

Del Mar College Small Business Newsletter

101 Baldwin, VB-351
Corpus Christi, TX 78404
(361) 698-1021

July - Sept 2005

www.delmar.edu/sbdc



A Partnership Program of the US
Small Business Administration

SBDC Services and Programs

The Small Business Development Center serves to promote the growth, innovation, productivity, profitability and improved management of businesses by providing the following services: develop business plans, package loan requests, prepare strategic marketing plans, analyze and improve accounting practices, provide licensing and permit information, provide business seminars and access to the government procurement system.

The SBDC continues to look at better ways to serve the small business community. We have added some new topics to our training schedule, and continue to offer quality one-on-one counseling that is confidential and free of charge. Last fiscal year, the SBDC counseled nearly 600 new clients providing over 4,000 counseling hours, and provided 86 training seminars that were attended by 1300 entrepreneurs. If there is a seminar topic or a service that you believe would be beneficial to your business, please do not hesitate to give us a call and let us know what your thinking. We are here to assist you!

Buying a Business

Many find the idea of running a small business appealing, but lose their motivation after dealing with business plans, investors, and legal issues associated with new start-ups. For those disheartened by such risky undertakings, buying an existing business is often a simpler and safer alternative.

Advantages

The main reason to buy an existing business is the drastic reduction in start-up costs of time, money, and energy. In addition, cash flow may start immediately thanks to existing inventory and receivables. Other benefits include pre-existing customer goodwill and easier financing opportunities, if the business has a positive track record.

Disadvantages

The biggest block to buying a small business outright is the initial purchasing cost. Because the business concept, customer base, brands, and other fundamental work has already been done, the financial costs of acquiring an existing business is usually greater than starting one from nothing. Other possible disadvantages include hidden problems associated with the business and receivables that are valued at the time of purchase, but later turn out to be non-collectable. Good research is the key to avoiding these problems.

The Small Business Development Center can assist you in preparing to purchase an existing business. For more information on buying a business, call our office at 698-1021.

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Success Stories

Mr. Fancy Pants' Car Wash - Tommy & Kristi Northcutt and Dan Davis - Tommy Northcutt retired from the military in 1998, and has been a pilot with the Corpus Christi Army Depot since 1999. After retiring from the military, Tommy and his wife, Kristi, often talked of opening their own business and started looking for ideas. They were interested in a business that wouldn't require employees, and one that wouldn't require collecting accounts receivable. After researching several businesses, including Laundromats and mini-storage facilities, Tommy and Kristi decided they wanted to open a car wash and began working with Rider Wash Systems on a plan.

Tommy and Kristi spent months researching car washes and looking for suitable sites on the City's south side. Although they had considerable savings to invest in a car wash, Tommy and Kristi realized they would need a partner to help finance the project. As luck would have it, Tommy was talking with good friend Dan Davis one day and happened to divulge his and Kristi's plans to open a state-of-the-art car wash. Davis, an attorney with Porter, Rogers, Dahlman & Gordon, P.C., was impressed with their ideas and subsequently formed a partnership with the Northcutts to build the car wash.

In June 2003, Tommy contacted the Del Mar College Small Business Development Center for help structuring a business plan and loan proposal. SBDC business advisor Michael North assisted them in preparing a business plan and loan proposal for an SBA 504 loan. After the plan and financials were complete, the Northcutts and Davis approached The Bank of Alice and Texas Certified Development Company for the financing and both the bank and the SBA approved them for the loan. According to Tommy, "Mike North helped us to complete the business plan that landed the financing from the SBA and The Bank of Alice that was needed to make our dream a reality. He guided us on every detail, even down to our slogan. He prepared all of our financial appendices and explained everything, every step of the way. We learned so much about starting up a business. The SBDC is a must for anyone trying to get a business started. Thank you for all that you do."

R & T Filter Service - Omar Ramirez and Joe Trevino are partners in a new retail business selling engine filters for automotive and industrial equipment in Falfurrias, Texas. Joe Trevino had worked selling Baldwin filters in the past. The owners were looking at supplying Baldwin filters to local customers when they realized that customers were forced to drive to Alice or Corpus Christi to get the filters they needed. They saw the need and decided to fill it with their new business.

The owners came to the SBDC for assistance with financing their new filter business. The clients met with their counselor, Larry Ellis, to work on financing their new business. Larry Ellis assisted the owners with preparing a SBA Low Doc loan package which was presented to Greater South Texas Bank in Falfurrias. Despite a series of delays, the SBA loan was approved and finally funded.

