

Staying Connected

For the Alumni of the ECCB's Savings and Investments Course



The BIG BUSINESS of starting a small business

For many of us, following our passion into the world of self-employment is just a dream. For others however, it is a reality. And whether that realisation came about by accident or by intent the issue is not how one got there but rather, what is being done to ensure business success.

“Even if you have never thought about yourself as an entrepreneur, you may already have the characteristics to become one. And even if you don’t, you can develop them –..”

The Accidental Entrepreneur

In her book “*The Accidental Entrepreneur; 52 Things I Wish Someone Had Told Me Before Starting a Business*” Susan Urquhart Brown provides sound

advice on how to move from being an **accidental entrepreneur** to an **intentional one with a thriving business.**

What is an accidental entrepreneur? According to Susan, “*accidental entrepreneurs find themselves working on their own by chance or reluctant choice...The decision to be an entrepreneur comes about gradually, as events change, priorities shift, and the need to make a living creates new needs and new possibilities.*”

Examples include someone who has lost his or her job and decides to fly solo to pay the bills by pursuing a lifelong passion or someone who moonlights after work as a fitness trainer, cake maker or events planner only to realise that this is what he or she wants to do full-time.

Here a few tips from the book:

- “*You don’t have to start immediately. It takes time to plan and once you start your business it takes time to build it up. On average it takes about three to five years to build a solid, successful, profitable business. Make a plan, set your goals and take one step at a time.*”
- *Marketing and selling your product is much easier if you believe in yourself. Base your business on your interests, strongest skills and expertise.*
- *You don’t need to do it all alone. Get support from friends and family, advice from business coaches, colleagues and take advantage of community resources. Don’t fall into the trap of being the “lone wolf.” This is a common mistake new entrepreneurs make. Ask for help when you need it - in the long run you will save time and money!*
- *One size doesn’t fit all when it comes to marketing. Don’t pick the easiest, cheapest tool or just the ones you already know how to do - it may not be best for your business.*
- *Visualize what you want for your business because then you can make it happen.”*

“On average it takes about three to five years to build a solid, successful, profitable business. Make a plan, set your goals and take one step at a time.”

Keeping in mind all the issues identified in the book and others, **Your Financial News (YFN)** sat down with

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"Accidental Entrepreneur" Gene Wallace-Primus, co-owner of I Queen's Ice Cream to discuss the business of starting a business. The objective was to delve into the downside (*struggle and personal sacrifices*) and the upside (*success and prosperity*) of her journey of flying solo.

YFN: Gene welcome to YFN. Let's get right to the point. What started you on the path to entrepreneurship?

Gene: I did not intend to work all my life for someone, so I was always looking for business ideas when I travelled abroad.

The idea to start a non-dairy ice-cream outlet actually came about 6-7 years before I started the business. However, I had to place that dream on the back burner. Both my husband and I were employed full-time back then and so we just did not have the time nor the resources to explore and develop the idea.

YFN: What pointed you into the direction of ice-cream?

Gene: I had been exposed to the food and beverage industry during my college days abroad when I worked at Burger King and I had become familiar with the machines for smoothies and other refreshments.

I knew then that I wanted to start a business venture offering a food product that was ideal for the Caribbean. At that time I did not know exactly what the product would be but, I knew it would be something different, refreshing and appealing to the whole family.

YFN: Why non-dairy ice-cream?

Gene: My family loves ice cream and since we do not use dairy it was a natural choice to select non-dairy ice-cream.

YFN: So you had this idea for 6-7 years and did nothing. What motivated you to start your business when you did?

Gene: It was simply a matter of circumstances. The closure of the sugar industry in St Kitts in July 2005 meant I was no longer gainfully employed at the St Kitts Sugar Manufacturing Corporation (SSMC). That break gave me the time I needed to think and reflect on my business idea. I used that down time to make contact with suppliers and to get my costings together.

YFN: What was the time span between your unemployment and the start of your business venture?

Gene: The sugar industry closed in 2005 July and by April 2006 my husband and I approached a commercial bank for a loan. By

August 2006 we had opened our doors.

YFN: What was your experience like in sourcing financing for your project?

Gene: I was very lucky. At that time the banks were offering assistance to former SSMC workers desirous of entering into the small business arena and so we were able to capitalise on that opportunity. Under the assistance programme we were only required to put in 6% or 7% equity instead of the 11% –15% that would have been required.

YFN:What about your suppliers?

Gene: Everyone really assisted. The government, lending institutions, suppliers and of course my family. I really depended on my family for a lot of support.

