



NECOG Development Corporation

RLF Quarterly Newsletter

1st Quarter 2014

Unconventional Advertising

By Rich Galbraith, RLF Manager NECOG-DC

We all know that advertising is an important part of any business's success. Also known are the conventional ways of advertising using commercials on the television and radio. How about less obvious methods such as a newsletter?

I receive a number of newsletters from a wide spectrum of sources, ranging from small businesses to branches of the government. Is this a form of advertisement? Absolutely!

You probably received this newsletter via email. Do you inform your customers through a newsletter or email? Postcards or other mailings.

In visiting with a friend who recently took a job as manager of a car dealership he couldn't grasp the idea why the business didn't have a marketing plan with an email component. It cost a business nothing to send out an email, but an employee's time which you are already paying.

Our world is ever getting more technical and the younger the generation the more so. Thinking about this, I would like to share the following information taken from an article in the Huffington Post. "Ninety-one percent of Americans own a cell phone, 56% own a smart phone and 35% own a tablet."

Do you have digital or mobile marketing as part of your marketing plan? If you would like more information on this, here is the article from the

Huffington Post.

http://www.huffingtonpost.com/kristy-l-campbell/5-ways-small-business-own_b_4346419.html

Does your business have a website? I know the first thing I do when looking at a business or traveling somewhere is to do a quick web search.

If you have a website, great! How are you using it? Are you promoting it? Do you use it to interact with your current and potential customers? Online marketing is an excellent opportunity to deliver a consistent message along with promoting your business and interacting with customers.

Have you ever invited the community through your business or organization? How about having a customer appreciation day. You're probably thinking, sure we did that when we had a grand opening, so why do it again.

For starters, letting the public into your business or organization helps spread your message or product. There is no better advertising than word of mouth. How better to do that than invite people in and give them a positive experience.

Secondly, this is not an everyday event. This generates excitement in people and assist in getting even more people to your door. Offer a free meal; burgers and hotdogs go a long way to draw a crowd.

These are just a few unconventional ideas. There are many more ideas that you could take advantage of for your business. Check online (www.necog.org) at our 2013 second quarter newsletter for more marketing ideas!



UPCOMING WORKSHOPS

QUICKBOOKS

Small Business Development Center (SBDC) will be offering the following QuickBooks workshops. QuickBooks Pro software will be used for the workshop presentation. Participants will view the software live on screen but will not have individual computers. Registration is limited, so sign up today!

QuickBooks: The Basics

Wednesday, February 5th 9:00am to 12pm.
COST: \$50 by January 29th

QuickBooks: The Basics is designed for those who may be considering a computerized accounting system or those QuickBooks users who are starting or would like to explore these features and how the data is managed. Topics covered will include Chart of Accounts, Customers, Vendors, Invoicing, Check Writing, Bills, and Reports.

QuickBooks: Inventory and Payroll

Wednesday, February 5th 1:30pm to 4:00pm
COST: \$50 by January 29th

QuickBooks: Inventory and Payroll will provide an overview of how inventory and payroll are processed and the basic concerns to be addressed when setting up and using these features. Topics covered include Inventory Items, Inventory Types, Purchase Orders, Payroll Items, Payroll Checks, Payroll Liabilities, and Reports.

Attend both and save! Participants can attend both classes for only \$90 if registered by January 29th - Late Fees apply after January 29th.

For more information or to register, contact Kelly Weaver at the Small Business Development Center at 626-2565 or kweaver@midco.net. Payments should be sent to Small Business Development Center, 416 Production Street, Aberdeen, SD 57401. The Smart Center is located ½ mile north of RDO Equipment Company.



Small Business Conference Set for Aberdeen on March 26

SD MarketPlace 2014 will be hosted by Northern State University on Wednesday, March 26th at the Student Center on campus in Aberdeen. In its third year, SD MarketPlace is a conference focused on small businesses. The one day event will feature 20 sessions on topics such as marketing and branding, coaching employees, financial management, and building a successful business. The conference will also feature vendors serving the small business community.

The keynote speaker is Burt Chojnowski of Fairfield, IA, population 9,500. Fairfield is an atypical rural community which thrives largely on its abundance of start-up companies with community members having established over 400 new businesses and created up to 1,500 jobs. The city was dubbed "Silicorn Valley" because of the number of new businesses that were Internet and information based. Over the last thirty years, Burt has been a serial entrepreneur, angel investor and investment banker. Burt has experience in the formation and development of successful companies in various industries.

