

“Employee Profit Sharing”

Dinner / Workshop Event

January 31st there was a dinner / workshop hosted by the Business Owners Association. The workshop facilitator was Lewis Matuszewich, Attorney at Law for Matuszewich, Kelly & McKeever, LLP. The purpose of the workshop was to discuss the topic “Employee Profit Sharing Plans – Pros and Cons”. There were over 30 participants. After Attorney Matuszewich’s presentation, Jeff Jeffrey of IRMCO addressed the audience to convey his business’s structure and how they practiced profit sharing with their employees.



After each of the facilitators spoke, each table of 8 was asked to discuss, for approximately 20 minutes, their experiences and understandings of the topic. Each group selected a spokesman to report their findings, ask questions and share experiences.

This workshop is the first in a series designed specifically for “Second Stage Business Owners” (i.e. relatively larger, more established businesses) and participants of the “Business Owners Forum”. The next dinner / workshop is scheduled for early April.

Thank You to our Sponsors Bank Calumet, BelCorp Inc., and the Coleman Foundation, Inc.

February 2006

Inside this Issue...

Dinner/Workshop 1
Seminar Event 1
Small Bus. Inst..... 1
Buy Sell Agreement ... 2
Sounding Board 2
Source of Bus. Ideas ... 2
Italy E-Program 3
E20s Transition..... 3

Upcoming Networking / Seminar

“Information Technology Survival Guide”

Learn how your business can survive and thrive through the use of Information Technology

Speaker: Joe Vangsness,
President, Vangsness Consulting

When: Wednesday, March 8, 2006

Where: E-Center
1267 169th Street, Hammond, IN

Time: 5:00—6:30 PM Networking
6:30—8:00 PM Seminar

Cost: Free—Networking Event
Beverages and Hors d’oeuvres

\$10—Seminar

(Sustaining and Charter members attend Free)

RSVP by calling 219-989-2100

SMALL BUSINESS INSTITUTE RESTARTED!!

Purdue University Calumet is pleased to announce that the Small Business Institute (SBI) has now been re-started. What does this mean to members of the Business Owners Association?

Under the SBI each semester a few select companies get the opportunity to be “client companies” which receive consultation from “student consulting” teams. This happens each semester and at the end each of the “client companies” receive a Consulting Report, and the students receive a grade as part of the course entitled, Entrepreneurship 300.



Selection of “client companies” is given first to BOA members, primarily those who are Sustaining or Charter members.

If you are interested call us at 219-989-2100.

“BUY AND SELL” AGREEMENT

by Hilda Perez

As four self-employed individuals were golfing, one asked, “Have you heard that since Ernie’s death, Ralph has a new partner?” “How can that be? They were partners for over 20 years, who could Ralph had partnered with so quickly?” “It seems that at Ernie’s death, there was no buy-sell agreement, and his wife had the right to his half of the business. What’s worse is that she has already begun to shift employees and is trying to restructure the business.”

If business partners don’t plan accordingly, they can end up with their partner’s family as their new partner. This scenario occurs more often than we think. You can protect your business’ livelihood with a “Buy and Sell” agreement. This agreement created by the partners, allows that at the time of death, the partner’s family is “bought out”. The agreement is funded by a life insurance policy and it is very easy to acquire.

For more information please contact



Hilda Perez—Agent
 American Family Insurance
 1618 S. Blue Island
 Chicago, IL 60608
 Office: 312-850-0005
 Fax: 312-850-0158
 Email: hpere1@amfam.com

SOUNDING BOARD

A special thank you to all those who have volunteered their time to be consultants for the “Sounding Board” service.



If you have any issues or concerns about your business that you wish to discuss with other business-owners in confidence, feel free to call us to schedule your session.

