

# Small-Business

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*Produced in cooperation with U.S. Small Business Administration*  
*Contributing writers: Chelsie Beller, Mike O'Connell*

### SBA RESOURCES

<b>BOULDER SBDC</b> 2440 Pearl Street P.O. Box 7150 Boulder, CO 80304 Phone: 303-442-1475	<b>NORTHEAST-EAST CENTRAL SBDC</b> 902 Seventh Avenue Greeley, CO 80631 Phone: 970-352-3661
<b>LARIMER COUNTY SBDC</b> 125 South Howes Street Suite 150 Fort Collins, CO 80521 Phone: 970-498-9295	<b>SCORE</b> <a href="http://www.score.org">www.score.org</a>

**SMALL BUSINESS DEVELOPMENT CENTERS**  
<https://www.sba.gov/offices/headquarters/osbdc/resources/11409>

# Entrepreneurs should find a mentor in 2018

By U.S. Small Business Administration

DENVER — One of the smartest moves an entrepreneur can make in 2018 is finding a smart and savvy business mentor. If one of your New Year’s resolutions involved following through on dreams of starting a small business, or growing an existing one, take advantage of SBA’s many outstanding business mentors. Our network of resource partners provides free and confidential one-on-one counseling, training and mentorship that can help to unleash your small-business potential. Last year, nationally, these efforts helped small firms secure nearly \$30 billion in capital, start more than 14,000 new companies, and create and retain more than 695,000 American jobs.

SBA’s resource partner network is comprised of SCORE, Small Business Development Centers (SBDCs), Women Business Centers (WBCs), and in some states Veterans Business Outreach Centers. In Colorado, there are 14 SBDC centers across the state

(including sites in Boulder and Fort Collins), five SCORE offices, and a WBC located at the Mi Casa Resource Center in Denver. Together, these small business partners make a huge impact in guiding and direction existing and new entrepreneurs.

Nationwide, Small Business Development Centers (SBDCs) counseled and trained nearly 500,000 clients, SCORE counselors, mentored and trained nearly 450,000 clients, and Women’s Business Centers (WBCs) provided assistance to 140,037 clients.

In keeping with the evolution of the SBA itself, the agency’s vast network of resource partners is powering small-business success nationwide. Together, they serve and mentor the dynamic demographics of the United States, including women, entrepreneurs over the age of 50, veterans, and millennial entrepreneurs. So if your new year’s plans involve starting, growing or managing a small business, maximize your chances of success by connect with SBA resources partners or your local SBA office by visiting [www.sba.gov/local](http://www.sba.gov/local).

# Tapped: Another Round (Raising a Pitcher Full of Money)

You need capital for your business! Please join us for complimentary discussion on the basics of fundraising – covering development of a standout business plan, business entity selection, and the steps and pitfalls in raising capital for start-ups, growth stage, and full stage companies.

The presentation will be hosted by seasoned startup-savvy attorneys from Dorsey & Whitney.

This happy hour is part of a series. Our next get-together will take place in September.

**DATE:**  
Thursday, June 28, 2018

**TIME:**  
5:00-5:30 pm Networking  
5:30-6:00 pm Presentation

Happy Hour to Follow

**LOCATION:**  
Blue Moon Brewing Company  
3750 Chestnut Place  
Denver, CO 80216

Food and Drinks will be served.



[dorsey.com](http://dorsey.com)

# Innovative strategies for starting a business

By U.S. Small Business Administration

Starting a new business can be a challenge. Navigating the maze of rules, regulations and licensing requirements and the constant lack of resources constitute some of the reasons why more Americans don't follow their entrepreneurial dreams. A thriving small-business ecosystem drives our local economy, so finding ways to promote new business development is vital. Fortunately, there are innovative ways to start, grow, and expand a new venture without breaking the bank.

**For starters, consider buying an undervalued existing business.** During economic downturns, many owners are forced to sell their ventures for various reasons. This creates opportunities for individuals with available capital to purchase existing companies under more reasonable terms. An established company is ready for business the day you buy it, and assets and equipment could be part of the sales price. You could also buy an established client base. Customers are familiar with your well-known brand. Lenders are more willing to provide financing to an existing business. Moreover, you could inherit a trained and experienced staff.

**Exchange salary for an equity position in a business.** Most existing businesses are hungry to hire experienced, driven and innovative employees. Cash-strapped companies that are growing, but in need of new talent, may be willing to exchange an equity or stock position in the company in lieu of a traditional salary and benefits. This new equity position could eventually provide an employee with an ownership opportunity. Consider working part-time at a startup while maintaining your regular job to learn the business, and then make an offer to purchase the firm at a future date.

**Virtual offices and shared creative work spaces are the current rave.** There are many creative alternatives to traditional office or retail spaces. The Internet is the location where most new small firms market and sell their products and services. Working from home and using shared office services is another way to create a virtual office space. Virtual offices could significantly reduce the cost of your startup. A new trend is the development of large creative work spaces where tenants share open spaces and small private offices, and even lunch areas.

