

The Tool Box

*"Tools to Assist in Building Your Financial Success."
Serving Morrow County Since 1994*

A Free Publication of:
Morrow Development
Corporation
P.O. Box 200
Boardman, OR 97818-0200
May 2006, Edition VII

Attention Irrigon Residents!

Are you excited to see a new library in your community? Are you interested in finding out ways you can help this project move forward?

Contact Marsha Richmond today to find out how you can help @ 541/ 481-3365.



Who does MDC work with on "gap financing"?

We will work with any lending institution; however, our Borrowers have frequently used Bank of Eastern Oregon and Banner Bank. Contact them today to find out how we can assist your business financing needs!



Georgia Reese and Donald Hollis from USDA Rural Business-Cooperative Services review MDC loan portfolios.

Welcome once again to MDC's *The Tool Box*. In this edition of *The Tool Box*, you will interesting articles on customers and common budgeting mistakes, as well as other tips and pointers for your small business.

MDC is open for business; so please do not hesitate to contact our office at 541/ 676-8719. Our Officer of the Board, Greg Smith, can travel to your business to discuss your gap financing needs.

-Dan Creamer, Board Member

MDC Featured Links

*Boardman Chamber of Commerce
& City of Boardman*

<http://www.visitboardman.com/>

Heppner Chamber of Commerce

<http://www.heppnerchamber.com/>

City of Heppner

<http://www.heppner.net/>

*Willow Creek Valley Economic Development
Group*

<http://www.heppner.net/hedc/index.html>

Morrow County Schools

<http://www.morrow.k12.or.us/>

5 Tips for Finding Your First Customer

1. Define the types of businesses you want to serve, and how your new business can help them. This should be an integral part of your business plan.

2. Go where your prospective customers are. Many trade and professional groups are open to vendors such as yourself. This creates opportunities for spreading your name through advertising and face-to-face networking.

3. Position yourself as an expert by writing brief articles on issues that affect your prospective customers. Offer them free of charge to newspapers and trade publications. Be sure to follow their editorial guidelines and focus on providing helpful information, not making a sales pitch.

4. Offer your services to local community and charitable groups. You get free visibility in return for your *pro bono* work, and your fellow volunteers may prove to be potential customers.

5. Network with other businesses in your industry or specialty. They may need help with backlogs and overflow business, or with specialized services they're unable to offer.

www.score.org/5_tips_first_customer

5 Common Budgeting Mistakes

Avoid these errors to avoid financial nightmares

By Ian Benoliel

www.entrepreneur.com

Avoiding these five common mistakes will help keep your million-dollar idea from becoming a million-dollar nightmare:

1. Overstating projections: Realistic budgets and projections may lengthen your search for funding, but when the money does arrive, you should then have a profitable plan to follow for several years to come.

2. Ignoring your immediate budgetary needs: If your plan shows that you need \$50,000 to take a product to market; don't ask for only \$30,000. Potential investors and bankers will only wonder why they should give you money for a project that will fail without additional funding.

3. Assuming that the existence of revenue is indicative of being cash-flow positive: In virtually every transaction, there is a lag time between the finalization of the deal and the completed cash collection. Unfortunately, many businesses aren't and run into serious cash-flow problems because they spend money they don't yet have.

4. Forgetting about Uncle Sam: End-of-the-day balances can often appear larger than they really are. Sales tax on revenues and employee withholdings may sit in your account temporarily but will ultimately be owed to the government. Your balance sheets should not count these finances as holdings; otherwise you run the risk of budgeting for future projects and costs that you will not be able to afford.

5. Mismanaging the advertising timeline: To be truly effective, an advertising/marketing campaign will have to be initiated at least one period before sales can be expected. Failure to budget the appropriate items in a strategic time frame will under-utilize finances needed to achieve these sales goals and can lead to overspending in later months.

Here are 10 tips to fire up your enthusiasm for Business Once Again

1. Too many to-do's? List 8 goals - one for every hour. That gives you enough time to complete each assignment and if you finish early, you can revel in the satisfaction of a job well done -- and then get a head start on the next gig.

2. Visualize yourself achieving your goals. You can mentally recharge by envisioning yourself achieving what you want more than anything.

3. Take a break and focus on yourself. Exercising, deep breathing, eating lots of fruits, vegetables and grains, giving up some of that coffee for water and sleeping (yes, I said sleeping) can only boost your business, your endurance and your mental energy. Try it for 8 weeks and see what happens!

4. Surround yourself with positive people. Optimism can be contagious. Gather up a team of happy-go-lucky, energetic people who will feed into your self-esteem and create some infectious positive energy.

5. Ask your employees how you can boost moral. Get some input. Is the entire office feeling this "blahness?" If so, brainstorm ways to boost their spirits.

6. Progress reports. Praise yourself and your employees with monthly progress reports. Do NOT focus on what you have NOT done -- it's all about what you HAVE done.

7. Inspirational reading. Do you have a successful mentor? Read all you can about their road to success. If it's possible, meet with them. Their insights and experiences will only inspire and feed your goals.

8. Chronicle your journey in a portfolio. Take a day to look back on what has brought you to your current position. Gather up photos of you in various stages of your career, put this all together in a photo album and sit it on a shelf in your office.

9. Get busy on a new project or tackle a big obstacle. There's no better way to breathe energy into a stale state than to start something new and exciting. Create a business plan for your next adventure and go for it! Fuel your creative fire!

10. Lower your expectations. Gain experience with your imperfections. And if you don't believe me, listen to Bob Dylan who said "I have given up at making any attempt at perfection," yet he went on to win a Grammy Award for Lifetime Achievement. So if it works for him, it will work for you!

www.businessownersideacafe.com/business_ideas