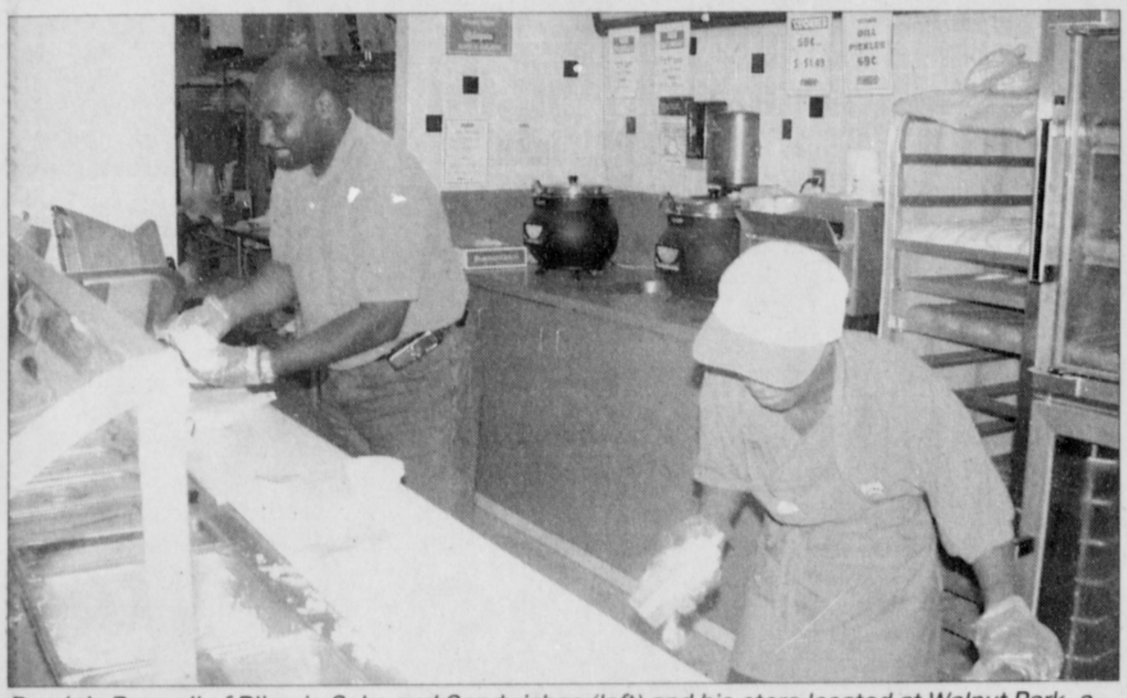
Opportunities, Barriers Exist for Minority Retailers



Dominic Boswell of Blimpie Subs and Sandwiches (left) and his store located at Walnut Park, a shopping center in northeast Portland that houses many other thriving minority-owned businesses.
PHOTO BY MARK WASHINGTON/THE PORTLAND OBSERVER

BY LEE PERLMAN
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What are the chances of making northeast Portland, and especially Northeast Martin Luther King Jr. Boulevard, "the soul of Portland," a thriving minority-owned retail center once again?

Are there would-be minority retailers out there ready to take up the challenge? Are there spaces available for them?

The answer to the first question appears to be "yes."

Sam Brooks, founder of the Oregon Association of Minority Entrepreneurs, says, "We do have them. Some need convincing. Some who have the skills are not eager to go into business for themselves, and others who want to try it don't have the skills to succeed."

Michael McElwee of the Portland Development Commission attests to this. When PDC sought African-American retailers for the Walnut Park Shopping Center at Northeast Martin Luther King Jr. Boulevard and Killingsworth Street, they found more than enough people to fill the space. Some had to be turned away because of lack of space. "We wanted a healthy mix of services," he says. "We didn't want two photo shops or three