For more information or to register, see [SDMarketPlace](#) on the web. Early bird registration is only \$59 prior to March 11, 2014.



NECOG Development Corporation A Year In Review

NECOG Development Corporation is a non-profit organization that operates a Revolving Loan Fund (RLF) program which assists small businesses and entrepreneurs to gain access to funding. Located in Aberdeen, NECOG-DC services a twelve county area which includes: Beadle, Brown, Campbell, Day, Edmunds, Faulk, Hand, McPherson, Marshall, Potter, Spink, and Walworth.

2013 NECOG-DC Financing

Hub City Chiropractic

Owners: Dr. Casey & Erica Voehl
Location: Aberdeen
Purpose: Operating capital and FF&E
Offers: Chiropractic services

Medicine Rock Cafe

Owners: Amy Hartung
Location: Mobridge
Partner: Gettysburg-Whitlock Bay Economic Development Corporation
Purpose: Purchase of an existing business & renovations
Offers: Full service restaurant and bar with meeting facilities

Cornerstone Café and Convenience

Owners: Austin Cope and Desiree Eggebraaten
Location: Eureka
Partners: Eureka Community Development Company, NESDEC, and private financing
Purpose: Purchase of an existing business & working capital
Offers: Full service restaurant and convenience store with gas pumps

Z & S Specialties, LLC

Owners: Zach & Shantel Milliken
Location: Mobridge
Partner: Mobridge Area Economic Development
Purpose: Construction of new building, inventory, and working capital
Offers: Electrician and firearms manufacturing

Road House Bar & Grill, LLC

Owners: Pete & Lori Brandner
Location: Herried
Purpose: Purchase of an existing business & working capital
Offers: Full service restaurant and bar

Northern Plains Properties, LLC

Owners: Shannon Yeske
Location: Athol
Partner: First State Bank of Warner
Purpose: Purchase of existing building, and working capital
Offers: Guiding services

Dakota Spray Foam Insulators, LLC

Owners: Chris Gruenwald
Location: Redfield
Partner: NESDEC
Purpose: Inventory and equipment
Offers: Spray foam insulation

Flinner's Bar & Grill

Owners: Jeff & Lori Flinn
Location: Mellette
Partner: First State Bank of Warner
Purpose: Construction of new building, FF&E, and working capital
Offers: Full service restaurant and bar

Ever After Baby Boutique

Owners: Jessica Dinger and Alexandria Pasteur
Location: Aberdeen
Partner: private financing
Purpose: Inventory, FF&E, and working capital
Offers: Baby/children's clothing and items

In 2014 NECOG-DC will be celebrating its 25th year of assisting projects in the region. If you have a project, would like to discuss a project, or just want some additional information please feel free to contact us at (605) 626-2595 or email at rich@necog.org



Collecting On Accounts Receivable

By Rich Galbraith, RLF Manager NECOG-DC

Collecting upon accounts receivable is the final step in the credit extension process and arguably the most difficult. Collecting accounts receivable quickly is a fast way to bring cash into your business. Every day receivables are not collected, the more difficult it becomes to collect.

First key to successfully and legally collecting on your accounts receivable is to have a collection policy in place with procedures on how debt is to be collected. If you do not already have a collection policy in place it might be beneficial to visit with an individual familiar with your state's collection laws and set up a policy.

Initiate Collections Yourself

- Call or send a gentle reminder for those that are 30-45-60 days behind.
- Be persistent and polite.
- Be prepared to answer questions regarding your billing or to negotiate with an unhappy customer.
- Take it to court. Use the legal system and take to small claims or file a lien against the debtor.

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Time for a Professional

- If you are no longer able to communicate or if payments are no longer forthcoming it is time to seek out professional assistance.
- Receivables can be sold to a professional collection agency that can take up to 50% or more of your receivables depending upon several factors.
- Don't wait more than 90 days. As the longer the account is inactive the harder it becomes to collect.
- Stick with a local collection agency if at all possible, as they will have the local expertise to facilitate collection.

You may wish to try and eliminate some of your account receivable by offering a discount for those that pay ahead of terms. Such as paying within 10 days of your billing if you offer 30 days on your receivable.

Above all don't be afraid to visit with other business owners and professionals for their advice and experiences. I've learned that most are more than willing to lend a helping hand.

