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*"We are all
supplied with
the tools for
success."*

— Taken from "Dare to Soar" by
Byrd Baggett

Assistance on Government Marketing

Government marketing is similar to all other marketing in the fact that buyers are looking for a quality product or service, at a timely delivery, at a reasonable price. Thus, making contacts, establishing rapport, and developing trust are integral parts of government marketing, as it is in the commercial sector. Companies must develop long standing business opportunity relationships with government buying offices in the same way that they must forge private sector relationships.

Oftentimes, companies are under the impression that all they must do is fill out forms and then be ready to do business with the government. This concept could not be any further from the truth. The primary differences between governmental and commercial marketing, is that government sector marketing does, in fact, require a good degree of paperwork to complete; however, also, companies must learn to understand how bidding opportunities are posted and which offices are applicable to their business.

With that said, marketing to the government does require an ample amount of time and research to uncover the proper directions to go in pursuing business opportunities. The

Missouri Procurement Technical Assistance Center (MO PTAC) program provides government marketing assistance to firms on all levels of government. MO PTAC's primary mission is to help Missouri businesses obtain and perform federal, state, and local government contracts. We help familiarize firms with the government procurement process and provide the specific marketing and technical assistance required to do business with the government or government prime contractors. Our assistance may be in the form of contract preparation, acquisition, or administration. Whether this assistance is pointing out a potential bidding opportunity, or for the provision of a federal acquisition regulation (FAR), a military/federal specification, or past pricing history on a contract, our assistance can be the deciding factor in determining whether a firm is prepared to submit a qualified bid to the government.

Our services include:

- Providing Federal Acquisition Regulations (FAR) for contract requirements.

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Implement a Successful Buy Recycled Program

Here are seven tips to help your organization implement a successful *Buy Recycled* program.

1. Generate commitment.

- Adopt a “Buy Recycled” policy.
- Stress the importance of post-consumer recycled content.

2. Become educated about recycled products.

- Use the *Missouri Recycled Products Directory* to keep informed about local recycled products that are available.
- Use other product directories and environmental purchasing websites to help identify additional recycled products.

3. Revise purchasing specifications.

- Don't specify virgin materials unless there is a legitimate performance reason.
- Eliminate over-specification (e.g. high brightness paper or light-colored plastic bags) without compromising performance function. Allow substitutions that satisfy the end use.

- Test samples of recycled products. Consider using blind tests so that recycled-content products are not required to perform better than virgin material products.

- Define the preferred *post-consumer content*.

4. Highlight the benefits.

Communicate the many advantages to recycled products:

- Manufacturers have used recycled materials in standard products for years without advertising the fact. This track record is evidence of cost and performance advantages over virgin materials.
- Brand name manufacturers now are introducing recycled content product lines with comparable product performance and increased environmental benefits.
- Entirely new products are being developed with recycled materials because of their significant performance attributes such as water, rot and corrosion resistance, extended lifespan and/or greater strength.
- Retail prices of some recycled products are significantly lower than their virgin counterparts. A sampling of common desktop items by the Buy Recycled Business Alliance – using median prices for each product category offered by a major office supply retailer – showed dramatically

lower prices for recycled manila file folders, laser paper, pencils, computer tractor paper and toner cartridges.

5. Be creative to reduce costs.

Recycled products whose demand has not increased sufficiently may still cost more. Many purchasers have found ways to beat higher prices and still buy recycled products:

- By implementing waste prevention and recycling collection programs in your organization, you can avoid labor, storage and disposal costs that will help compensate for short-term costs of your *Buy Recycled* program.
- Purchasing quantities can reduce costs. This can be accomplished by ordering less often or by combining purchases with other businesses or departments. Public agencies such as schools, colleges and libraries can purchase cooperatively to save money on a number of products.
- Altering product dimensions can compensate for the higher cost of recycled content.
- Reciprocal purchasing agreements to buy recycled-content products from manufacturers that buy recyclable materials from your collection program can also reduce product prices.

6. Set goals and evaluate progress.

- The first step is to determine what recycled content products you already purchase, then identify other opportunities for buying recycled.

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Why Do I Need A Business Plan?

Potential entrepreneurs call our offices every day wanting to open a small business. Inevitably they ask the question, “Why do I need a business plan?” This question indicates that the caller has no idea what it takes to create a successful small business, and the caller probably has little, if any, knowledge of business in general.