**Use creative means to secure cap-**



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**ital.** An undercapitalized business could be a losing proposition. This is especially true when the economy is faltering or slowing. Obtain capital by bolstering your personal savings in advance of starting your business. Friends and family financing in exchange for stock, or an equity position in your company, offers another option. If you're averse to taking on new debt, try starting your business slowly by using internally generated

cash flow for expenses and growth. The less debt you incur today, the better position your business will be in when you do apply for a business loan.

**Leverage outside counseling before starting your new business.** Now's the time to make an appointment with an U.S. Small Business Administration resource partner—including SCORE, Small Business Development Centers and Women's Business Centers. The counselors at these organizations can help you develop a well-defined and comprehensive business plan, realistic financial statements and extensive marketing strategy. Studies have shown that entrepreneurs who put a minimum of one year of planning into their new ventures have a better chance of succeeding over the long term.

Owning and running your own business can be more satisfying and fulfilling than working for someone else. Creating innovative strategies for starting a new business can make the difference between success and failure. For more information on SBA programs and services, visit [www.sba.gov](http://www.sba.gov) or call the SBA Colorado district office at 303-844-2607. Follow the SBA on Twitter @SBA\_Colorado.

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# It's time to do a midyear business checkup

By U.S. Small Business Administration

Making predictions is never easy, especially for small-business owners and managers. Unlike their larger counterparts, small firms rarely have the resources to monitor and take corrective action for every new trend and issue. Even entrepreneurs who've experienced numerous business cycles face new circumstances that confound their instincts and knowledge.

While there's no crystal ball that accurately predicts the future, small-business owners and managers can take steps to help their enterprises endure the worst of times and take advantage of the best of times. Perform a small-business health checkup to determine if your company is on track for the remaining months of the year.

First, talk to your banker about your company's financial status. Lenders offer experience in advising managers

and owners on issues specific to their businesses and industries. Have them review your year-end financial statements and offer an honest appraisal. Talk about establishing a line of credit, which could stabilize your cash-flow position in 2018.

Second, strengthen relationships with creditors. It could be time to renegotiate terms or change payment amounts on overdue bills. Overdue bills and inconsistent payment practices won't help your long-term credit position. What's more, your creditors could be experiencing financial difficulties as well. Any flexibility will hinge on whether they perceive you as a reliable partner or a risk they want to eliminate.

Next, keep a close watch on your receivables. Review who owes your company money and make sure they're meeting terms. Be firm when dealing with problem accounts, but

also remain willing to negotiate when appropriate. With a little encouragement, a struggling customer could become a long-term source of income. The longer account receivable ages, the harder it becomes to collect on that debt.

Fourth, make sure all expenditures are justified and contribute to the financial health of your business. You might find it necessary to redirect money to areas that will enhance business performance. If you carry an inventory of products, check the accuracy of your records and procedures to prevent losses. It could be helpful to adjust your order amounts to match projected sales. Now is the time to review management and employee expenses to determine if they're justified and meet the mission of your business.

Fifth, review your operations and expenses on a regular basis. If

you monitor your profitability on a monthly basis, it might be a good idea to begin reviewing it on a weekly or biweekly basis during slow economic times. Likewise, review and update your business plan more frequently. Monthly or quarterly reviews make it easier to make adjustments and keep your business on track.

Finally, step up your marketing efforts. Many business owners mistakenly see marketing as a luxury when money is tight. In actuality, this is the time when increased marketing could be needed. Along with reassuring current customers you're still there to serve them, marketing can help you reach new consumers who will grow your business now and into the future.

For more information on the U.S. Small Business Administration's programs and services, visit [www.sba.gov](http://www.sba.gov). Remember to follow us on Twitter @SBA\_Colorado.

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# Saving energy helps increase the bottom line

By U.S. Small Business Administration

DENVER — According to the U.S. Department of Energy, America's small businesses spend more than \$60 billion a year on energy. Small businesses that invest strategically can cut utility costs 10 percent to 30 percent without sacrificing service, quality, style or comfort — all while making significant contributions to a cleaner environment. By becoming more energy-efficient, small businesses help reduce greenhouse gas emissions and improve their own financial bottom line. Small businesses can typically save as much money and prevent as much pollution, per square foot, as large corporations. The following myths and facts, compiled by Xcel Energy, will help small-business owners better understand ways to reduce their energy costs and increase their monthly cash flow accounts.

## Myth or fact: Screen savers save energy.

Myth! Screensavers were developed to prevent burn-in in computer monitors where there is a persistent image on the screen for a long time. Screensavers use just as much energy as any program; they are really not energy savers. Businesses that want to save energy with their computers and monitors should take advantage of their computers' power-management settings.

## Myth or fact: Operating HVAC equipment 24/7 costs less than shutting systems down.

Myth! There is a common myth among small and mid-sized businesses that they should run HVAC systems 24/7 to avoid increasing the demand charge (because of the spike that occurs when the HVAC equipment comes on). There is indeed a spike that occurs when that equipment is turned on, but it is of a short duration, and it's not enough to affect the demand charge, which is typically calculated based on 15-minute-interval average demand.

