

The Bottom Line

...a newsletter of Jefferson Economic Development Institute
celebrating small business development...



Volume 6, Issue 1
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JEDI ~ Inspiration.Imagination.Innovation

What a Difference a Microbusiness Makes...



As JEDI enters its eighth year of serving Siskiyou County residents, staff members are excited for the new array of programs we have planned. We are also impressed by the results that small businesses are creating throughout our county. Small business has big impact! Did you know that businesses of 0-4 employees provide 25% of the employment in Siskiyou County? Why does this matter? Because if we are going to address the economic issues of our region, we have to understand where jobs are being created, where innovation and new ideas are emerging. What is our new economic base here in Siskiyou County? What does the future look like for our children's employment? At JEDI, we see promise and capacity in the form of each person who wants to realize their dream of owning their own business or their own

home. We view business development and financial skill-building as essential tools for developing local capacity and wealth.

We have a number of changes and improvements in store for this new year to promote small business development. We are launching our Business Technology Initiative that seeks to improve competitiveness of our local businesses in the global marketplace. JEDI is one of 17 programs nationwide that received a \$150,000 equipment grant from the Hewlett Packard Microenterprise Development Program to establish a computer center and upgrade the staff's workstations to help them be more effective. The Shasta Regional Community Foundation has provided software to help with this initiative too. JEDI will provide training onsite in Mount Shasta and offsite with its eight laptops. The center has laser, inkjet, and wide format color printers, high speed internet access, and a computer graphics station for developing promotional materials. We will be offering a series of trainings throughout the year that will help businesses be more efficient through the use of technology. We are also developing a business center where customers can utilize the computers and

printers for a fee. To accommodate this new computer training center we have moved into a larger facility in Mount Shasta and are excited about how functional it is!

We have also been changing how we do business to meet the demand for services and the changing funding environment. We have been very successful in bringing in more than \$2 million over the past seven years in federal and state grants to subsidize our work with small businesses. These businesses have created jobs, generated tax revenue for cities, and reduced dependence on welfare. We don't anticipate that we will be able to capture the same level of subsidy in the future and are beginning to incorporate fee-based services into our programming. Our work with people who have low incomes will continue to be subsidized to promote economic self-sufficiency.

We are excited about all the change we are experiencing at JEDI, but one thing will stay constant: *our mission to empower people and communities to create prosperity.* We have a profound respect for small businesses throughout this county that have weathered many changes and continue to make our county a great place to live and work!

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"Small opportunities are often the beginning of great enterprises."
~ Demosthenes

JEDI Offers Free Tax Help!

JEDI has been selected by the IRS to be a sponsor for the Volunteer Income Tax Assistance (VITA) program. The VITA program is designed to provide free assistance to taxpayers who can't afford to pay for tax preparation. Volunteers are trained to complete Forms 1040, 1040EZ, 1040A, 1040 with Schedule A and Schedule CEZ.

VITA volunteers will also be trained to alert taxpayers to special credits and deductions for which they may be eligible such as the Earned Income Tax Credit (EITC). According to the IRS, 20% of families eligible for the EITC do not claim the refund. This equates to over \$5 million dollars in Siskiyou County. JEDI is committed to spreading the good news about the EITC and how to claim it!

Volunteers are needed to prepare taxes. The free

training will take place the week of January 17th. Computer literacy is required. Tax preparation assistance will occur January 25th through March 15th in sites around the county. Call Paj Kane at JEDI to become a volunteer or to receive free tax help.



**Free Tax Preparation at the
JEDI Business Technology Center**

Director's Note



Nancy Swift

As we move into the New Year, I wish each of you a happy and prosperous New Year. May it be filled with joy and opportunity and dreams come true!

I can hardly believe it has been seven years since a group of local residents rallied to bring JEDI to life to serve the community. Since that day, we have been seeking to fulfill our mission in creative and transformative ways. We continue to be buoyed in our efforts each time we hear of one more person changing her/his life and following a dream. We are heartened by the relationships developed and the partnerships built. To be part of the solution is a powerful feeling.

We continue to strive to stay relevant to the needs of the community and its residents and to provide leadership in a way that strengthens our county and builds greater prosperity for all. Help us help you - call to give us good news when you succeed. Call us with your questions along the way and help us design new services to meet your growing needs.

We know that it takes years to build sustainability and we want to be there for you along the path! Enjoy the stories of success contained in this volume of our newsletter and as always, call us to share your success story!

