

TELEGRAM & GAZETTE

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Learning How to Grow

Small businesses hear from the horse's mouth how to become bigger ones

By Martin Luttrell

William H. Specker runs a manufacturing firm with 11 employees. Charlene L. Doherty's home-based company sells the Shingle Eater, a tool for stripping the shingles off a roof. Both companies have been around for years, but haven't grown substantially in sales or in employees.

The two business owners said they spent so much time on the day-to-day operations that they lacked extensive networks of other professionals and had not taken the time to develop long-range business plans.

The two entrepreneurs are now confident of taking their small businesses to the next level, using management, marketing and financial skills learned in the InnerCity Entrepreneurs program. They are among 10 to complete the first nine-month ICE program offered in Worcester through the Martin Luther King Jr. Business Empowerment Center, where the classroom portion of the course took place.

When you're trying to run a business, you tend to keep your head down and wear many hats," said Mr. Specker, owner of Camelot Manufacturing Solutions in Douglas. "One of the hardest things to do is take a step back and look at what you're doing."

Ms. Doherty, who purchased her company about a year ago, said the steel Shingle Eater, with its trademark yellow and red rubberized grip, is well-known in New England, but not widely distributed through the rest of the country. Like others in the ICE class, they have drawn up three-year strategic growth plans and learned other skills they said will lead to growth in sales and employees.

"I didn't have a network of people to draw from, and I felt isolated as a business owner," said Ms. Doherty, who operates her company from her home in Charlton. "This program gave us the time to pick the brains of business professionals."

The ICE program was started in 2001 at Boston University, and was given a \$100,000 grant by Citizens Bank to offer its first course in 2004. Since then, ICE has conducted four classes, graduating a total of 48 entrepreneurs in Boston in addition to the Worcester class, which held its graduation Tuesday. Graduates receive a Certificate in Small Business Entrepreneurship from Boston University.

National program director Andrew Goldberg said candidates for the ICE program must have annual revenues



Charlene L. Doherty is shown holding her company's product, the Shingle Eater. (T&G Staff/Dan Gould)

between \$250,000 and \$5 million, and participants must be willing to pay \$1,500 for the program. Major funding for the Worcester program came from Blue Cross and Blue Shield of Massachusetts and Citizens Bank, other private contributions and a \$75,000 Small Business Technical Assistance Grant authorized by the Legislature as part of the 2007 economic stimulus bill.

Al Canzater, who owns Urban Lifestyles Housing Solutions in Marlboro, said he has already tripled his sales in his modular home business as a result of the networking skills he learned.

"I did \$1 million to \$2 million a year," he said during the ICE graduation ceremony at Clark University. "I'm already sitting on \$6 million in sales. There's been a lot of news about the high cost of housing, but the product we're building, people can afford."

Eric W. Tapley, who founded his Web design and marketing company, 3000K Inc. of Worcester, nearly eight years ago, found that it was difficult to give up all the tasks he had grown accustomed to doing himself, even though they kept him from spending the time he needed for his chief executive role. Hearing the challenges his classmates experienced and listening to guest speakers talk of how they overcame similar obstacles helped him see he could delegate responsibilities while planning into the future, he said.

"The peer-to-peer model in weekly meetings, for me, that was really valuable," he said. "As a business owner, you feel like you're doing it alone. I was able to get their take on how they addressed these things."

Class instructor Beth Goldstein, a Boston University professor, private consultant and author on entrepreneurship, said the course gave instruction and discussion on finance, sales, marketing, human resources and other operational issues. The 14 classroom and five peer-to-peer sessions were augmented by visits by speakers who included Steve Gaskins, chief executive of Jordan's Furniture.

Many of the challenges the entrepreneurs had were common, such as delegating responsibility and trusting others, she said.

"The hardest thing for entrepreneurs is to let go and trust somebody," she said. "Also, knowing who your customers are and why they are buying from you. Some clients did surveys. When you understand why a customer buys, you can grow your business."

The assistance to small business entrepreneurs is important to Central Massachusetts because it helps create jobs and bolsters the core of the area's economy, said Stephen J. Adams, New England regional advocate for the U.S. Small



William H. Specker, owner of Camelot Manufacturing Solutions in Douglas, stands in the company's manufacturing area. (T&G Staff/Paul Kapteyn)

Business Administration. Approximately 97 percent of the Central Massachusetts economy is comprised of companies with fewer than 100 employees, he said. Between 2003 and 2005, Cen

tral Massachusetts lost 200 businesses, he said, citing data from the U.S. Census.

"This initiative focuses on the competitive position and health of small firms, and goes to the core of what Central Mass. needs to do to make its economy flourish," he said of the ICE program. "This is a bigger story than for the 10 companies involved. Small companies should be banging down the door to get into this program."

Paula M. Camara, senior business adviser at Clark University's Small Business Development Center, which acted as a consultant for the ICE program, said most entrepreneurs do not involve themselves in peer organizations in the early years of their business, and usually lack a Rolodex of professional contacts.

"Now they have a network of professional people they can draw from," she said. "They each came out with a three-year growth plan. This is totally new to Worcester. It will help them contribute to the area's economic development."

Mr. Specker said he will hire three or four employees in the coming months as a result of the ICE program. He said the ICE program was better than taking additional college business courses, especially with the involvement of business professionals.

"Accessing the private sector was like going after class for help. They encouraged that," he said. "It amazed me that

they could find people who were willing to give as much time as we needed. One went to my business. That's part of the entrepreneurial spirit. It's like sharing war stories, wearing the badge. You're able to surround yourself with people who have strengths that make up for your weaknesses. We all have an Achilles heel, whether we admit it or not."

Mr. Goldberg said from March 15 through July 7, the companies enrolled in the Worcester ICE program created 11 jobs, and anticipate creating another 10 more in the coming months, while retaining 138 jobs. Among the companies, five received loans totaling \$500,000, he said.

"That's pretty consistent with what we see in entrepreneurs," he said. "They're not getting venture capital. These companies are originally bootstrapped by their owners, using credit card debt and funding from friends and family. I would say accessing affordable growth capital is a significant challenge for these businesses."

Of the dozen who enrolled in March, two dropped out; one because of an injury to the company executive, and the other because of business and personal problems, Mr. Goldberg said.

He said the next class of a dozen or so is being recruited and interviewed, with the 2008 class to begin in mid-January.

"We've tried to attract women-owned businesses," he said. "I have spoken with Hispanic and Southeast Asian businesses in Worcester. We're looking for a more diverse group for 2008. I've tried to turn over stones to get a diverse group."