Running HVAC equipment all day, and all night, wastes energy by heating or cooling empty office space. Moreover, this practice shortens the life span of the equipment because it operates the equipment unnecessarily. And, perhaps most importantly, running the HVAC 24/7 could adversely affect occupant comfort—perhaps that's why some office workers wear sweaters when they go to their offices in the summer!

## Myth or fact: Surge-protection devices save energy.

Myth! Surge-protection devices are essentially very fast switches that

are inactive until a surge comes along down the power line that exceeds the threshold that the device is designed around. The reality is that there is no physical mechanism for them to save energy. When that surge comes, the device basically clamps the voltage to the ground until the surge passes. Surge-protection devices are designed to limit the voltage to a point well below a level that could do damage to the equipment that is connected downstream. They are completely passive until the voltage hits or exceeds that threshold.

## Myth or fact: Leaving lights on sometimes wastes less energy than turning them off and on again.

Mostly myth! The fact is, for incandescent bulbs, it is always better to turn them off whenever you leave the room. The reason is that the mechanism for failure in an incandescent bulb is evaporation from the filament. So, as the lamp is burning, there is material evaporating from the filament, and it evaporates in an uneven fashion so that over time, a weak point develops in the filament. Eventually, at some point — after 1,000 hours or so, depending on the type of the bulb — when you turn the light on, it is going to fail at that weak point. But it's not

really a function of frequent switching on and off. It is an evaporative process, and for that reason, the incandescent bulb should always be turned off.

For fluorescent lights, the picture is a little different. There is a brief power surge when you turn on the light, but there is no real impact there. Fluorescent lamps, however, do wear out more quickly the more frequently they are turned on and off. As a rule of thumb to keep things simple, if someone is going to leave the room for more than five minutes, they should turn off the lights. The operating life of a light-emitting-diode (LED) lamp is unaffected by turning it on and off. While lifetime is reduced for fluorescent lamps the more often they are switched on and off, there is no negative effect on LED lifetime.

## Myth or Fact: Leaving office equipment turned on enhances its longevity.

Myth! Owners of some small and medium-sized businesses believe that it is better to leave office equipment turned on and let it run continuously rather than turning it off at the end of the day. The idea is that this practice will lengthen the equipment's lifetime. Some people even think that it's more energy-efficient to keep office equipment running.

However, companies waste up to between 200 and 1,331 kilowatt-hours of electricity each year for every computer that is left on around the clock, seven days a week.

Leaving computers on 24/7 will not prolong their useful lives, either. Most computer switches can handle at least 40,000 cycles, which is typically good for five to seven years, and they can probably handle many more cycles than that. So turning equipment off will not reduce its expected lifetime. There is a small spike in power consumption when the equipment is first turned on, but the amount of energy in that spike is very small compared with the amount used if the device is left running continuously. Also, turning equipment off will reduce its vulnerability to any power-quality events, particularly if you turn it off at the power strip.

It is important to mention that some equipment continues to consume a small amount of power even when it's off; this is sometimes called "phantom power." So if you want to save even more energy, turn these devices off at the power strip rather than just at the switch on the device itself.

For more energy saving tips, visit your local utility company website or [www.sba.gov](http://www.sba.gov).



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# SBA Lenders

Ranked by gross amount of 7(a) SBA Loans in Boulder, Broomfield, Larimer and Weld counties.

