

# REAP Business Update

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CENTER for  
RURAL AFFAIRS



## Pricing Your Product

This month our REAP Business Roundtable Topic shows how to figure out what the price of a new product should be. An example runs through seven steps. You need to determine:

1. Labor wage per hour
2. Workdays per year
3. Labor hours available per work year
4. Overhead expense per work year
5. Overhead percentage for the new product
6. Per unit cost of production for the new product
7. To arrive at the final selling price

## IRS Starts e-Newsletter for Small Businesses

The IRS has started a news service, e-News for Small Business. Distributed every Wednesday, it brings timely, useful tax information right to your computer, including, but not limited to:

- ▶ Important, upcoming tax dates
- ▶ What's new on the IRS Web site
- ▶ Reminders and tips to assist businesses with tax compliance
- ▶ IRS news releases and special announcements

The IRS says that e-News' convenient format will put IRS tax information at your fingertips. "Useful Links" brings you quickly to some of the most useful information on [IRS.gov](http://IRS.gov) for large and small businesses and the self-employed.

To start your FREE subscription to e-News, just go to IRS.gov at <http://www.irs.gov/businesses/small/content/0,,id=154826,00.html>, type in your e-mail address and submit.

## REAP WBC Receives a WealthSpring Grant

Funds will be used to develop a "Bookkeeping Basics for Business Success" curriculum

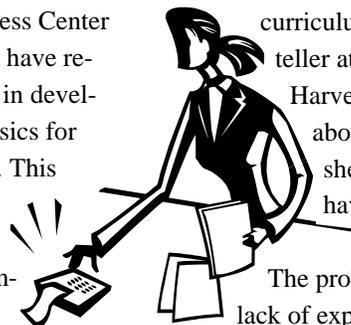
The REAP Women's Business Center is pleased to announce that we have received a \$1,500 grant to assist in development of a "Bookkeeping Basics for Business Success" curriculum. This grant was provided by The WealthSpring Fund, an affiliated fund of the Nebraska Community Foundation.

WealthSpring is a statewide fund dedicated to the economic self-sufficiency of women and their families. This fund focuses on the issues of entrepreneurial training, banking skills, budget and financial management, financial literacy, education and training needed for employment or advancement, and work-related child care needs. This funding was provided by the Cooper Foundation of Lincoln.

Bookkeeping assistance is one of the most requested trainings with REAP WBC surveys. Correctly learning to set up the business owners' books is critical to the success of the business. This project will further the work of the WealthSpring Fund by offering a needed entrepreneurial training that will facilitate the success of women business owners.

REAP WBC is approved as a Women and Company Equity Fund Awardee (funded by Citigroup Foundation). The target group for that award is low to moderate-income women business owners. Matching funds for this WealthSpring application will come from the Women and Company grant.

REAP Staff will collaborate with *Connie Harvey*, owner of Efficiency Counts in Hastings, Nebraska, who will be the primary developer of the new



curriculum. While working as a teller at a local bank, Connie Harvey became concerned about frequent problems she saw small businesses having in managing their finances.

The problem often was not a lack of expertise or enthusiasm about the work of the business, but ineffectiveness in keeping track of customers, inventory, transactions, bills, bank accounts, etc. So while getting her degree at McCook Community College (an AA in Business with an Accounting Emphasis), Connie took an entrepreneurship class and drew up a business plan for a small business aimed at helping other small businesses succeed. That was the origin of Efficiency Counts.

Connie also taught two bookkeeping sessions at the Center for Rural Affairs' MarketPlace: Opening Doors to Success small business conference in Kearney last year. You can read more about MarketPlace 2008 and Connie on page three of this newsletter.

**Contact:** Monica Braun, 402.643.2673 or [mbraun@windstream.net](mailto:mbraun@windstream.net) for more details about the WealthSpring grant.

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## CALENDAR



- 8/10, 10/29, **From Product to Profit seminar**, Food Processing Center at UNL, Lincoln, NE. Contact Jill Gifford, 402.472.2819 or [jgifford1@unl.edu](mailto:jgifford1@unl.edu).
- 10/1, **Spanish language version, From Recipe to Reality seminar** in Omaha. Food Processing Center at UNL, Lincoln, NE. Contact Jill Gifford, 402.472.2819 or [jgifford1@unl.edu](mailto:jgifford1@unl.edu).
- 9/25, **Successful Business Transition Dinner Program**, Speakeasy, 72993 S Road, Holdrege (between Holdrege and Wilcox) beginning at 6:30PM. **Registration is required by September 18, 2007.** Contact the Holdrege Area Chamber of Commerce at [chamber@holdrege.org](mailto:chamber@holdrege.org) or 308.995.4444 or The cost for the evening is \$15.00/person.
- 10/6, **81 Miles of Shopping along Highway 81** will feature unique products made by Nebraska Craftsmen and Artisans. To participate as "seller," contact Revitalize Geneva at 402.759.1155 or Jerri at 402.759.3943. Twelve communities are participating in the Highway 81 promotion, including Chester, Belvidere, Hebron, Bruning, Strang, Geneva, Fairmont, McCool Junction, York, Benedict, Stromsburg, and Osceola.