The new business opened on February 16, 2005 and is doing very well. The exterior sign was recently installed and will greatly enhance the visibility of the business. Omar Ramirez was able to visit the Baldwin filter plant in Nebraska. He was very impressed with the quality and special features of the Baldwin filters that he sells. Their marketing plan has been effective and business is increasing sales every day. The owners now hope to lease more space which will let them fill bulk orders for business customers.

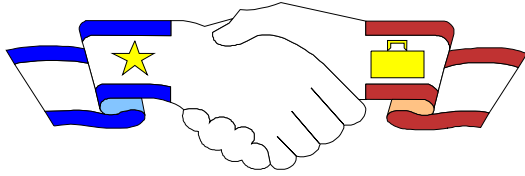
JAGG Fitness — Gary and Jean Pamplin - Gary Pamplin is one of the most energetic people you'll ever meet. He's currently enrolled in graduate school at Texas A&M University-Kingsville, and works full-time as quality control manager for L-3 Vertex at Naval Air Station Kingsville. Gary also happens to be a six-time National Powerlifting Champion and member of the 2004 USA World Team. He has 24 years of gym experience as a competitive weightlifter, and is a National titles, National records and American records holder, which may explain his high level of energy.

Seeing a definite need for a total fitness facility in Kingsville, Gary and Jean Pamplin contacted the Del Mar College Small Business Development Center in March 2004, for help structuring a business plan and loan proposal. SBDC business advisor Michael North assisted them in preparing a business plan, cash flow projections, personal financial statement and loan proposal. Unfortunately, Gary and Jean were denied a loan by several banks.

Undeterred, Gary and Jean continued their endeavors to open a gym. They successfully negotiated a lease on the abandoned Sears Roebuck space in Southgate Mall, and, in September 2004, opened JAGG Fitness. According to Gary and Jean, "We've been very pleased with Mr. North and all he has done to support this project. Although the business plan didn't get us the loan, it did prompt us to start our business anyway. Mr. North told us we had a good business plan and encouraged us to go for it. He told us if we follow our plan we will be successful, which we did and we are".

JAGG Fitness currently has over 850 members and is located at 1608 S. Brahma Blvd. in Southgate Mall, which also houses Coastal Bend College. Operating hours are 6:00 a.m. to 10:00 p.m. Monday through Friday, and 7:00 a.m. to 9:00 p.m. on Saturday. JAGG Fitness is doing very well and has created 10 new jobs.

Procurement Technical Assistance Center (PTAC)



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PTAC Services

The Procurement Technical Assistance Center serves the counties of Aransas, Bee, Calhoun, Goliad, Jim Wells, Kleberg, Live Oak, Nueces, Refugio, San Patricio, and Victoria. The PTAC is partially funded by the Department of Defense and is designed to increase the number and type of businesses selling products and services to government agencies. The PTAC can help any business interested in doing federal, state or local contracting through the following services:

- Free counseling on procurement matters
- Access to bid packages, plans and specifications
- Electronic bid match service
- Interpretation of bid documents
- Access to Dodge Reports for South Texas
- Assist with government database registration
- Provide research for bid opportunities.
- Networking opportunities with government agencies
- Seminars/workshops on a wide variety of procurement topics
- Access to military plans and specifications
- Access to federal acquisition regulations
- Technical support putting together procurement certifications

If you are an existing business interested in further information, please contact Margie Silguero at (361) 698-1025.

City of Corpus Christi & Del Mar College Unite to Serve the Small Business Community And our new location will open soon!

As we mentioned a few months ago, Del Mar College and the City of Corpus Christi have joined together to offer expanded services to the small business community. Del Mar College hosts the Small Business Development Center and the Procurement Technical Assistance Center. In addition, Acción Texas has moved in with us to provide financing options to small businesses. The city contract brings new positions to the SBDC, including a MicroLoan Program Manager and an Outreach Specialist. Some of the services that are now being provided are notification of city projects, additional bid notices (state and federal) from around the area, assistance with government registrations and certifications, bid document interpretation, proposal assistance, loan packaging preparation, business planning, one-on-one counseling, seminars and workshops on numerous subjects important to the business community including numerous new workshops. All services are free of charge, confidential and professional!

Our plans to move sometime in Summer 2005 to a new location are right on track. We will have a dedicated plan room for government construction jobs with the equipment to maximize small business assistance. This move is focused on one goal - helping you succeed in business.

If you have any questions or suggestions of services that can help your company pursue government contracting, please call Sean Smith at 698-2221, Margie Silguero at 698-1025 or Hector Vidaurri at 698-1180.