Rank	Company	Dollar volume 2017 Total loans 2017	Headquarters Phone Website	Person in charge Title Year founded
1	<b>Live Oak Banking Co.</b> 1741 Tiburon Drive Wilmington, NC 28403	\$23,151,000 13	Wilmington, NC 877-890-5867 www.liveoakbank.com	James Mahan III CEO 2007
2	<b>Wells Fargo Bank N.A.</b> 101 N. Phillips Ave. Sioux Falls, SD 57104	\$19,225,300 64	Sioux Falls, SD 800-956-4442 www.wellsfargo.com	Timothy Sloan CEO 1874
3	<b>Guaranty Bank and Trust Co.</b> 1331 17th St. Denver, CO 80202	\$13,301,000 16	Denver, CO 303-312-3188 www.guarantybankco.com	Paul Taylor CEO/president 1955
4	<b>Hanmi Bank</b> 3327 Wilshire Blvd. Los Angeles, CA 90010	\$10,491,000 11	Los Angeles, CA 213-427-5722 www.hanmi.com	Chong Guk Kum CEO/president 1982
5	<b>Keybank N.A.</b> 127 Public Square Cleveland, OH 44114	\$8,707,000 12	Cleveland, OH 800-539-2968 www.keybankusa.com	Beth Mooney CEO/chairman 1849
6	<b>JPMorgan Chase Bank</b> 1111 Polaris Parkway Columbus, OH 43240	\$7,549,700 35	Columbus, OH 312-732-4000 www.jpmorganchase.com	James Dimon CEO 1824
7	<b>Advantage Bank</b> 1475 N. Denver Ave. Loveland, CO 80538	\$6,526,900 8	Loveland, CO 970-613-1982 www.advantagebanks.com	John Nigh chairman 2000
8	<b>Compass Bank</b> 15 S. 20th St. Birmingham, AL 35233	\$6,175,500 17	Birmingham, AL 800-239-1996 www.bbvacompass.com	Onur Gen? CEO 1964
9	<b>Midwest Regional Bank</b> 363 Festus Centre Drive Festus, MO 63028	\$5,917,000 3	Festus, MO 636-937-5351 www.mwrbank.com	Michael Bender CEO 2006
10	<b>Bank of the West</b> 180 Montgomery St. San Francisco, CA 94101	\$4,933,600 11	San Francisco, CA 925-942-8300 www.bankofthewest.com	Nandita Bakhshi CEO 1874
11	<b>CoBiz Bank</b> 821 17th St. Denver, CO 80202	\$3,658,000 9	Denver, CO 303-312-3412 www.cobizbank.com	Steven Bangert CEO 1978
12	<b>U.S. Bank N.A.</b> 425 Walnut St. Cincinnati, OH 45202	\$3,258,100 18	Cincinnati, Ohio 800-872-2657 www.usbank.com	Andrew Cecere CEO 1863
13	<b>Stearns Bank N.A.</b> 4191 Second St. S. St. Cloud, MN 56301	\$3,125,400 11	St. Cloud, MN 320-253-6607 www.stearns-bank.com	Norm Skalicky CEO 1912
14	<b>Hana Small Business Lending Inc.</b> 1000 Wilshire Blvd., 20th Floor Los Angeles, CA 90005	\$2,782,000 2	Los Angeles, CA 213-240-1234 www.hanasba.com	Sunnie Kim CEO 2007
15	<b>NOA Bank</b> 2400 Pleasant Hill Road, Suite 340 Duluth, GA 30096	\$2,580,000 1	Duluth, GA 678-385-0826 www.noabank.com	Jungho Kim; Jake Park co-president, co-CEO & directors 2008
16	<b>Bank of Hope</b> 3200 Wilshire Blvd., Suite 1400 Los Angeles, CA 90010	\$2,188,000 1	Los Angeles, CA 213-639-1700 www.bankofhope.com	Kevin Kim CEO 1986
17	<b>First-Citizens Bank &amp; Trust</b> 4400 Six Forks Road Raleigh, NC 27609	\$1,797,000 2	Raleigh, NC 888-323-4732 www.firstcitizens.com	Frank Holding Jr. chairman & CEO 1898
18	<b>Seacoast Commerce Bank</b> 11939 Rancho Bernardo Road, Suite 200 San Diego, CA 92128	\$1,592,000 2	San Diego, CA 858-432-7000 www.sccombank.com	Richard Sanborn president and CEO 2002
19	<b>FMS Bank</b> 520 Sherman St Fort Morgan, CO 80701	\$1,590,600 4	Fort Morgan, CO 866-289-7723 www.fmsbank.com	John Sneed CEO 1982
20	<b>First National Bank of Omaha</b> 1620 Dodge St. Omaha, NE 68102	\$1,475,900 10	Omaha, NE 402-602-3022 www.firstnational.com	Bruce Lauritzen chairman 1863
21	<b>Celtic Bank Corp.</b> 268 S. State St., Suite 300 Salt Lake City, UT 84111	\$1,318,100 8	Salt Lake City, UT 801-363-6500 www.celticbank.com	Reese Howell Jr. CEO 2001
22	<b>NBH Bank, dba Community Banks of Colorado</b> 7800 E. Orchard Road Greenwood Village, CO 80111	\$1,200,000 1	Greenwood Village, CO 888-237-3111 www.nbhbank.com	G. Timothy Laney CEO/president 2010
23	<b>Great Western Bank</b> 100 N. Phillips Ave. Sioux Falls, SD 57104	\$1,139,000 1	Sioux Falls, S.D. 800-952-2043 www.greatwesternbank.com	Ken Karels CEO/president 1935
24	<b>Citizens Bank</b> One Citizens Plaza Providence, RI 02903	\$1,077,000 1	Providence, RI 401-456-7000 www.citizensbank.com	Bruce Van Saun CEO 1828
25	<b>First FarmBank</b> 2939 65th Ave. Greeley, CO 80634	\$1,075,000 2	Greeley, CO 970-346-7900 www.firstfarmbank.com	Daniel Allen president 2007

# Tips for collecting overdue accounts payable

By U.S. Small Business Administration

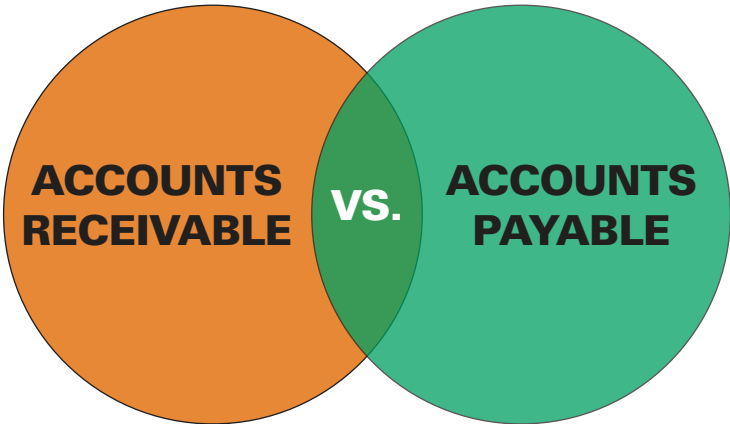
DENVER — Collecting overdue accounts payable can be an especially unpleasant part of doing business.

