



Merging Our Experience with Your Drive

Providing No Charge
Success Strategies



Business Advisers of Cleveland

Serving the Community for 50 Years

Advising Aspiring Entrepreneurs, Small Businesses and Individuals

Eight of ten new businesses FAIL within the first 5 years – without a MAP, you can't get there from here. The goal of BAC is to help their clients be among the 20% of companies that are successful. These professionals believe that new business success helps build a strong, vital and vigorous economy for the entire community.

BAC offers entrepreneurs, owners and managers an opportunity to receive advice and unbiased answers to their questions. Areas covered include but are not limited to:

- Guidance in writing a business plan
- Marketing a product or service
- Strategies & reasons for economical incorporation
- Lawyer and/or accountant selection
- Guidance in finding/establishing capitalization resources

Counseling is conducted in the BAC office during the day. Clients are encouraged to return for follow-up sessions. On-site visits can be arranged when deemed appropriate.

BAC also conducts regular seminar discussions in local libraries throughout greater Cleveland. A panel from the BAC membership participates in a discussion with those present on questions they have regarding new business start-ups and solutions to current business problems. We encourage those who think we can help to seek private counseling at our office.

BAC provides expert counsel in a number of functional areas, including:

Accounting
Advertising & Public Relations
Business Operations
Corporate Administration
Education
Human Resources
Insurance
Investment Strategy
Law
Market Research & Surveys
Marketing
Public Health
Real Estate
Sales Management
Trade Associations
Welfare

From Our Clients

"I wanted to start a restaurant in my neighborhood. The members conducting the seminar suggested I meet with BAC advisers who had extensive experience in the restaurant catering business. I was very pleased with the advice I received."

"I attended a library seminar to see if I could start my own residential roofing business. After sharing my thoughts and explaining my own personal finances, the advisers thought I should wait a few years while I saved enough to buy the equipment I needed. I thought that was sound advice."

"After my largest customer went bankrupt, I was forced to make drastic cuts just to make payroll. I came to BAC for crisis control and learned many valuable lessons including: time management, how and when to delegate jobs, where to cut costs and new business approaches. I have diversified and after several dismal months am finally seeing black ink on the books."

"I attended a library session because I had an idea that I thought I could patent and start my own business. A BAC member, a retired patent attorney, gave me advice on how to proceed."

"I learned about BAC at the library and contacted them to learn to transfer my knowledge and skills into a business doing what I am trained for and love. I've developed a successful business, with two locations and am constantly re-adjusting my goals and returning to BAC for help in attaining them."



Business Advisers of Cleveland

Business Advisers of Cleveland (BAC) provides advice and help to entrepreneurs, small businesses and community service organizations – free of charge. BAC is unique in several important ways. Established in 1956 as the Cleveland Senior Council, BAC is a privately-financed, non-profit service organization. Its membership is comprised of retired men and women who were successful business executives and professionals from small, medium and large Cleveland area companies. They offer a broad spectrum of business knowledge based on experience in the areas of law, finance, marketing, sales, management and general business survival.

BAC is not affiliated with any government agency and receives no funding from any federal or state agency. A large part of the overhead is covered by donations from the membership, but additional financial assistance is necessary for continued service. Generous support has been provided by a number of businesses, as well as foundations and financial institutions, which recognize the importance of encouraging new entrepreneurs. However, every year counseling requests increase, as do expenses.

Our members' experience comes from these successful organizations:

Alcan Aluminum
Arter & Hadden LLP
Baker & Hostetler LLP
Booze, Allen & Hamilton
Cahners Publishing
CSX Corporation
Consolidated Natural Gas Company
Diamond Shamrock
E.I. DuPont
Eaton Corporation
Ernst & Young LLP
Ford Motor Company
General Electric Company
Glidden Durkee Company
J.M. Smucker Company
Kent State University
Kelly Kitt, Inc.
Key Bank
The Lamson & Sessions Company
Lane Bryant Company
Lincoln Electric
LTV Steel Company (Republic Steel)
A.M. McGregor Home
National Acme Corporation
National City Bank
Oglebay Norton Company
Osborn Manufacturing Company
Preformed Line Products Company
PPG Industries
Reliance Electric Company
Benjamin Rose Institute
Shaker Savings
Sherwin-Williams Company
Squire Sanders & Dempsey LLP
Standard Oil of Ohio (BP Oil)
TRW, Inc.
The University Hospital
Whitehall & Drake LLP



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merging experience with drive

Partnering to Build Business



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Serving the Community for 50 Years

BAC is a non-profit group of 100 successful retirees who are committed to helping small business entrepreneurs start, improve or maintain a business by offering their experience, expertise, judgement and time – all without charge.

The following are only a few of their hundreds of success stories.

Industrial Design



Darby Scott was a successful industrial designer for a large Cleveland design firm when she decided to “go it alone”. She created a business called Darby Scott Design and met with initial success as a result of her talent plus low overhead. (She operated on a national stage out of the family room in her Mentor home.) Her design work has won both local and national recognition. Darby decided to take her business to the next level beyond design into paper engineering and manufacturing.