Too many people do not seem to understand the business plan is not only required as part of a loan application, but the plan is also necessary because it forces the potential entrepreneur to learn about business. It is impossible to determine the financial needs of a business without financial projections based upon sound market research. Therefore, without a plan it is impossible to determine the cash needs of a business. The most important benefit of the business plan is the business education the planning process provides. There are two sides to a venture – the technical side and the management side. Too many would-be entrepreneurs ignore the need for a clear understanding of the management side of the venture.

Various publications predict how many small businesses will fail, but whatever the number, it is too high. Opening a business is much more than just calculating how much you need to get the doors open. That is the easy part! The difficult part is getting profitable customers in the door and maintaining enough capital to sustain the business.

Often the business plan and the associated research may illustrate the business will not work. In this situation, the planning process has

been successful because the business plan prevented a likely business failure. If your plan and research tell you that your idea may not work, you need to listen.

Your business planning process must identify a very specific target market – not the world! – and your business product/service must satisfy an unmet need within that market as well as identify how or why the competition is not filling that need. Simply opening a business because you *think* it will work invariably leads to business failure and often with disastrous financial results.

The business planning process takes an enormous amount of time and effort. It is very difficult to obtain market research and new products/services are entering your market every day. Once the target market has been selected, it is important for the potential entrepreneur to learn as much as possible about that target market and its needs in order to make the decision whether or not the market is viable.

By researching customers, competitors and complimentary products, the potential entrepreneur can begin to understand the *operating cycle* or *cash-to-cash cycle* of the business. This understanding is critical for any business, but it is often overlooked. An example of the dynamics of this cycle relates to an assumption that your customers will pay you 45 days after your product/service is sold. Some will pay earlier, some later and some not at all! You, the small businessperson, are probably paying most of your expenses on a monthly (30 day) basis, and your employees are



probably being paid weekly or bi-weekly. The cash gap created by your operating cycle is a permanent need for cash that will never disappear! You are spending money that doesn't return with a profit until a later date. We often see small businesses trying to fund this gap with a line of credit or another temporary tool, such as credit cards. This is an extremely dangerous situation and as the business grows, it is likely this gap will only get larger.

Research related to small business owners always illustrate time management as the top priority. By learning about the business before it opens and maintaining an up-to-date business plan, small business people will be positioned to anticipate the future through the development of their plan, instead of constantly **putting out fires** and simply reacting to what the business throws at them.

Owning a small business is a rewarding experience and small businesses drive our economy; however, it is extremely difficult to operate a successful small business. The most important step, for any entrepreneur is to learn about business through business education and to develop a thorough business plan.



Greg Tucker
SBDC
Program Specialist

Business Spotlight: *Two Pilots Take Off With Tan Salon*

This article, written by Lacey Burnette, appeared in the St. Louis Post-Dispatch, May 4, 2004.

Everyone who works in the store has taken training to become a certified tanning consultant, including skin-care and eye-care classes.

Dale Teetor and Jeff Bolton love their job. It's a dream career for many, and they have no intention of quitting.

"We've had so many friends laid off. So we looked into opening a business, and this seemed the best opportunity to present itself," Teetor said, a day after opening The Tan Co. for business in the Lakeside Shoppes in WingHaven.

Teetor and Bolton, who live in Lake Saint Louis, are pilots for American Airlines. They both used to fly for TWA. Teetor has flown for 19 years; Bolton for 16.

In the last couple of years, they have seen hundreds of their colleagues lose their jobs.

"The lack of stability in our career led us to do this," Teetor said, "without a doubt."



Marcia Teetor, co-owner of The Tan Co.

Teetor and Bolton started looking last spring for alternatives. Although neither has retail experience, both of their wives who have been stay-at-home moms, had worked in retail management.

"We started looking into franchises a little over a year ago," Teetor said. "We had it narrowed down to four or five businesses. We checked into the food industry and looked into buying a sandwich shop that was for sale. But what happens if we open and then next week The Bread Co. comes in? And then what would we do?"

They found The Tan Co., a company that is based in St. Louis.

Within about four months of starting their search, the Teetors and the Boltons settled on The Tan Co.

But that was only part of the battle. For help, they went to Virginia Wilson at the University of Missouri Extension in St. Peters.

"She's wonderful, absolutely wonderful," Teetor said. "We went there for help with our business plan, and she helped us put that together and put us in touch with Union Planters, who became our financier."

The Teetors and Boltons signed on with The Tan Co. last July and signed a lease for the Lakeside Shoppes in WingHaven in December.

"It's been kind of a long road," Teetor said. "My partner's wife said it's kind of like having a baby. By the time it happens you're scared, but you're really glad when it happens. And it took us just about nine months."