Most businesses have regular customers who pay on time and keep accounts current. But not handling late payments in a timely manner endangers cash flow and long-term viability.

Here are six simple steps to help make the collection process less stressful and more customer friendly.

- Make sure customers know the consequences of late payments.
- Establish a policy, and make sure your customers are aware of those policies before starting work.
- If you don't have a formal contract, have customers sign off on your terms and conditions. The terms and conditions should state if you require a full or partial payment upfront or if you offer such payment terms as net-30. State in writing any surcharges for late or missed payments.
- Loose credit terms can create bad debt. If you provide goods or services on credit, develop qualification standards that are specific, yet fair — a good credit history or bank references,

- for example.
- Put your credit policy in writing, and make sure employees understand it. You should also have the policy posted in your store, on your website or available as a handout.
  - Enforce credit terms. Your collections policy will do no good unless you enforce it. You'll be amazed what a personal phone call can do to encourage timely payment. If you've met your obligations and a customer hasn't, you're entirely in the right to make that reminder call.
- Keep communication channels open. Don't assume the customer is entirely wrong. Stay in touch and make sure they're satisfied with your products or services. If they become delinquent, ask for an explanation. The invoice might have been lost or is awaiting approval. A customer with cash-flow problems could request extra time. Based on your experience with that customer, you might feel confident enough to allow extra time or installment payments. Make sure you and the customer clearly understand any compromise agreement.
- Don't be afraid to take legal action. If your collection attempts fail, it could be time to turn to a lawyer or collec-



tion firm. Your course of action will depend on the situation. You might decide the amount of the overdue account doesn't justify the cost and effort to collect. If so, write it off as a bad debt, and move on.

Don't make the same mistake twice. Should customers with poor payment histories approach you about working with them on restoring credit, don't immediately refuse unless you're absolutely certain they remain a bad credit risk. Determine if

the situation has changed and decide whether it makes sense to restore the relationship. As a precaution, insist on such stricter terms as advance payment or cash only.

The U.S. Small Business Administration offers resources and guidance to business owners on ways to establish collections policies. For more information, visit [www.sba.gov](http://www.sba.gov). Remember to follow us on Twitter @SBA\_Colorado.

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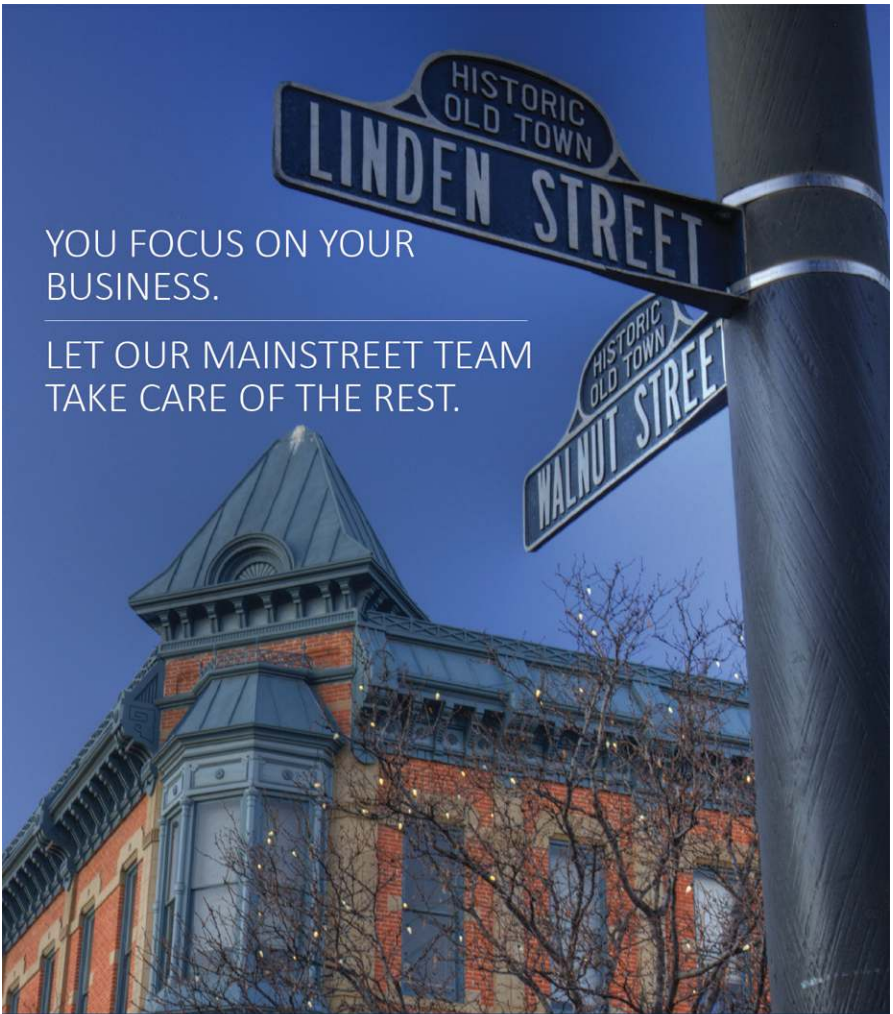
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# Support your local small business