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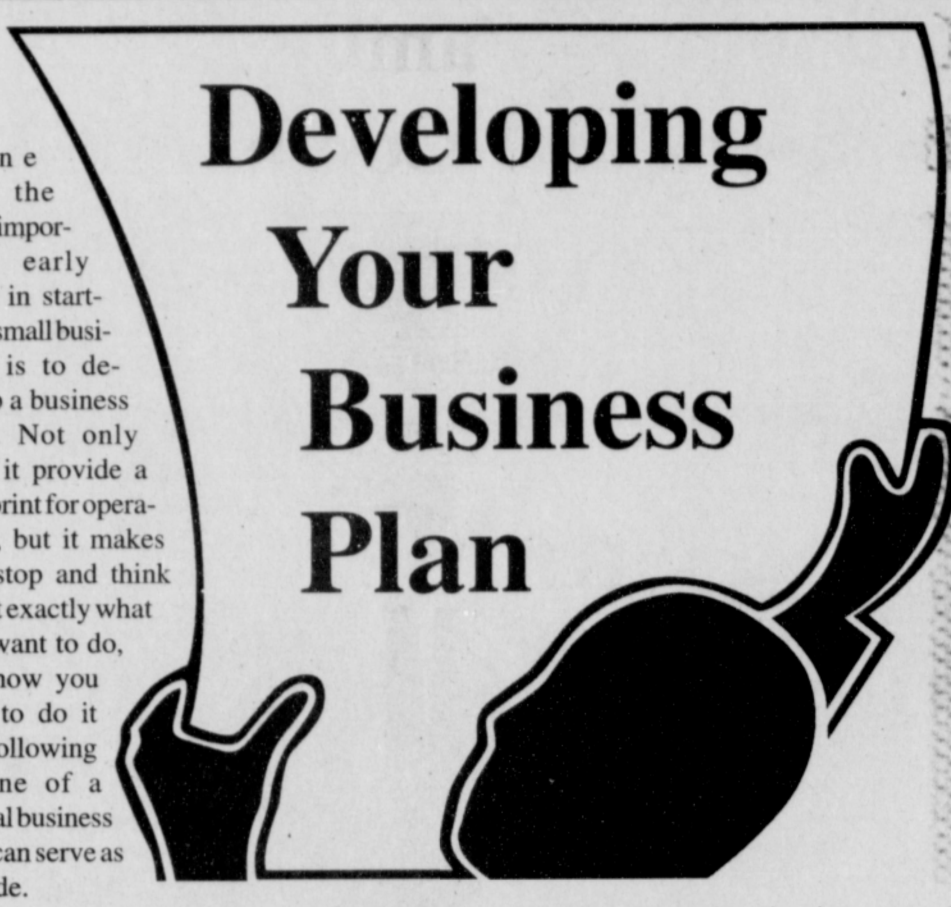

Developing Your Business Plan

One of the most important early steps in starting a small business is to develop a business plan. Not only does it provide a blueprint for operations, but it makes you stop and think about exactly what you want to do, and how you plan to do it The following outline of a typical business plan can serve as a guide.

You can adapt it to your specific business. Breaking down the plan into several components helps make drafting it a more manageable task. In-depth help on developing a sound business plan can be found on the SBA Web site in the section on starting a business.

INTRODUCTION

- Give a detailed description of the business and its goals.
- Discuss the ownership of the business and the legal structure.
- List the skills and experience you bring to the business.
- Discuss the advantages you and your business have over your competitors.

MARKETING

- Discuss the products/services offered.
- Identify the customer demand for your product/service.
- Identify your market, its size and locations.
- Explain how your product/service will be advertised and marketed.
- Explain the pricing strategy.
- Explain your source and the amount of initial equity capital.
- Develop a monthly operating budget for the first year.
- Develop an expected return on investment and monthly cash flow for the first year.
- Provide projected income statements and balance sheets for a two-year period.
- Discuss your break-even point.
- Explain your personal balance sheet and method of compensation.
- Discuss who will maintain your accounting records and how they will be kept.
- Provide "what if" statements that address alternative approaches to any problem that may develop.

OPERATIONS

- Explain how the business will be managed on a day-to-day basis.
- Discuss hiring and personnel procedures.
- Discuss insurance, lease or rent agreements, and issues pertinent to your business.
- Account for the equipment necessary to produce your products or services.
- Account for production and delivery of products and services.

CONCLUDING STATEMENT

- Summarize your business goals and objectives and express your commitment to the success of your business.

Once you have completed your business plan, review it with a friend or business associate or a Service Corps of Retired Executives (SCORE) or Small Business Development Center (SBDC) counselor. (See SCORE and SBDC listings on the SBA Web site.

When you feel comfortable with the content and structure, make an appointment to review and discuss it with your lender. The business plan is a flexible document that should change as your business grows.

For more information on all of SBA's programs for small businesses, go online to www.sba.gov.

Women-Owned Businesses on the Rise

Women-owned businesses in the United States totaled 5.4 million in 1997, an increase of 16% since 1992, according to Census Bureau statistics released recently. This is almost triple the rate of 6% for all firms (excluding publicly held corporations). The businesses employed 7.1 million people and generated $818.7 billion in receipts in 1997. The latter is up 33% from five years earlier, compared with a 24% hike for all firms.

The data shows that in addition to the 5.4 million majority women-owned firms, there were 3.6 million jointly owned (husband-wife) firms with $943.9 billion in receipts. As of 1997, privately held majority women-owned firms made up 26% of the nation's 20.8 million nonfarm businesses and 4.4% of the $18.6 trillion in receipts for all businesses.