## SBA Offers New Patriot Express Pilot Loan

This initiative is aimed to streamline business loans for military members and veterans

The U.S. Small Business Administration (SBA) has created a new streamlined loan program for the nation's soldiers and their families. Called the Patriot Express Pilot Loan Initiative, it is available to military community members including veterans, service-disabled veterans, service members leaving active duty, Reservists and National Guard members, spouses of any of the above, and the widowed spouse of a service member or veteran who died during service or of a service-connected disability.

SBA has seen strong interest from the lending community for this initiative. More than 150 banks have been approved to participate in Patriot Express, including many of SBA's largest lenders. More lenders continue to apply every day.

Loans are available up to \$500,000, with differing collateral requirements and interest based on the size of the loan and individual bank requirements. The Patriot Express Pilot Loan Initiative can be used for most business purposes. Details on the initiative can be found at [www.sba.gov/patriotexpress](http://www.sba.gov/patriotexpress).

## AEO Conference Unveils a Surprise Guest

Kansas City, Missouri, was the setting for the 2007 Association for Enterprise Opportunity (AEO) Conference on May 15-18, 2007. A majority of REAP staff attended this training event. The AEO Conference is the best opportunity for us to learn the newest innovations in microenterprise programming; expand our skills related to existing program offerings; and network with an international attendance of other practitioners, programs, and funders.

Nobel Peace Prize winner Dr. *Muhammad Yunus*, a pioneer in the strategy of micro credit for the poor in his native Bangladesh, made a surprise visit, telling the nearly 600 attendees not to underestimate the capacity of human beings. He also told how the concept of micro credit is bringing a new generation out of poverty in his country.

REAP is respected both nationally and internationally. Many U.S. programs were derived in part by examining REAP's model. This respect is totally in relation to the dynamic entrepreneurs who participate with REAP. This participation makes REAP a great program and is what motivates us all.

## REAP Hispanic Business Specialist Position

The Center for Rural Affairs is in the process of hiring a new REAP Hispanic Business Specialist. The new staff position will help to scale up our present work with the REAP Hispanic Business Center.

**Position Description:** This is a **bilingual position**, and the successful candidate must have the ability to speak fluent Spanish and English. The Hispanic Business Specialist will primarily aid in the development and expansion of small businesses in rural Nebraska. This person will assist in packaging and making small loans and will provide business management education and technical assistance.

This is a full-time position with a starting salary of \$35,672 plus company-paid benefits. The REAP Hispanic Business Specialist must be located in the Panhandle or Southwest/Central Nebraska and must have a reliable vehicle. May work from home.

**To Apply:** Send a resume and cover letter (specifying small business management experience) to *Tricia Darnell*, Center for Rural Affairs, Box 136, Lyons, NE 68038; or email [trishd@cfra.org](mailto:trishd@cfra.org); or FAX 402.687.2200 **by August 24, 2007**. Further information about this position is available at [www.cfra.org](http://www.cfra.org). EOE

## Opportunity for REAP Members - Highway 81

Have you heard of 81 on 81? Eighty-one Miles of Shopping along Highway 81 is scheduled for Saturday, October 6, 2007. Communities along Highway 81 will feature unique products made by Nebraska Craftsmen and Artisans. If you are interested in participating in this event as a "seller," please contact *Revitalize Geneva* at 402.759.1155 or *Jerri* at 402.759.3943.

If you are interested in checking out the event as a shopper, see a list of participating communities in the Calendar section on this page. Start Christmas Shopping early!!

## MarketPlace: Opening Doors to Success 2008 Will Be Even Better

The second annual MarketPlace small business event is coming to the New World Inn in Columbus, Nebraska on Wednesday, February 27, 2008. Following on the heels of a very successful first year, we are working to make MarketPlace 2008 even better.

**“More Time for Networking!”** :: Event participants want to be able to peruse the 50+ displays in the Exhibit Hall, learn from other small businesses and service providers, and network with one another. We are planning extended breaks for 2008, and more small business participation in the exhibits.

**That means more time to shop.** :: The MarketPlace Store will be expanded to make room for even more high-quality products and services from small rural Nebraska businesses.

**“Repeat some of your teach-ins.”** :: Popular teach-ins from last year included sessions on marketing, finance, and bookkeeping (see the interview below for a presenter’s feedback). This

year we intend to run some sessions twice to enable participants to attend the short educational classes they are most interested in.

Tracks are being shaped for entrepreneurs with ideas for start-up businesses, established businesses, agricultural businesses, youth businesses, and a special track for Hispanic entrepreneurs with sessions conducted in Spanish. We’ll also have sessions covering a host of technology topics, ideas for entrepreneurial communities, and practical rural policy perspectives.