The Tan Co. in Lakeside Shoppes in Wing Haven opened.

As a new store, the WingHaven Tan Co. has the newest the industry has to offer in tanning beds. The shop also offers a spray-on tan.

Teetor said the group had researched tanning salons and thought that The Tan Co. was the category killer that were looking for.

The company was formed about 10 years ago and has about 25 stores in the St. Louis area, including others in St. Charles County. The company is in the midst of planning a major expansion on the West Coast.

Teetor said he was impressed by the support and training offered by The Tan Co. He said that everyone who worked in the store had taken training to become a certified tanning consultant. The training includes skin-care and eye-care classes.

The store hours, 7 a.m. to 11 p.m. daily, also make it difficult for a competitor to counter with better availability.

Both families have two children who are now in school full time, so the wives will run the business while the husbands continue flying – although the men will be putting in plenty of hours at the shop.

Continued from page 1

- ❑ Providing past procurement bidding histories, including information on past pricing, previous buying activities, volume processed, and previous award winners.
- ❑ Providing technical research information regarding Commercial and Government Entity (CAGE) codes, product characteristics, manufacturers' parts numbers, and national stock numbers (NSNs).
- ❑ Matching a firm's product and service capabilities with major buying agencies and prime contractors.



- ❑ Providing military specifications and standards required to bid on and submit government contracts and proposals.
- ❑ Providing direction to firms in the implementation of electronic data interchange/electronic commerce (EDI/EC), and the acquisition of value added networks (VANs).

- ❑ Providing guidance and direction in State of Missouri procurement procedures including: the Division of Design and Construction and Missouri Department of Transportation.
- ❑ Hosting conferences and seminars related to government procurement.

Our services are available to all Missouri businesses.

- ❑ Assisting with the government's Centralized Contractor Registration (CCR) process.
- ❑ Assisting with the completion of bidders' mailing list applications and other essential forms.
- ❑ Providing direction to minority, veteran, and women-owned businesses in the certification process.
- ❑ Guidance in the SBA 8(a), HUB Zone, and SDB Program certification process.

- ❑ Offering general counseling on the government procurement process.
- ❑ Helping firms conform to packing, packaging and marking specifications.
- ❑ Providing direction with military and ISO 9000 quality control requirements and implementation.
- ❑ Initiating Commercial and Government Entity (CAGE) codes.
- ❑ Providing direction in locating contracting information on the Internet.
- ❑ Providing guidance on networking with government agencies, military installations, prime contractors and other organizations.

Please contact our offices today. Our local office is located in the Small Business Empowerment Center, 100 N. Tucker, Suite 530, St. Louis. We can be reached at (314) 621-7280, e-mail: fyker@missouri.edu.



Written by Rich Fyke
MO PTAC
Director

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- Set goals that are time-based and specific. Quantifiable goals allow progress to be tracked.
- Goals should motivate progress and create accountability. Goals that are too high or too low will be ineffective.

7. Work with vendors.

- If recycled products are unavailable in your area, inform your product suppliers in writing that you give preference to post-consumer, recycled-content products. A persistent message over time will show suppliers your commitment and hopefully lead to better availability.

- Request your service contractors such as printers, janitorial services, maintenance contractors and builders/remodelers to use post-consumer recycled-content products.



Written by Lee Fox
University of Missouri Extension
Environmental Quality Specialist

Small Business Training

FastTrac NewVenture for Dislocated Workers

Participants will develop a feasibility plan for starting a business. *Five-day course.*

St. Charles

Oct 13, 14, 19, 20, 21
9:30-4 p.m. each day
Call: 314-615-2911

St. Louis

Nov 9, 10, 12, 16, 18
9:30 - 4 p.m. each day
Call: 314-615-2911

Understanding Costs to Improve Profitability

Business owners will learn the basics of cost accounting to control costs and be more profitable. *Three-hour workshop.*

St. Charles

Oct 28, Nov 17
1-4 p.m.
Call: 636-970-3000

HR for Small Business

Participants will learn how to get and retain the best employees. Content spans a variety of HR topics. *Two-day workshop.*

St. Louis

Oct 26 and 27
8:30-3:30 p.m. each day
Call: 636-970-3000

QuickBooks – Beginner

Learn the basics of QuickBooks, an accounting software program for small business. *Six-hour workshop.*

St. Charles

Oct 12, Nov 10
9-3:30 p.m.
Call: 636-970-3000



Starting A Business in Missouri

Learn essential information for starting your own business. *Three-hour workshop.*