We took advantage of government concessions for small businesses and we listened to the advice from our suppliers.

The seller of the machine not only provided advice on how to operate the machine (*I had travelled to Miami to meet with the machine supplier and undergo a training session with the technician on how to operate it*) but also some tips on marketing the business. One I remember in particular is *"It always pays to give freely before you start to make money"*. With this he encouraged us to provide free samples of our ice-cream to our

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community before we began selling it. We followed this advice and it really helped to introduce our product to the market.

YFN: Were there any hiccups when you started?

Gene: Life (*laugh*). I was six months pregnant when we opened in August so by October I had to temporarily close the business until December. We reopened in December (*baby in town*) to take advantage of the holiday traffic.

YFN: Did you have set sale targets?

Gene: No. We had just re-opened after our initial three-month stint and so we just wanted to re-establish ourselves in the market.

YFN: What sort of contractual relationships do you have with your suppliers?

Gene: Some require upfront payment while others give us 30 days credit.

We ordered small amounts initially and gradually increased as our sales increased.

When we started all of the inputs were sourced outside of the region but over time we were able

to source products from within the region.

YFN: You chose to locate your business on Independence Square. Why that location? Did you do some form of market testing?

Gene: Nothing scientific. We were just going on observation and vibes basically. Initially the van was parked on the Bay Road to take advantage of the traffic from the Christmas Holiday/Carnival season. However, the traffic department indicated that we could not stay there beyond the season. We then moved to West Independence Square Street but it did not seem to be the best location. Then my husband suggested that we move to South Independence Square Street. From that location we were visible from all angles. It turned out to be the right location.

YFN: Along your journey thus far have you had any major hiccups that tested your resolve?

Gene: ICC Cricket World Cup 2007 - West Indies vs India. We wanted to target a wider market so we decided to secure a spot in the park. There we were with a long line of patrons queuing up for ice-cream and the machine freezes up. No ice-cream would come out of the dispenser. What to do? After panicking, I decided to call the overseas technician and he guided me over the phone and I was able to resolve the situation. That was a real nerve racking moment though. Over time we have built up a

working competence in relation to the machine and my sons and I have gone overseas to Miami to get further training in the workings of the machine. However, there is still a lot more to be learnt.

Another hiccup was when we underestimated our demand and ran out of product. We had no inputs on island so that forced me into a vacation, which I needed anyway so a potential disaster turned out to be a blessing.

YFN: Do you think it is necessary for persons with a start up business to take a vacation?

Gene: Yes. That time away allows the business owner to step back and look at things. That is important.

YFN: What avenues have you explored in relation to marketing your business?

Gene: We have not put a lot of effort into it up until now but, that is an area we need to look at. We have done random distribution of fliers and have been mentioned on both the visitor's channel and a CD with the Prime Minister but in terms of a focused marketing strategy, no, we do not have one.

YFN: Where do you see the business going from here?

Gene: Running the business has not been easy. There are still financial debts to repay but [Cont'd on page 4](#)

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after three years the business is now beginning to hold its own financially and for the first time the business is able to pay me a basic salary.

Where do we go from here? First, there is the need to put some structure in relation to our accounts. We currently keep very rough documentation in relation to our data on pricing, sales, stocks, cash flows etc. So there is a need to establish an accounting system for the business. I am planning to take a course in Quick Books to enable me to devise a proper accounting systems for the business.

Second there is a need to enhance my business knowledge so that I can grow the business. I don't have business training so I am

seeking to enhance my knowledge and build a foundation in this area through business courses. The ECCB Savings and Investments course that I attended is one of those foundation pillars that will provide me with the tools to grow the business. My upcoming training in Quick Books is another. Continuous learning is important.

YFN: Do you have a business mentor?

Gene: No. But I do have someone with whom I consult from time to time when I have an issue I am trying to grapple with in the person of Dr. Robertine Chadderton. She has been very helpful and supportive. But in relation to a business mentor no. I should look into that.

YFN: Your diary. How important is that for you?

Gene: Having a diary is very important for me. It keeps me organised. Without it I would find myself getting into a lot of trouble.

YFN: Gene thanks very much for taking time out of your busy schedule to share your experiences with us. Your little one is signalling for us to cut (laugh), so here is to wishing you a thriving and growing "intentional" business !



The Regional Government Securities Market?