Small Business Seminars for July 1, 2005 - September 30, 2005

Seminars are subject to change, please call Lisa Farr at (361) 698-1021 in
advance or register online at www.delmar.edu/sbdc

DATE	SEMINAR TITLE	TIME	LOCATION	COST
07/14/05	Employee Handbooks: What You Need to Know to Develop or Update Your Employment Policies	9:00 am—12:00 pm	Del Mar College, Venters Business Bldg. Room 350	\$20.00
07/14/05	The Employment Process: How to Recruit, Hire, Develop and Terminate Legally	1:30 pm—4:30 pm	Del Mar College, Venters Business Bldg. Room 350	\$20.00
07/21/05	Credit Analysis Workshop	5:30 pm—7:30 pm	Del Mar College, Venters Business Bldg. Room 350	Free
07/21/05	Starting a Home Based Business	1:30 pm - 4:00 pm	1150 E. Main Ave., Wells Fargo Bldg. 2nd Floor, Robstown, Texas	Free
07/27/05	Introduction to QuickBooks Pro 2004	9:30 am - 1:30 pm	Del Mar College, Venters Business Bldg. Room TBA	\$30.00 Prepayment required
07/28/05	How to do Business with CCISD	1:30 pm—3:30 pm	Del Mar College, Venters Business Bldg., Room 350	Free
07/28/05	Incoterms for International Trade	2:00 pm—4:00 pm	Del Mar College, Venters Business Bldg., Room 350	Free
08/10/05	QuickBooks Pro 2004 Intermediate	9:30 am - 1:30 pm	Del Mar College, Venters Business Bldg., Room TBA	\$30.00 Prepayment required
08/11/05	Starting Your Business: Step by Step	1:30 pm—4:00 pm	Del Mar College, Venters Business Bldg. Room 350	\$20.00
08/17/05	Safety, Inspection, and Accident Investigation	7:00 am—5:00 pm	Del Mar College, Venters Business Bldg. Room 350	\$99.00
08/20/05	Continuing Education for HVAC	8:00 am—5:00 pm	Del Mar College, Venters Business Bldg. Room 350	Free to members of ACCA-CB
08/22/05	Planning and Financing Your Small Business	1:30 pm - 3:30 pm	Kingsville Chamber Board Room, 635 E. King Ave., Kingsville, Texas, Kleberg County	Free
08/24/05	Keeping the Books	9:30 am—1:30 pm	Del Mar College, Venters Business Bldg. Room 350	\$20.00

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08/25/05	Understanding Financial Statements	1:30 pm - 4:00 pm	1150 E Main Ave., Wells Fargo Bldg, 2nd Floor, Robstown, Texas	Free
08/31/05	QuickBooks Pro 2004 Payroll	9:30 am—12:30 pm	Del Mar College, Venters Business Bldg. Room TBA	\$30.00 Prepayment required
09/08/05	Identity Theft Solutions for Your Small Business	5:30 pm—7:30 am	Del Mar College, Venters Business Bldg. Room 350	Free
09/08/05	What Quality Customer Service Means to Your Small Business	1:30 pm—3:30 pm	Del Mar College, Venters Business Bldg. Room 350	\$20.00 Bring a Friend for Free
09/13/05	Small Business Tax Workshop	8:30 am—4:00 pm	Del Mar College, Venters Business Bldg. Room 350	\$25.00
09/15/05	Access to Small Business Loans	1:30 pm - 4:00 pm	Del Mar College, Venters Business Bldg. Room 350	Free
09/20/05	Employer Tax Workshop	8:30 am—11:30 am	Del Mar College, Venters Business Bldg. Room 350	\$15.00
09/21/05	Planning and Financing Your Small Business	1:30 pm—3:30 pm	Costal Bend College, 704 Coyote Trail, Room 157, Alice, Texas	Free
09/22/05	Doing Business with the Government	1:30 pm—4:00 pm	1150 E Main Ave., Wells Fargo Bldg, 2nd Floor, Robstown, Texas	Free
09/29/05	Women in Business Forum	9:00 am—4:00 pm	Del Mar College, Venters Business Bldg. Room 350	\$25.00
09/29/05	New Taxpayer Seminar	6:00 pm—8:00 pm	Del Mar College, Venters Business Bldg. Room 350	Free
TBA	DBE/HUB Programs and How to do Business with RTA and TxDOT	1:30 pm—4:00 pm	Del Mar College, Venters Business Bldg, Room 350	Free