By U.S. Small Business Administration

DENVER — Local entrepreneurs truly are the heroes of our communities. Almost all new small-business owners face enormous financial hardship in the beginning, which can be very challenging and demoralizing. New business owners will jokingly tell you that they traded the security of a 40-hour work week for the grind of working 80 or more hours at the business.

As a community, it is critical to support these local heroes by buying locally. It is a fact that 98 percent of all Colorado businesses are considered small. Colorado's 600,000 small firms employ more than one million people, and account for almost all new jobs created statewide. By backing our locally owned small businesses, you support the thousands of jobs they create and the families they sustain. Small, locally owned businesses are the bridge to a more sustainable economy. They are the backbone of our democracy, and the future solution to our most pressing economic problems.

Small firms make an enormous and positive contribution to the quality of life in our cities and towns. Locally owned businesses create good jobs and boost the local tax base, which in turn improves our schools, our parks,



BIZWEST FILE PHOTO

and our quality of life. Most importantly, local businesses are invested in their neighborhoods. Behind any civic activity that contributes to the common well-being of your community, you will likely find a local entrepreneur giving their time and money in support of that cause. The assistance provided by volunteers who care about their community could not be replaced by any amount of government assistance or tax money. Local business owners are the unsung heroes of society. They are the leaders, the ambitious, hard-working people

who have ideas and act upon them. They are true American heroes.

Big-box chain stores have done an excellent job convincing people that they are the least expensive, but often they are not. Take the challenge and do some price checking of your own to determine whether the large chain stores beat the prices and quality of service that your local small businesses provide. Where else are you going to find the in-depth product knowledge and one-on-one customer service that small retailers provide? When you give your dollars to a large chain store, that

money leaves your community. If you spend your money at a locally owned business, then that money is more likely to be spent again and again in the local economy, generating many dollars' worth of employment. That's how "localism" can change the way our entire economy works. Every time you buy local and buy small business, you are saving a job and helping to support your neighbors, friends, and families.

"Support your local small business" is not just a catchy phrase, but is a way we can all continue to bolster our local economies. We need to choose a future that will enrich and sustain future generations. Local businesses that employ and empower ordinary people are the cornerstone of a future economy that can sustain us. Local business people are local leaders; they are people with initiative and ambition, and they invest their resources in local organizations. We all need to celebrate the great diversity that our small businesses bring to our community.

Small business is the shining light that continues to brighten our road to economic prosperity. Try it today... go visit a local small-business owner and thank them for being such a critical part of your community! For additional assistance, please visit [www.sba.gov](http://www.sba.gov) or follow us on Twitter at @SBA\_Colorado.



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# Seasonal retailers face many hurdles

By U.S. Small Business Administration

DENVER — Many locally owned small retailers earn 25 percent or more of their total annual sales during the critical shopping period between May 1 and Labor Day. The business decisions made during this important period can directly impact cash flow for the rest of the year.

Small retailers generally do not have the sales volume or financial resources to compete with the huge discounts offered by big national chains. Small-business profit margins tend to be thinner than the big players, giving them less wiggle room on discounts. The SBA compiled the following list of obstacles small retailers face during the holiday shopping season, and ways to avoid them in the future.

■ **Lack of inventory control.** Inventory control is crucial for all small retailers, especially during the busy summer season. Inventory equals profits, and knowing how much product to order, when to order it, and what items to order can make the difference between having cash in the bank, or aging inventory on the shelves.

■ **Hiring the wrong employees for critical positions.** There's a cost to hiring the wrong people for key positions. Small firms tend to have less layers of management between the owner and employees. Consequently, new hires must be able to perform with less direct supervision, and be motivated to get the job done right the first time. Avoid this issue by writing a detailed job description, and training new employees on how you want them to represent your business.

■ **Undercapitalization is a problem most small businesses face.** Cash flow is the lifeblood of all small businesses. Cash flow allows a business to make payroll, pay suppliers and

keep its doors open. Business owners can immediately increase cash flow by collecting accounts receivable in a timely manner; not keeping too much cash tied up in unnecessary inventory; and eliminating unprofitable account relationships.

■ **Not embracing online sales and social media.** U.S. Census Bureau reports show that more than \$450 billion in e-commerce sales were made during 2017 — a 16 percent increase over the previous year. As more consumers make summer purchases online, it's imperative that small retailers establish a retail Web presence. Leverage Twitter, Instagram and Facebook to promote one-day sales or plug special product lines and high inventoried merchandise.

