

# COAST

## COMMENTS

Volume 19, No.1

SPRING 2006

PACIFIC COAST REGIONAL SMALL BUSINESS DEVELOPMENT CORPORATION (PCR)

### Honey's Kettle Fried Chicken

## A New Old-Fashioned Company



**H**oney's Kettle Fried Chicken is a family-owned concept restaurant which recaptures the lost art of kettle-cooking, with a

specially formulated batter and original family recipes to deliver high quality dine-in or take-out fare. Honey's was established in 2000 by owners Vincent and Arlene Williams out of the ashes of a Golden Bird franchise. Although battered fried chicken is Honey's claim to fame, they also serve fish, vegetable skewers, buttermilk biscuits, baked pies and fresh-squeezed lemonade.

PCR was proud to assist Honey's Kettle with the expansion from their flagship Compton store to their new location in downtown Culver City. The expansion created 20 new jobs in the community. Downtown Culver City is experiencing a revitalization as a mini entertainment-industry center. Recently featured in an issue of *Los Angeles Magazine's* "Cheap Eats, 25 restaurants under \$25"... **Honey's Kettle is a great place for 'dinner and a movie.'**

**Honey's two locations are at  
9537 Culver Blvd, in Culver City  
and  
2600 E. Alondra Blvd, in Compton**



PCR's Board of Directors enjoys the fare at Honey's for their December Board meeting.

**Community outreach takes PCR to the City of Compton  
Join the City of Compton, PCR and  
Representatives from the SBA  
Come ready to apply for funding**

**RSVP Compton Chamber of Commerce (310) 631-8611**

**March 16, 2006**

**Martin Luther King Jr. Transit Center  
300 North Willowbrook Avenue  
Compton, CA 90220**

**"COMMUNITY ENTERPRISE LOAN (CEL)"  
Microenterprises, Minorities & Women Owned Businesses  
Contact: Teke Negus, 213 739-2999 x. 223 for more information**

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## Small Business Administration “Business of the Year” Winners

Small Business Administration compiles a statistical profile of the companies chosen as winners of the Small Business of Year Awards. The highlights from this year’s list:

- \* The winning companies have been in business for an average of 12 years. The oldest business was founded in 1964, and the newest business began in 2002.
- \* More than half of the businesses are family owned and operated, and 48 percent of the owners employ members of their families.
- \* The government is big business for small business. Of the winners, 43 percent sell goods or services to federal government.
- \* On average, these companies employ 80 people each. The smallest business employs two, and the largest employs 321.
- \* Of the winners, 26 percent export goods and services, and 62 percent of the remainder plan to get into exporting within the next two years. The most frequently noted trading partner is Canada.
- \* Virtually every business is high-tech equipped. All businesses use e-mail and the Internet, and 89 percent have a company Web page. Also, 58 percent use the Internet for e-commerce.

### TECH TIPS

If you own a Personal Computer “PC”, you’re probably concerned about security and protecting yourself from hackers. But how do you do this? Follow these tips:

- \* Stay current on patches and updates. The two places to go to keep current are [www.Microsoft.com/security](http://www.Microsoft.com/security) for PC’s For Macs visit: [www.Mac.com/support](http://www.Mac.com/support).
- \* Buy anti-virus software. This will protect you from viruses and worms on the Internet.
- \* Put up a firewall. Go to [download@McAfee.com](mailto:download@McAfee.com) or [www.Symantec.com/downloads](http://www.Symantec.com/downloads).
- \* Check the Help or Tools menu of your web browser to up your security level. You may lose some options on Websites, but you’ll be more secure as you surf.
- \* Be careful when using wifi. Beware of evil twin” hot spots. Make sure you are connected via a real hot spot; otherwise all your personal information can be pilfered.
- \* Back up everything on your computer via an external hard drive. That way, in case anything goes wrong, you won’t lose files that are important to you.
- \* Suspicion is a good thing. Don’t open e-mails with attachments that you are unsure of. Don’t put anything on your computer unless you know -and trust -whom it came from.
- \* Never share files. They can carry viruses, worms and other modes of electronic attack.