St. Charles

Oct 12, Nov 9, Dec 14
6-9 p.m.
Call: 636-928-7714

St. Louis

Oct. 13, Nov. 3, Dec. 8
1-4 p.m.
Call: 314-539-6600 x 227

Writing a Business Plan

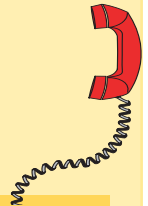
Learn the key components of a simple business plan. Time allowed for practice writing. *Three-hour workshop.*

St. Charles

Oct 5, Nov 3
5:30-8:30 p.m.
Call 636-970-3000

St. Louis

Oct 27, Nov 24, Dec 22
1-4 p.m.
Call: 314-539-6600 x 227



Call the phone number listed for registration information or see the calendar at <http://missouribusiness.net>

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Internet version at [http:// extension.missouri.edu/stcharles/bsource](http://extension.missouri.edu/stcharles/bsource).

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Small Business Assistance

For business counseling, training opportunities or more information contact a Specialist with the Small Business Development Center or University of Missouri Extension.

St. Charles County

Ron Mueller

Program Specialist
St. Charles County EDC
5988 Mid Rivers Mall Dr., Suite 108
St. Charles, MO 63304
Phone: 636-928-7714
Email: rmueller@stcc-edc.com

Virginia Wilson

Business Specialist
University of Missouri Extension
St. Charles County
260 Brown Rd.
St. Peters, MO 63376
Phone: 636-970-3000
Email: wilsonv@missouri.edu



St. Louis City

Aldis Jakubovskis

Program Specialist
SBA St. Louis District Office
200 N. Broadway, Suite 1500
St. Louis, MO 63102
Phone: 314-539-6600 x 227
Email: jakubovskisa@missouri.edu

Kevin Wilson

Program Specialist
St. Louis Empowerment Zone
100 N. Tucker Blvd., Suite 540
St. Louis, MO 63101
Phone: 314-621-0816
Email: wilsonkr@missouri.edu

St. Louis County

Carole Price

Business Specialist
University of Missouri Extension
St. Louis County
121 S. Meramec Ave., Suite 501
St. Louis, MO 63105
Phone: 314-615-2911
Email: pricec@missouri.edu

Greg Tucker

Program Specialist
St. Louis County Enterprise Center
315 Lemay Ferry Rd., Suite 131
St. Louis, MO 63125
Phone: 314-631-5327
Email: tuckergd@missouri.edu

Alan Richter, SBDC Director

St. Louis County Enterprise Center
315 Lemay Ferry Rd., Suite 131
St. Louis, MO 63125
Phone: 314-631-5374
Email: richtera@missouri.edu

Special Programs

Lee Fox

Environmental Quality Specialist
Missouri Market Development Program
121 S. Meramec
Clayton, MO 63105
Phone: 314-615-7610
Email: foxlb@missouri.edu

Wayne Harvey

SBIR/STTR Specialist
St. Louis County Enterprise Center
315 Lemay Ferry Rd., Suite 103
St. Louis, MO 63125
Phone: 314-631-5509
Email: harveywa@missouri.edu

Alan Hauff

Missouri Small Business Assistance Center
University of Missouri – St. Louis
269 University Center
St. Louis, MO 63121
Phone: 314-516-6121
Email: hauffa@missouri.edu

Rich Fyke

Director
MO PTAC
100 N. Tucker Blvd., Suite 530
St. Louis, MO 63101
Phone: 314-621-7280
Email: fyker@missouri.edu

Internet Resources

- Missouri Business Resource Center combines the best of State and University business resources into one easy-to-access network at <http://missouribusiness.net>
- University of Missouri Extension – St. Charles at <http://extension.missouri.edu/stcharles/business.shtml>
- University of Missouri Extension – St. Louis at <http://extension.missouri.edu/stlouis/biz.shtml>
- Small Business Development Center – St. Louis at <http://www.mo-sbdc.org/stlouis>



In 1980, Congress created the Small Business Development Centers (SBDC) in cooperation with the U.S. Small Business Administration to stimulate economic growth and to provide management assistance. Missouri SBDCs provide assistance to clients according to SBA-defined standards for the size of small businesses. The SBDC is a part of University of Missouri Extension.

University of Missouri's Business Development Program in the St. Charles/St. Louis region includes two UM Extension Specialists and five SBDC Business Counselors. It is the local link between the resources of the four UM campuses and people throughout the state. Counselors and specialists use their expertise to help startups and existing businesses in business planning, management, marketing and finance. There is no fee for individual counseling.