■ **Not delaying the employee office summer party and social events.** It's sales crunch time from Memorial Day to Labor Day. Office parties can cause distractions at a time when the business needs to be especially productive. Too much food and drink can not only cause a nasty hangover, but also sidetrack employee and management's focus. Consider moving the company party until after Memorial Day and call it the end of summer thank-you event.

■ **Innovation and creativity lost.** Historically, locally owned small retailers beat their big-box competitors by providing outstanding individualized customer service. The big Memorial Day sales push has driven large retailers into flooding the market with loss-leader pricing on a wide array of holiday products. Small retailers should take the offensive by selling creative and innovative products that can't be found at the local mega mall. Create a unique customer experience that will draw shoppers to travel outside of their comfort zone and discover that out-of-the-ordinary shopping



district with 10 trendy stores, not 100 traditional chain stores.

For more information on ways the SBA can assist your small business this

summer shopping season, visit [www.sba.gov](http://www.sba.gov). Remember to follow us on Twitter @SBA\_Colorado.

# Create a three-year vision for your business

By U.S. Small Business Administration

DENVER — Ever wonder why entrepreneurs took on the challenge of starting their own small business? Many wanted to create niche markets for a new product or service; some simply saw small-business ownership as a way to replace lost income streams due to unemployment or retirement. No matter what the reason, it is critical to create a clearly defined vision for where you want your business to be one year, two years or three years in the future.

Prosperous entrepreneurs understand that the process of “visioning” is vital to achieving success through effectively managing day-to-day operations, and guiding their business's strategic decisions. Without a well-

thought-out vision, a business can be left struggling without short-term or long-term goals and objectives. The following are four simple steps to help clarify your vision for your business.

To be clear, visioning is not the same as creating a strategic business plan. The vision articulates where you are going. The business plan lays out a concise series of steps for getting there. A business plan should be developed only after you formulate your vision. Take a moment to project into the future and envision what your ideal business might look like one to three years down the road. Envision what your staffing levels might look like, what vendors you will use, your location, your product and/or service offerings, your branding, targeted customers, and how those variables

will affect your family life. Your vision is about possibilities, what could be. Summarize your vision and make it known to your staff as a reminder of where the business is headed.

Next, consider what your business looks like currently. Try to view your business from the perspective of an outsider. What do you see? Who are your current customers? What are your product and/or services? Are your staffing levels appropriate? Who are your current vendors? Does your brand resonate with your customers? In order to begin moving your company forward from where you are today, you must have a clear understanding of the gaps that exist. Identify those gaps and list the changes that must occur to help you reach your vision. You must now set concrete goals and

action steps for achieving your three-year vision. Remember that your goals need to be SMART: Specific, Measurable, Achievable, Relevant and Time-based. Always write down your goals and refer back to them regularly to ensure that you are staying on track.

Though we spend most of our work lives responding to problems, and opportunities, as they are presented to us, visioning comes from the inside out. It's about what you believe, what gets you excited, and what you truly want to accomplish. For more assistance on creating your own business vision, visit [www.sba.gov](http://www.sba.gov) or contact U.S. Small Business Administration's Colorado District Office at 303-844-2607. Remember to follow us on Twitter @SBA\_Colorado.

# 25 percent of all businesses don't reopen after a disaster

By U.S. Small Business Administration

DENVER — One of this region's most-expensive disasters unfolded the night of Sept. 9, 2013, when more than 10 inches of rain fell in a 24-hour period, devastating communities in Boulder, Larimer and Weld counties with flash floods and inflicting damage on nearly 20,000 homes and hundreds of small businesses. Unfortunately, our region is prone to a variety of natural disasters such as flooding in North Dakota, tornadoes in South Dakota, and the 2017 Montana wildfires that scorched more than 1.3 million acres of land.

History has shown that 25 percent of businesses that close because of a disaster never reopen. After hurricanes Harvey and Maria, hundreds of small businesses in Texas and Puerto Rico closed their doors for good, and in turn caused tremendous financial hardship on their owners. Small businesses are especially at peril because few have the resources to assess their risks and develop recovery plans for the future. As part of its mission to help small businesses recover after a disaster, the U.S. Small Business Administration has developed the following simple tips when thinking about developing a disaster recovery plan.

■ **Evaluate your exposure.** Know your region and the types of disasters most likely to impact your business. Consider your facility's proximity to flood plains, wildfire areas, rivers and streams, dams, nuclear power plants and other hazards.

■ **Review your insurance coverage.** Now is the time to consult your insurance agent to determine whether your coverage is sufficient. Make sure you understand what's covered by your policy, and determine if you need flood insurance; remember, many general policies do not cover flood damage. Check into business-interruption insurance, which helps you cover operating expenses if you're forced to temporarily close. Calculate the cost of business interruptions for a day, week, month or more. To the extent possible, set aside a cash reserve that will allow your company to function during the recovery phase.

