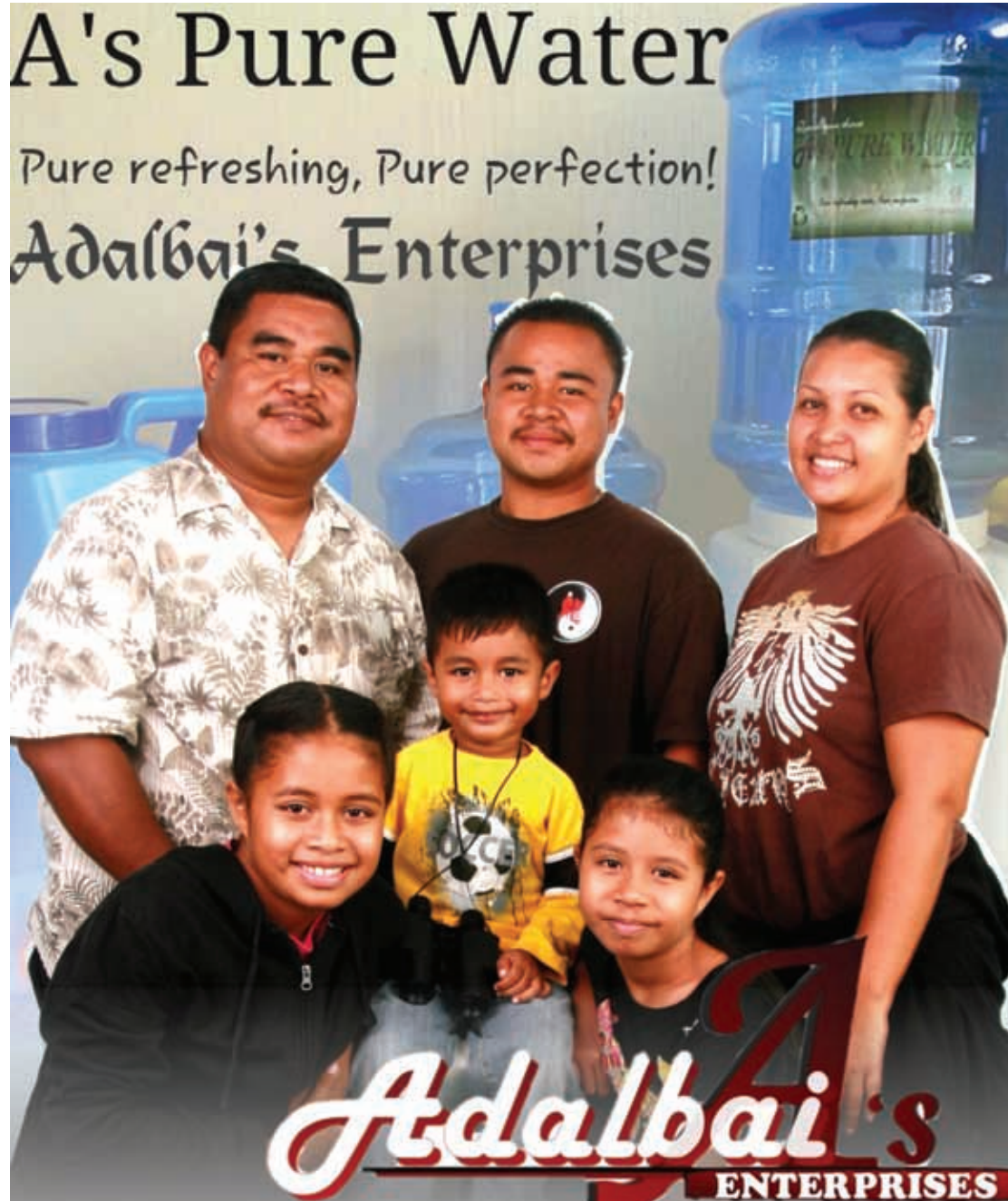
Director
(Yap SBDC)

Jeffrey Adalbai always dreamt of owning a business. His passion was to provide a service to the people and he managed to do so in business and customer-related fields for over 26 years. Since 7th grade, Jeffrey worked as a store clerk for a local and family owned business. With a lot of hard-work and commitment, Jeffrey worked his way up to become a cashier, book keeper, and on to a sales executive in handling sales on vehicles, communication equipment, and various others. He was fortunate enough to receive sale training from Tele-Mobile Inc. in Torrance, California. Then, in 2002, he quotes, "with God's grace, mercies, and leadings, I was offered a managerial position for an agency" which he still holds today.

