

# Small Business Matters

Want more information and resources on this week's topics, ideas and events? Go to [www.cose.org/smallbizmatters](http://www.cose.org/smallbizmatters).



52 TIPS FOR YOUR BUSINESS

## #9: Don't Just Network, Engage!

"There's no denying that building a professional network is critical for successful business owners, and networking is a great way to establish new contacts and engage with and learn from others," says Ed Stevens, Chairman and CEO of Stevens Strategic Communications, Inc. "Social media sites like LinkedIn are helpful networking and promotional tools, but they cannot take the place of face-to-face interactions that allow you to expand your network and cultivate quality relationships." Here are a few sure-fire strategies to connect and engage at your next networking event:

**1. Do Your Homework.** When attending a networking event, preparation is key. Find out who else is going to be there, make a list of people you want to meet, and then do a little research so you can talk intelligently to them about their business. If you're uncomfortable approaching someone, ask someone you know to introduce you.

**2. Set Goals for Yourself.** Networking is not just a race to collect as many business cards as possible; it's about opportunity and making real connections. By setting goals for yourself, for example the number of new contacts you want to make, you can better focus your time and energy on meeting the right people.

**3. Don't Just Talk, Listen.** "You'd be surprised at how much people are willing to share about issues and challenges in the workplace in order to find solutions," says Stevens. "You'll find much more success if you try to help someone solve a problem, even if you are just making a referral or pointing them in the right direction, rather than trying to make a sale."



"I've found that you can't do everything by yourself in business," says Stevens. "If done right, networking is an opportunity to meet knowledgeable people, make connections and exchange solutions. Remember, we are all in this together."

For more tips on engagement through networking, visit [www.smallbizmatters.com](http://www.smallbizmatters.com).

## Business Pitch Competition Deadline Nears

Entrepreneurs with new business ideas and owners of recent start-ups have just two weeks left to enter the Business Pitch Competition presented by COSE. The popular competition offers participants cash prizes totaling \$40,000 as well as invaluable feedback from small business experts. Entering the contest is as easy as providing an executive summary (two pages maximum) and a two-minute video pitch. Entries go through a series



of judging that culminates with the final four plans advancing to the finals in May.

Winning the contest can make a real difference in the successful launch and growth of a new business, just ask the 2014 Business Pitch Competition winner Ryan Schoeneman of Colby Featherbottom's Custom Sound Machines. "Since winning the COSE Small Business Pitch Competition, I was able to purchase the manufacturing equip-

### TIP

Deadline for submissions is **March 19, 2015**. For more information or to submit an entry, log on to [www.cose.org/pitch](http://www.cose.org/pitch).

ment needed to expand and automate our guitar production. With greater automation, Featherbottom Guitars has been able to introduce a new lower price custom guitar line that targets a much wider audience, increasing our sales twofold."

## ASK THE EXPERT

### "How can I build capital for my business?"

Whether you are starting a business or have an existing business that needs additional capital to grow, there are a number of ways to go about building capital. There are different degrees of benefits and risks for each option, so deciding which option is right for you depends on where you are in the business cycle and how much risk you want to take on. Following are four ways to boost your business capital.

**Bootstrapping.** The DIY method of capital investment, bootstrapping is essentially leveraging personal assets to self-fund your business. This capital injection – or "paid-in capital" – requires the owner to make a cash investment in, or loan to, the business. The amount of a loan from the owner will typically be required to be on repayment standby in the event that you require a bank loan or need additional financing in the future. Bank investors always want to know how much of your own money you invested in the business, which shows a level of commitment.

**The Inner Circle.** An alternative means of raising capital is to tap into your network of family and friends. This funding option is a popular

and effective way to raise capital, especially for start-up businesses. These investments are usually structured as loans or as investments in exchange for a small stake in the company.

**Equity Financing.** Equity financing consists of establishing a value for your company and selling equity in the business to investors. This is a popular capital-generation option, especially for high-growth small businesses that are attractive to angel investors and others looking to diversify their investments. This can be a win-win situation in that the business owner gets needed capital, and the investor has an opportunity to get a better rate of return based on your company's growth.

**Debt Financing.** Debt financing is a bank loan used to fund capital investments. There are a good number of ways to borrow money at attractive rates today. Banks will often partner with the Small Business Administration (SBA) to make guaranteed loans to small businesses. There is a common misconception that SBA loans are reserved for start-up businesses, but these loans are abundantly available to new, expanding and rapidly growing businesses.



Chances are, at some point in your business growth cycle, you will need to draw on one or more of these financing options. I advise all business owners to build a team of trustworthy professionals, including a banker, CPA, attorney, and financial advisor to weigh out the options before making any plans to fund your business growth."

WESLEY GILLESPIE, Senior Vice President and Regional Manager of Core Business Banking, FirstMerit Bank

Check out some capital-building resources at [www.smallbizmatters.com](http://www.smallbizmatters.com).

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council of smaller enterprises

March 2

## By The Numbers

Do you believe there will be growth opportunities for your business in the coming year?



Up 9% from July 2013

SOURCE: NATIONAL SMALL BUSINESS ASSOCIATION  
2014 YEAR-END ECONOMIC REPORT

## Owner Resources Workers' Comp Deadlines

Contact COSE now to find out how to save more on Workers' Compensation premiums. Call (216) 592-2351 with questions or to schedule a meeting with a workers' comp professional.



### 2016 WORKERS' COMP DEADLINE DATES TO REMEMBER

Request a Workers' Comp Group Rating Quote:  
MARCH – OCTOBER 2015

Group Rating Quotes Delivered to Businesses:  
JULY – OCTOBER 2015

Deadline to Enroll for 2016: NOVEMBER 18, 2015

## Connection Calendar

### SMALL BUSINESS BOOT CAMP #1 "MONEY MATTERS"

Featured Speaker: Claude Booker,  
Simply Southern Sides

WEDNESDAY, MARCH 11

11:30 AM – 1:30 PM

Crop Bistro

Cost: \$25 COSE Members,  
\$40 Non-Members, Lunch Included

To register, visit [www.cose.org/events](http://www.cose.org/events).

Check out [www.cose.org/events](http://www.cose.org/events)  
for all the latest happenings.