■ **Review and prepare your supply chain.** Develop professional relationships with alternate vendors, in case your primary supplier isn't available. Place occasional orders with them so they'll regard you as an active customer. Create a contact list for important business contractors and vendors you plan to use in an emergency. Keep this list with other documents in an easily accessible place, and also at a



BIZWEST FILE PHOTO

protected off-site location.

■ **Create a crisis-communications plan.** Try to make sure your staff, customers, vendors, contractors — everyone you do business with — know what's going on in the aftermath of a disaster. Establish an email alert system, keeping primary and secondary email addresses for your employees, vendors and customers. Provide real-time updates to your customers/clients and the community so they know you're still in business and in the process of rebuilding after the disaster. Don't forget to test your plan beforehand.

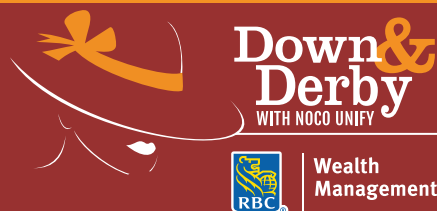
■ **Who will run your business after**

**a disaster strikes?** Let your employees know the emergency chain of command. Maintain a clear leave and sick-day policy during disasters. Have a backup payroll service should your office be destroyed.

■ **Create and implement a business-continuity plan.** This plan will help keep your business operating as it responds and recovers from a disaster or emergency situation. This plan should indicate when it will be activated; identify essential business functions and staff to carry out these functions; determine which employees will be considered non-essential vs. essential; and identify records and documents that must be safe and readily accessible to perform key functions.

■ **The SBA's disaster program is the agency's largest and only direct loan program.** Under it, the SBA offers two types of disaster loans — physical and economic injury — to assist those affected re-establish with access to low-interest and fixed rate capital during a difficult time.

Developing an effective and workable disaster recovery plan is critical for all small-business owners. For more information on disaster-preparedness planning, go to [www.sba.gov/disaster](http://www.sba.gov/disaster). Remember to follow us on Twitter @SBA\_Colorado.



## THANK YOU!

Congratulations to our 2019 Derby Trip Raffle Winner: Carrie Katona

Thank you to all who made this year's RBC Wealth Management Down & Derby Party the best ever! With your help, we raised **over \$200,000** for child-based non-profits in Northern Colorado!

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# HOW TECHNOLOGY, POLICY AND THE OIL ECONOMY ARE CAUSING THE WELD AND LARIMER COUNTY ENERGY ECONOMY TO EVOLVE.

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## Session I | Regulatory & Safety Updates

*Health and safety remain a top priority for energy companies, regulators and the public. What regulatory changes are energy companies likely to face in 2018, and what are some best practices and case studies that can help shape the industry?*

**Eric Jacobsen**, Senior Vice President, Extraction Oil & Gas

**Julie Murphy**, Executive Director,  
Colorado Oil and Gas Conservation Commission

**Sue Combs**, Partner, Holland and Hart

Moderated by: **Tracee Bentley**, Executive Director,  
Colorado Petroleum Council/API

## Session II | In The Community

*Colorado's energy sector constitutes a major benefactor to the region's non-profits. What is the magnitude of these contributions, what form do they take, and how are the funds used?*

**Dan Haley**, Chief Executive Officer, Colorado Oil and Gas Association

**Ray Tschillard**, Director, Poudre Learning Center

**Bob O'Conner**, Executive Director, Weld Food Bank

**Susan Fakharzadeh**, Senior Manager of Community Relations, PDC Energy  
Moderated by: **Craig Rasmusen**, Executive Vice President, Community Relations, SRC Energy

## Session III | Keynote Speaker

*to be announced...*

## Session IV | Economic Impact

*Energy production provides millions of dollars to state and local governments and generates \$31 billion in total economic impact. How does this money filter into the region's economy, impacting jobs and income for citizens in a variety of occupations?*

**Kathleen Staks**, Executive Director, Colorado Energy Office

**Tom Parko**, Director of Planning Services, Weld County

**Cathy Shull**, Executive Director, Progressive 15

Moderated by: **Kathleen Sgamma**, Chief Executive Officer,  
Western Energy Alliance

## Session V | Midstream/Infrastructure

*Colorado's expanding energy economy requires adequate infrastructure, both in terms of roads and pipelines and companies to provide required services. What is the status of the region's energy infrastructure, and what can mid-stream providers expect in terms of demand and expansion?*

**David Jost**, Vice President of Operations North, DCP Midstream

**Bryan McFarland**, General Manager - Rockies Midstream, Anadarko

Moderated by: **Lee McMains**, Professor, Aims Community College

## Session VI | Innovations & Technology in Energy

*Get an energetic and rapid look at new products, companies and strategies and what's driving them.*

**Ron Gusek**, President, Liberty Oil Field

**Mike Eberhard**, Chief Operating Officer, SRC Energy

**Jon Doucette**, Technology Manager, Rockies, Halliburton

Moderated by: **Ken Carlson**, Director, CSU Energy Institute

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