“The Source of Business Ideas”

Do you recall seeing a new product or service in a store, or maybe hearing about an idea on radio or television, and thinking, “Now, why didn’t I think of that?” In fact, most of the ideas that are turned into new businesses, or result in “new and improved” products and services, come from information and observations that we are surrounded by every day. Does it seem to you that successful business owners must possess unusual powers of observation or use top-secret strategies unknown to anybody else when seeking ideas for new businesses or innovations to their existing businesses? It’s far more likely that these people have learned to pay attention to the cues that are around them and to ask many questions of things that most people take for granted, such as the way Dave Kapell did when making Magnetic Poetry. This search and capture of new ideas that lead to business opportunities is called opportunity recognition. Researchers in the field of entrepreneurship and small business believe that opportunity recognition behavior is the most basic and important entrepreneurial behavior.

The exact reasons why entrepreneurs seem to be better able to find ideas that work are unclear. The notion of entrepreneurial alertness is one that has captured the attention of scholars in the field. This phrase means that entrepreneurs have a special set of observational and thinking skills that help them identify good opportunities. Some overlooked, without actually launching, a formal search for opportunities. Others suggest that we also consider the motivations of entrepreneurs to search for new ideas. For example, if an owner of a fast-food restaurant notices that customers are asking for substitutions of healthier ingredients to the food items, she may be motivated to contact her suppliers to ask about obtaining new ingredients and to change the menu and increase the healthy offerings on the menu to keep customers satisfied, possibly bringing in more customers.

Ideas for new businesses come from a great variety of sources. A person who desires to start a business may begin searching for opportunities that exist in the marketplace, perhaps as a way to use skills and knowledge that he or she has acquired in college or in work experience. In the nationwide Panel Study of Entrepreneurial Dynamics, a sample of 480 entrepreneurs were asked whether the business idea or the decision to start some kind of business came first:

What Came First for New Businesses?

Business idea	37%
Decision to start a business	42%
Idea and decision were simultaneous	21%

Katz, Jerome A., and Richard P. Green. *Entrepreneurial Small Business*. New York: McGraw-Hill/Irwin, 2007. 79.



And
Business Owners Association

DEADLINE EXTENDED!!

The Business Owners Association is proud to announce that we have finalized negotiations with Dr. Cindy Iannarelli, President of **Bernelli University, Italy** on a unique Entrepreneurial Education experience. The entrepreneurial program focuses on developing skills in the following areas: Leadership Strategies, Cross Cultural Management, Interdisciplinary, and with a special emphasis on Team Building.

Program Itinerary:

Sunday July 2—Arrive in Verona, Italy
Monday thru Saturday—Morning classes; Afternoons interactive activities with participants and local entrepreneurs.
Sunday July 9—Graduation ceremony and reception
Monday July 10—Depart

Cost for this experience which includes airport transfers, accommodations, program, events, daily breakfast and some other meals, is \$1595. Airfare discounts are available on American and Air France. There is a \$295 nonrefundable deposit due in early March.

For more information go to
http://www.bernelli.edu/nu_upload/2006_Study_Tour_Flyer.doc
OR
www.bernelli.edu

To confirm your participation contact
Joe Kosina at 219-989-2121

CONGRATULATIONS—E20s!!

Congratulations to E20 for completing their program. On Wednesday evening, February 15th, before a packed room they gave their consulting presentations. Tensions were high as each of the three consultant groups competed for the coveted title of “Best Consulting Team”. An announcement of the competition results will take place on Tuesday May 23rd at the Serbian Social Center in Lansing, IL. That evening the winning consultant group and their company will receive special recognition and awards.

We want to thank our judges for evaluating the presentations. Judges were past and current E’s, and invited business owners. Also in attendance were “student consultants” from the Small Business Institute.

Again, we want to congratulate the E20s on the past several months of hard work and for successfully completing the Entrepreneurship Program.



Pictured *Left* are members of the “U.B.S. Consulting” team

Pictured *Right* are members of the “Associates for Business Improvement” Consulting team



Pictured *Left* is a member of the “Streamline Consulting” team