### SCORE

#### Small Business Counseling

##### What to expect from SCORE:

*A confidential, business counseling session with a SCORE volunteer counselor, who has the business experience you need to address your questions.*

*An assignment to help you think through your business challenge or opportunity, and a follow-up appointment to be set at your first counseling session.*

*Follow-up from your SCORE business counselor, checking in on your progress and offering additional assistance.*

**Call our office,  
make an appointment,  
take advantage of this service.  
213 739-2999, Ext. 228**

## Everything You Always Wanted to Know About Business Insurance

**B**usiness Insurance is your Safety Net. It can be used to minimize, if not delete your vulnerability to predictable and non-predictable occurrences. The insurance you will be purchasing for your business can be categorized into two coverage: the first is Property and the second is Liability.

Property coverage in the insurance policy is comprised of **Two Parties**, the insurance company and business owner. Hence, you may hear this coverage being referred to as **Two Party Coverage**, a contract between the insurance company and the insured party. This coverage insures against physical loss through covered perils (fire, water damage, thief, rain driven wind, and pipe freezing). The only way this contract becomes third party coverage, is if there is fraud by either party, then law enforcement intervenes and generally the contract is voided.

Liability coverage is a **Three Party Coverage**, a contract between the insurance company and the business owner as well as the **Public**. This contract will force the insurance company to respond to all covered perils due to negligence to the public, hence creating the third party, the **Public**. Liability coverage is treated the same as in the Property coverage, this coverage can have an additional party in cases of fraud by either party, which may void the contract.

Now that we have reviewed the above two coverages, let us examine some of the situations that may confront your business in the areas of compliance and knowledge of the contract's performance. Property insurance basically only requires you to maintain the property and carry limits that are within 10% of its replacement value or actual cash value. Liability insurance is more intricate, every time you sell your service or product to the public you have entered an implied contract that through your negligence they will not be harmed or injured through use of your product or service. If you are accused of negligence in your labor or product, the courts generally have the final judgment in these situations. Nonetheless, your insurance contract will afford you counsel in these proceedings. The only exceptions would be if: 1) The action is excluded from the policy or 2) you the insured created fraud. This is a very important point to understand if not the most important in this insurance contract. Your liability coverage is **All Risk**, which means everything is covered, except those items which are specifically excluded. Hence, it is very important, that you glance through those exclusions because this is where your coverage is provided.

Now that you are a business, you are a legal entity that carries liability. You do not want to carry someone else's liability. One way to minimize this occurrence, is

by doing business with businesses or individuals who are also covered. For this reason, you should make certain that there is sufficient insurance coverage in place, and you are designated as the additional insured party, and not just named on a certificate (this is not a legal part of the policy or contract) but by numbered endorsement. However, there are situations where being named as additional insured is not enough, you may require a separate policy that will entitle you to lawyers, with your single interest in mind. One last point regarding protecting yourself from being exposed to others legal liability: when you are asked to sit on Board of Directors of corporations you have exposed all of your individual assets to the decisions made by that board, therefore it is vital that you make sure that there is a Directors and Officers policy in place with sufficient limits to protect you and your assets.

If you are a start-up business and need information regarding your insurance needs please e-mail a description of you business to [gksamuels@earthlink.net](mailto:gksamuels@earthlink.net) and we will be happy to assist you in your efforts. If you currently have business insurance and need quotes or analysis of your insurance program call Unison Insurance @ (877) 937-4832.



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our community a better place.

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LET US MAKE A FAN OUT OF YOU.

# Training For Small Business Owners

## Offers



- Low cost business assistance training through the Entrepreneurial Strategic Planning (**ESP**) Program.
- Intimate, personalized instruction in key areas of business management including financing options, computerization, new business strategies, new ways of organizing work, and other changes in the business world especially designed for the small business owner.
- Certificate awarded to each participant upon completion of the program.

## Costs & Requirements



- Open to existing and potential entrepreneurs.
- **\$200 Registration fee due by March 31, 2006**

**PCR is one of Los Angeles' oldest non-profit business development organizations, providing finance, consulting and training to businesses throughout Southern California.**

### Financing

- State Loan Guarantee Program  
Maximum Guarantee \$500,000
- SBA Micro Loans up to \$35,000
- Economic Development Administration (EDA) Financial Restructuring Assistance Program
- State Bond Guarantee Program
- State Disaster Assistance

### Consulting through SCORE (Service Corp. of Retired Executives)

- One on one professional consulting on business challenges, Expansion, Finances, Business Planning
- Business Resource Materials

### Training

- Classes on core business topics
- ESP-Entrepreneurial Strategic Planning - A dynamic nine week, all-inclusive course designed to help business owner's kick-start growth and achieve success.