She knew it would be a huge jump from a service business to manufacturing and returned to the group that was instrumental in the creation of her original business, BAC. She wanted the one-on-one perspectives in finding resources and the help in anticipating issues and problems. “The first thing I needed was to understand the differences between a service business and a manufacturing business”, she said. That’s where BAC comes in. The members of BAC avoid telling entrepreneurs what to do and instead, ask a lot of questions. Sometimes those questions point to unresolved issues and pending pitfalls. “You can’t skirt the issues in front of a distinguished panel of business men”, says Scott. “The questions help clarify the business plan and goals”, she adds. “The answers you give, and more important, the answers that you can’t, are real indicators of the path your business is taking”, she says. Scott says states that the benefits of working with this pool of consultants are immense.

Small Machine Shop



Bill Creps is the owner of Beck Precision Machine Inc. He came to BAC for help in crisis management. He was building towards an annual revenue of \$500,000 when disaster hit. His largest customer went bankrupt and wiped out \$300,000 in annual sales. Creps had to borrow money to meet payroll and laid-off half of his workforce. He came to BAC to learn crisis control. “We told him to diversify, broaden the customer base, and to find additional accounts”, says BAC.

His biggest problem was that he tried to do everything by himself. Creps says he’s learned a number of things from BAC – time management, how and when to delegate jobs, where to cut costs and new business approaches. “I have diversified; I provide parts for X-ray machines, shunts, parts for oven burners and even bun warmers for Burger King”, says Creps.

After several dismal months, he’s finally back on his feet, seeing black ink on the books with a gross take of about \$300,000. He now has four full-time workers and a part-time office clerk.

Franchising



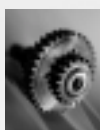
Robert MacCutcheon, a man of many talents, has been an entrepreneur for many years. As such, he has been: a pilot, a stockbroker, an investment counselor, and managed four employment agency offices. He came to BAC when he decided to go into janitorial services. With sage advice from BAC and a lot of energy plus the application of sound business practices he learned from his councilors, he now runs a franchise service with 20 employees and contracts to maintain 36 buildings in greater Cleveland.

Small Business Service



Doug Sturges saw an opportunity in dirt. While seated in a restaurant, Doug noticed that the window shades were very oily and dirty. He wondered if this was an industry-wide problem and developed the idea of providing a service that would not only clean the shades, but do it without disrupting the operation of daily business routines. Doug brought his ideas to BAC for advice on how to start such a business. With advice on organizing and financing the operation from the retirees of BAC, plus an investment of \$75,000 from friends, Doug founded a successful company that grossed over \$200,000 the first year in business. He is well on his way to doubling that this year. Plans are now underway to franchise the idea.

Adult Day Care Service



Ruth Reid was a nursing supervisor for Willow Park Skilled Nursing & Rehabilitation Center when she decided to go into business for herself. As a registered nurse she knew how to nurture people but nothing about the care and feeding of a business. Ruth learned about BAC when attending a meeting at the public library and contacted us.

The result is Ru-Clair Adult Day Care Service, a successful business in Beachwood that was launched in 1998 and has grown to two locations handling over 40 clients with ages ranging from 39 to 97. Ruth still seeks advice from BAC retirees as she moves towards her goal of increasing her base from mostly Cuyahoga County referrals to private patients. "I keep coming back for help," says Ruth.

"The advice I received wasn't about my business, but guidance about operating a business."

– Small Business Owner

Small Retail Shop



Five years ago, The Fairhill Lane Shop opened for business at The Fairhill Center for Aging. Staffed by volunteers, the shop offered gently used clothing, jewelry and assorted curio. Drawing its clients mainly from the 20 health care service organizations at Fairhill, the shop was mildly successful. However, by late 1996, shop sales were lagging and income was down. Since no one at the shop had any marketing experience, they turned to BAC for assistance.

One of the BAC members was a retired executive from Lane Bryant. After several visits and consultations, he suggested that creating a larger, more inviting space with room for attractive displays would tempt customers to linger and purchase more items. By the next year, business had increased by 40%.

Small Service Business



This client was nervous about an opportunity to buy an existing maid service priced at \$24,000. Her funds were limited to \$10,000. The BAC panel suggested that she hire a small business lawyer and an accountant to review the P&L statements and provide direct advice for the negotiating the purchase of the business. Arrangements were made to purchase the business for \$15,000 (\$9,000 down plus \$6,000 over a two-year period) with the help of a home mortgage. Her attorney incorporated the business and her accountant taught her a simple bookkeeping system.

At times, our clients are reluctant to hire the proper help. All they need is a third party to point out the direct benefits. At last report, the client had over 20 maids on the payroll.

A Wise Decision



A recent client asked BAC for advice on buying a truck repair service garage from his employer. According to his boss, the business was averaging close to \$500,000 per year in repairs and was highly profitable. The owner was asking \$350,000 for the business. Our client wanted our advice as to how he could borrow enough money to take over the operation. He was going to put up a sizeable amount of his own money as a down payment.

We suggested that he ask the owner to supply him with at least five years of financial statements, as well as five years of Federal Business Tax returns. Our client returned stating that the owner responded that this information would not be meaningful since a high percentage were cash sales and not recorded on the company books.

Our advice was for him not to purchase a business that did not keep honest and accurate financial records. We cited a list of reasons and potential repercussions. He appreciated our candor and did not make this purchase.

Sometimes the advice not to do something is worth its weight in gold.



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