As at end of July 2009, the outstanding securities on the RGSM were: **Treasury bills: \$208m, bonds \$808m.** Trading activity on the secondary market has varied from \$3.3m in 2005 to a high of \$35m in 2006. In 2008 total trading activity was \$34.8m.


For the period January to July 2009, the total value of securities traded on the secondary market was \$13m. Most of the trading in 2009 has been in securities for the Government of St Vincent and the Grenadines (\$6.4m) and the Government of Saint Lucia roughly \$5.1m.

Upcoming auctions:

- Government of St Vincent and the Grenadines - A **\$20.00m 91 day Treasury bill** on 8 September 2009.
- Government of Saint Lucia - A **\$16.00m 91 day Treasury bill** on 11 September 2009.
- Government of Antigua and Barbuda - A **\$15.00m 91 day Treasury bill** on 21 September 2009.
- Government of Saint Lucia - An **\$11.00m 91 day Treasury bill** on 23 September 2009.
- Government of Grenada - A **\$10.00m 3 year Treasury bond** on 29 September 2009.



Business



getting started

How do you build name recognition for yourself and your business so that you can bring in those big bucks? The answer—**Networking**.

Sometimes you may wonder *“How did that person’s business get ahead over that of another business owner who, from all appearances, is more knowledgeable or has a better product or service?”* One probable answer - That business owner networked more effectively.

Getting exposure for your business, finding new contacts or learning about new business opportunities is all about being connected. **You could be the absolute best at what you do but if nobody knows you are there, your best is useless; you'll wither away and die.**

Surviving and thriving in your business means cultivating a host of relationships. You and your business have to be visible so that prospective stakeholders can become aware that you exist.

Networking is about cultivating strong ties with your customers, collaborators, vendors, decision makers and your community. It is therefore essential that you position yourself and your small business for success.

Networking can help business owners to:

1. Attract more prospects.
2. Develop a competitive edge.
3. Uncover hidden opportunities in the marketplace.


Here are few tips from the pros on how to network effectively and receive high-profile visibility for yourself and your business.

- **Create a business events calendar.** List upcoming events, trade shows, community engagements that you plan to attend throughout the year as well as persons with whom you would like to engage in discussion.

The events and engagements should be those that will allow you to tap into industry expertise, grow business contacts and or prospects, or learn about customer experiences and expectations or new industry technologies. Your business events calendar should not just be a listing of events. It should have **SMART** objectives - **Specific, Measurable, Achievable, Realistic and Time based** - clear identification of why each event is important, your expectations/objectives regarding each event and how you plan to ensure that these expectations are met.

- **Get involved in community activities** - An entrepreneur’s social network is a major contributory factor to the start-up

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and development processes of a new venture.

- **Cultivate your people skills.** Make a list of the people skills and attributes that are required to network successfully in your industry and begin acquiring them.

- **Take notes from the pros.** Study persons who are successful at networking and learn from them.

- **Hone your speaking skills.** Toastmasters clubs can help you to improve your public speaking skills and, by extension, improve your people skills.

- **Dress for success.** As a small business owner, you define and project your business. First impressions are critical to establishing credibility.

- **Get into the loop.** Join groups and attend events that can provide you with the connections, industry news and contacts your

need to network successfully. The only way you can improve your understanding of your customers' industry is to spend time speaking to people in the industry. A deep understanding of your industry niche is vital, in order to successfully serve the market, so use these events to increase your knowledge.

- **Have the right mindset.** Don't allow other people's squabbles or negative views about people, issues or organisations to cloud your views and rob you of the potential opportunity to bring in more business.

- **Be bold** with your prospects. It is important that you are bold enough to connect with others. You must overcome your fears and transcend to a place where you are comfortable and confident talking to people about your business.

- **Don't ignore the WWW.** Online communities are a great way to tap into industry knowledge and expertise.



Save Regularly - Savings should not be ad hoc or something you do when you have money left over. Rather savings should be the first expense deducted from your paycheck. You should be diligent about setting aside money from each paycheck towards your future. Practice depositing in a separate account at least 10% of your gross income and make sure you leave it alone.

Create a Spending Plan - Yes, you must spend. But, it should be guided by a plan. Impulse spending is a sure path to a financial disaster. It is for this reason that budgeting is important if you are to ensure that you are spending wisely. Create a spending plan (budget) that will guide you as to how you are going to spend your weekly or monthly income and then stick to it.

Invest For Your Future - A person without money is a person without choices. To ensure that you have choices and money now and in the future it is important that you start building a nest egg for yourself. You are the architect of your financial future. Design your future financial plan and start building.