In February 2004, Jeffrey and his wife, Marzy, along with their four children Mike, Jemmy, Chelley, and Jemboy the Adalbai's opened Adalbai's Enterprise as a home based business providing various items, equipment, used automobiles, and products at their customer's request. Jeffrey went to the Yap SBDC in 2006 for technical assistance. Though his first project never materialized, he was determined to open a water bottling company. In May 2013, his plans started to form with the guidance and encouragement of the Yap SBDC. The Yap SBDC assisted with the critical role of granting him a space at its facilities in downtown Colonia to launch his sales and bottling operations.

"Starting up the business was very challenging," Jeffrey stated. He also mentions, "Dreams can always be a dream and can remain a dream for the rest of your life. Forming that dream and steering it to reality is a different story. It takes commitment, perseverance, faithfulness, and of course with lots of prayer." The biggest challenge during the start-up process was the lack of funding, being impatient, and creating trustful relations with his customers. Jeffrey's funding came from money saved and invested back into the business. In his recent ventures, he thanks God for wonderful friends and family who trusted in him and his wife and invested their time and money to make their dreams a reality.

Jeffrey talks about how the opening of a water bottling company discouraged him to open his own. He



thought that because of the small market, opening another bottling company would not be viable. However, a good trusted friend of his who is now part of his family encouraged him to pursue his dream. The day that they opened their doors for business was frightening yet their most memorable triumph.

The Adalbai's plans are to seek for ways to increase their supplies so that they can boost their inventory. They hope that someday when they

have earned the trust of their customers, they would like to seek the opportunity to reduce the importation of bottled water in Yap. The imported water could be a hazard for consumption as no one knows how long it may have been in transit and if it may have been exposed to extreme heat. He parts the interview by saying, "Starting a business may be a bit more challenging nowadays. However, don't let it stop you from turning your dreams into a reality. Don't give

up when others criticize you and say all sorts of things to distract or discourage you. Save and invest back into your business."

Adalbai's Enterprises is a water bottling, laundry service, and electronic sales/services. Logistics with freight forwarding and door-to-door service will soon open. It is located in the Small Business Development Center (SBDC) in Room #102 in Worwoo', Rull & Yinuf, Rull. For their bottling services they are open from

Business Name: Adalbai's Enterprises
Owner(s): Jeffrey Adalbai
Type of Business: Water Bottling, Laundry Service, Electronic Sales/Services & Retail. And soon to open: Logistics (Freight forwarding & Door to Door Service)

Location: Small Business Development Center (SBDC) Room# 102, Worwoo', Rull & Yinuf, Rull.

Hours of Operation:

▲ **Water Bottling:**
▲ Mondays-Fridays 9am-5:30pm * Saturdays-CLOSED * Sundays 9am 12noon
▲ **Laundry Service**
▲ Mondays-Thursdays 8am-11pm * Fridays 8am-2pm
▲ **Saturday Evening** 7pm-11pm
▲ **Sundays** 8am-11pm

Contact information:

P.O. Box 817
Colonia Yap, 96943
Federated State of Micronesia
▲ **Phone:** 691-350-4381
▲ **Email:** Contact@Adalbai.com

<https://www.facebook.com/pages/Adalbais-Enterprises/497918986988303>

9:00 a.m. until 5:30 p.m. from Monday through Friday and on Sundays from 9:00 a.m. until 12noon. Their laundry service is from Monday through Thursday from 8:00 a.m. until 11:00 p.m.; Friday from 8:00 a.m. until 2:00 p.m.; Saturday from 7:00 p.m. until 11:00 p.m.; and Sunday from 8:00 a.m. until 11:00 p.m. For more information, you can contact Jeffrey Adalbai at 691-350-4381 or by e-mail at contact@adalbai.com. You can visit their FaceBook page <https://www.facebook.com/pages/Adalbais-Enterprises/497918986988303>.

For more information on how the Yap SBDC can assist you, please contact James Limar at 691-350-4801 or e-mail them at ysbdc@mail.fm or jamesl@pacificsbdc.com. You can visit our website at www.pacificsbdc.com to learn more about our services.

Yap SBDC Training Calendar February - March 2014

Date/Time	Workshop Title	Hours	Instructor	Venue
Feb. 19/9-12	Profit & Loss Statement	2	Michael Gaan	SBDC 113
Feb. 20/9-12	Cash Flow Statement	2	Michael Gaan	SBDC 113
Feb. 21/9-12	Balance Sheet	2	Michael Gaan	SBDC 113
Mar. 26/1-3	Differential Analysis	1	James Limar	SBDC 115
Mar. 27/1-3	Break Even Analysis	1	James Limar	SBDC 115
Mar. 28/1-3	Cost Volume Profit Analysis	1	James Limar	SBDC 115
Mar. 31/3-5	Packaging	1	TBA	SBDC 114

Workshops listed will be offered to business owners and potential business owners during the months of February through March 2014. For more information, please contact the Yap SBDC @ telephone numbers (691)-350-4801/4802 or at email address ysbdc@mail.fm Seating is limited to 25 participants per session. Schedule is subject to change without prior notice.

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