Pacific Coast Regional  
Small Business Development Corporation  
3255 Wilshire Boulevard, Suite 1501  
Los Angeles, CA 90010  
(213) 739-2999 • [www.pccorp.org](http://www.pccorp.org)

<b>CURRICULUM FOR APRIL 18, 2006 – JUNE 15, 2006</b>		
<b>Quantum Leap to Success</b> <i>April 18 and April 20, 2006</i>	<b>6 hours</b> (2 three-hour sessions) 7:00 p.m. – 10:00 p.m.	<b>Vernon Webb</b>
<b>Financial Literacy</b> <i>April 25, 2006</i>	<b>3 hours</b> (1 three-hour session) 7:00 p.m. – 10:00 p.m.	<b>C. Anderson</b>
<b>Managing Your Business Effectively</b> <i>April 27 and May 2, 2006</i>	<b>6 hours</b> (2 three-hour sessions) 7:00 p.m. – 10:00 p.m.	<b>Frank Sutton</b>
<b>Developing Your Business Plan</b> <i>May 4, May 9 and May 11, 2006</i>	<b>9 hours</b> (3 three-hour sessions) 7:00 p.m. – 10:00 p.m.	<b>Teke Negus</b>
<b>Marketing Your Business</b> <i>May 16 and May 18, 2006</i>	<b>6 hours</b> (2 three-hour sessions) 7:00 p.m. – 10:00 p.m.	<b>Suzanne Lawrence</b>
<b>Employee Development/Customer Relations</b> <i>May 23, 2006</i>	<b>3 hours</b> (1 three-hour session) 7:00 p.m. – 10:00 p.m.	<b>Rosita Odom</b>
<b>Small Business Resources on the Internet</b> <i>May 25, 2006</i>	<b>3 hours</b> (1 three-hour session) 7:00 p.m. – 10:00 p.m.	<b>Sherice Bellamy</b>
<b>Recordkeeping/Accounting</b> <i>May 30 and June 1, 2006</i>	<b>6 hours</b> (2 three-hour sessions) 7:00 p.m. – 10:00 p.m.	<b>Jeffrey Hill</b>
<b>Analyzing Your Financial Statements</b> <i>June 6, 2006</i>	<b>3 hours</b> (1 three-hour session) 7:00 p.m. – 10:00 p.m.	<b>Farid Haqq</b>
<b>Financing Your Business</b> <i>June 8 and June 13, 2006</i>	<b>6 hours</b> (2 three-hour sessions) 7:00 p.m. – 10:00 p.m.	<b>Farid Haqq</b>
<b>Business Strategies and Projections</b> <i>June 15, 2006</i>	<b>2 hours</b> (1 two-hour session) 6:00 p.m. – 8:00 p.m.	<b>Teke Negus</b>

**FOR MORE INFORMATION AND REGISTRATION CALL:**

**(213) 739-2999, ext. 228**

**Limited Attendance... Enroll Now!**

**Website [www.pccorp.org](http://www.pccorp.org)**

## **Have You Considered Buying a Franchise?** *Al Portnoy, SCORE Counselor*

**F**ranchising is one of those good news-bad news stories. For some it will lead to a comfortable living while for others it will be a Disaster.

What makes the difference?

First, a quick tutorial on franchising. The word “franchise” literally means to be free. Thus you have the opportunity to own, manage, and direct your own business. You can do so under a “franchise agreement” with another party called the “franchisor”. The franchisor has the business experience and is willing to share that knowledge with you as well as the use of his branded name for an upfront fee, royalties on your revenues and usually contribution to an advertising fund. The largest recognizable franchisors are in the fast food industry.