**For more information.** :: Contact REAP WBC Director *Monica Braun*, 402.643.2673 or send her an email at [mbraun@windstream.net](mailto:mbraun@windstream.net). And be sure to check the Center for Rural Affairs website, [www.cfra.org/maketplace/home](http://www.cfra.org/maketplace/home) often as MarketPlace ’08 takes shape.



*This photo from the MarketPlace 2007 conference shows attendees networking in the Exhibit Hall.*

## “Keeping Afloat” Helps Employees to Make Ends Meet

Good employees are hard to find and harder to keep, especially if they face financial challenges outside of work. The Nebraska Appleseed center sponsors a project, *Keeping Afloat*, which partners with small businesses to connect employees with child care subsidies, food stamps, Medicaid and children’s health insurance, and the Earned Income Tax Credit.

*Rebecca Gonzales* of the Appleseed Center says helping workers to access these services helps both the employee and the small business. “By providing additional income and support to employees, these benefits help small businesses reduce absenteeism, retain employees, and create a more stable work environment.”

Nebraska Appleseed has a tool kit for small business employers and employees that describes these four programs, includes suggestions for simple ways employers can help their employees access these benefits, and explains how employees can apply. For more information or to receive tool kits, contact Rebecca Gonzales at [rgonzales@neappleseed.org](mailto:rgonzales@neappleseed.org), or 402.438.8853.

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## Connie Harvey, Efficiency Counts Business Owner, Shares Her Impressions of the MarketPlace Conference

REAP business woman *Connie Harvey* co-presented two workshops at the first MarketPlace: Bookkeeping Basics Part I and Part II. She also served on the advisory committee and was an exhibitor. REAP staff are integrally involved in planning and participating in this entrepreneur-focused event, so REAP WBC Director *Monica Braun* interviewed Connie to get her impressions of the event.

Connie said of the day, “I felt like participants were getting answers they needed. They were making connections and there was a “spirit of collaboration” which was exciting. The low cost was even proof of this spirit, and I’m sure there was an increased awareness of available services, especially to those in rural areas.”

Relying on her strong ability to network, Connie made numerous business contacts throughout the day. “I handed out 150 business cards. I now have emails from attendees who are viable clients and desire to set up an appointment. I have met with two who have become clients.”

Because of her expertise, Connie is helping REAP design a bookkeeping curriculum especially for small businesses (see story on page one). She generously gave her time to answer the questions of visitors to her booth. Connie said, “I was surprised by the strong response by many of the participants in my workshops. Many came up after the session or to my Exhibitor Booth and asked specific questions. One said, ‘Come groom my QuickBooks.’ I’d never heard it put that way!”

Connie is serving on the MarketPlace 2008 advisory committee.

**QUESTIONS?**

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The REAP Women's Business Center is funded in part through a cooperative agreement with the US 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.



U.S. Small Business Administration

REAP and the Women's Business Center are programs of the **Center for Rural Affairs**. Established in 1973, the Center for Rural Affairs is a private, nonprofit organization working to strengthen small businesses, family farms and ranches, and rural communities through programs addressing social, economic, and environmental issues.

**SBA Launches Online Course & Assessment**

Called "Small Business Primer Strategies for Success," the new training resource is free

The U.S. Small Business Administration has a new online training resource. The **Small Business Primer Strategies for Success** online training is a free course designed to assist individuals who are thinking about starting a small business or who are in the early stages of running a business.

The Small Business Primer is a self-paced assessment tool that focuses on three key areas to help small business owners (1) determine their business readiness, (2) provide an overview of basic small business principles, and (3) introduce them to key SBA resources for small business counseling and training.

The Small Business Primer is available through the SBA's Small Business

Training Network, a virtual campus of business courses, trainings, education resources, learning tools, and information assistance at [www.sba.gov/training](http://www.sba.gov/training). It features an interactive assessment tool to help evaluate readiness for starting a business and walks participants through the key steps of business start-up.

The business topics reviewed include business planning, legal aspects, financing, and marketing. In addition, the course provides links to more than 40 targeted resources and small business tools, such as a business plan template and an automated balance sheet guide. The course also offers direct access to online counseling through SCORE, as well as to other SBA resources partners.

**Successful Business Financial Priorities**

Small business means big things for rural Nebraska towns and communities, and the success of these businesses is vital. All businesses will transfer at some stage of their life cycle. Two out of three businesses lack a written strategic plan for business succession, and most companies have no plan of any kind.

Do you know where your business is headed? Would you like to find out where to start on the road to succession? A dinner meeting designed for business owners and farmers to discuss these issues will be conducted on Tuesday, September 25, 2007, at the Speakeasy, 72993 S Road, Holdrege (between Holdrege and Wilcox) beginning at 6:30PM.

**Registration for the September 25 event is required by September 18, 2007,** and may be made by contacting the Holdrege Area Chamber of Commerce at 308.995.4444 or [chamber@holdrege.org](mailto:chamber@holdrege.org). The cost for the evening is \$15.00/ person.

**CENTER for RURAL AFFAIRS**   
Rural Enterprise Assistance Project

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**REAP: Strengthening rural communities through small, self-employed business development.**