It is important, before anyone commits to open a business, whether it be franchised or independently owned, that you do upfront research. What does that mean? It means that you find out about “research”- all the factors that may affect your business. As a prospective franchisee it not only means what will be my competitive position but what kind of partner will my franchisor turn out to be. It is this research that is the answer to the question posed above.

Some of the important questions you should be asking of yourself and others are:

- \* What type of business experience should I have to operate this business? The franchisor will supply me with an operating manual and give me training-(a must), but is this enough? How about talking to other franchisees of the franchisor. What has their learning experience been like and are they profitable? Is the franchisor dedicated to helping his franchisees succeed?
- \* Can you communicate with the franchisor quickly and effectively? Do they develop new marketing and product programs aggressively?
- \* Can I put in the necessary hours to build a successful business and will my family be willing to make the commitment to support me in this endeavor?

You get the picture-look before you leap-often you will be investing your life savings.

Federal regulations require a franchisor to offer to prospective franchisees an extensive disclosure document called the Uniform Franchise Offering Circular. It includes 23 categories of information with a lot of legalese and accounting information. It’s worth the cost to hire a lawyer and an accountant to walk you through and explain yours’ and the franchisor’s obligations


to each other and interpret the financial information.

What else can I do in my “upfront research”? Contact the International Franchise Association (IFA)-[www.franchise.org](http://www.franchise.org). You can purchase an “IFA Franchise Opportunities Guide which lists franchise opportunities as well as other publications you might find helpful. A trip through Google will show you many other websites to assist you.

Franchising can be and is rewarding to many people. There are an estimated 320,000 retail units operating under a Franchise system in the United States. Franchising has been implemented in more than 70 industries. Find the right one for you.


**For additional information call our offices and schedule an appointment with a SMALL BUSINESS ADMINISTRATION SCORE Counselor.**

**Appointments available on Mondays from 9:00 AM until 12:00 PM.**



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and the  
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*Wake up with a smile and go after life...  
Live it, enjoy it, taste it, smell it, feel it.*

JOE KNAPP

*When you accept tough jobs as a challenge to your ability and wade into them with joy and enthusiasm miracles can happen.*

ARLAND GILBERT

*Let us be of good cheer...remembering that the misfortunes hardest to bear are those which never come.*

JAMES RUSSELL LOWELL

*The closer one gets to the top, the more one finds there is no "top."*

NANCY BARCUS

*My world is made meaningful not by what I can evaluate and define, but by what I can appreciate and adore. I find there is a profound difference in what I find interesting and what I find important.*

ANN E. HOSSLER

*When we grow old, there can only be one regret: not to have given enough of ourselves.*

ELENORA DUSE

*I don't believe in failure, It is not failure if you enjoyed the process.*

OPRAH WINFREY

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It's quite simple, really. The Small Business Administration loan process with Comerica. Our team of SBA loan specialists really know the business of SBA. And as an SBA Preferred Lender, we're able to streamline the approval process down to just a few steps – so you'll get a much faster response. You can act sooner on important things such as financing start-ups, purchasing fixed assets or purchasing building. To set up an appointment with one of our SBA specialists, call us today at 1-800-888-3595. It's as simple as that.



**We listen. We understand. We make it work.®**

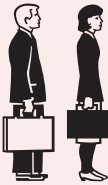


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Pacific Coast Regional (PCR)  
Small Business Development Corporation  
Small Business Consultants Program

**We provide free mentoring, guidance and counseling to maximize the success of our community's existing and emerging small businesses. Call to Schedule a Meeting with a SCORE Counselor.**

Got a question about starting your own business? Need advice on writing your business plan? Or just want to discuss a business related **QUESTION** or **IDEA**? PCR's **Small Business Consultants** can be of service to you.

## This Service is Free

Which includes a free small business start-up guide and other available materials

### All Follow-Up Sessions are Absolutely Free

Appointments are scheduled for **Mondays from 9 a.m. to 1 p.m.** Consultants meet with you one-on-one and answer questions on various subjects including:

- Budgeting
- Business Planning
- Insurance
- Licenses
- Loan Packaging
- Taxes

**To Schedule An Appointment Call  
(213) 739-2999 ext. 228**

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## PCR Mission Statement

Pacific Coast Regional Small Business Development Corporation ("PCR") delivery of financial services, educational and management counseling services to any small business in need.

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