Respectfully,

Board of Directors

Erika Carpenter, Terra Mai, Inc.
Kate Mahar, College of the Siskiyous
Colette George, Plexus Pacific Industries
April Gray, M.M.P., Economic Development Consultant
Laurie Bagley, Fit Maternity.com
Nancy Swift, Executive Director

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Stephanie Hoffman, Training Manager, Instructor
David Donica, IT Specialist

Secure the Economy While Securing Your Car



Alarm 'n' Sound
Heather, Natalia, & Ricardo Cervantes

Jose Ricardo Cervantes started tinkering with car stereo systems while still in high school. After working in the car electronic business for several years, he got the itch to open his own store. He kept his part time job and opened the store with the help of his wife, Heather. JEDI helped

them complete their loan application and they qualified for a small SBA loan from Innovative Bank and were able to open the doors in the Weed Mercantile Building in December of 2003.

Alarm 'N Sounds features high-end, leading edge brands of car audio equipment and security systems. Rick does expert custom installations in all types of vehicles including "classics."

Heather uses QuickBooks® to track the inventory and keep the business finances organized with on-going help from JEDI.

They are both driven by their desire to provide excellent customer service at fair prices. "Trying to compete with the internet and big box stores is a constant challenge," says Rick. "Our goal is to attract customers who want to support the local economy and appreciate quality products with an owner-backed guarantee. I want to be competitive and give my customers the best deal possible."

The Flying Lotus Emerges from Creative Stoneworks!

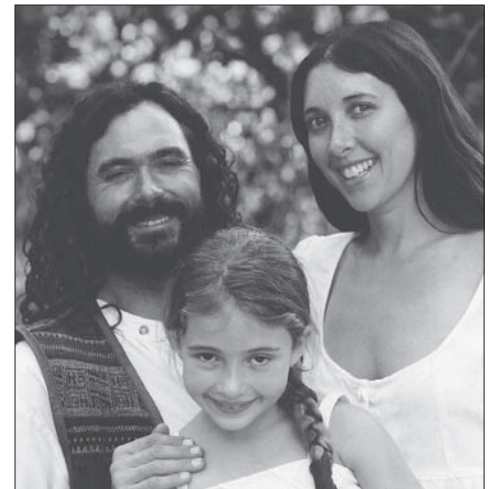
When Tony and Ra-el came to JEDI, their business goals were ambitious by any standards. New in the community, and young parents of daughter Shasta, they faced establishing a "bread and butter" business to support their family, while also working to build their dream performing arts business. They eagerly plunged in, to both JEDI's business planning class ("It's Your Business") and the financial management training ("Making Your Money Work for You"). After graduating, Tony joined JEDI's Building Assets Program to help them move forward.

Tony first used his JEDI training, his expertise as a stonemason, and his degree in Landscape Architecture to establish Creative Stoneworks. He took care to work out his strategy and goals on paper in a step-by-step format, which he updated several times. As his savings period progressed, he saved and received match funds that allowed him to purchase a trailer to haul his business equipment more efficiently. Later he invested in getting his contractor's license, including liability insurance. This put his business on a whole new level and work flooded in, even during the winter months.

At the same time, Ra-el and Tony have worked together to build a participant

network and fund raise for The Flying Lotus Movement Center. They offered classes, workshops and performances, and soon had enough to purchase the needed performance equipment for their dream.

Today The Flying Lotus is open, at 415 N. Mt. Shasta Blvd., seeking to facilitate personal growth, healing and soul actualization. Activities are offered for children ages 4 through 11, teens, pregnant women and adults from beginners to more advanced dancers.



Flying Lotus and Creative Stoneworks
Tony, Shasta, and Ra-el Corsini

"Taking Making Your Money Work for You gave me the sense of being on the crest of the wave, instead of gasping for air and left behind. Knowledge is power. Having money and its systems demystified is very important to achieve financial success."

Erica Moeller, Making Your Money Work for You Graduate

Many Hands Help Massage Therapist Succeed



Michael McMahon

A few years ago, Michael McMahon, CMT, moved to Mount Shasta with hopes of expanding his massage therapy business. Michael worked at a local natural food market during the days, and saw a few clients a week in his home office. The business grew slowly and Michael wondered why his client base wasn't increasing. Growing self-doubt and frustration prompted Michael to make a change. After hearing about JEDI's services he enrolled in both the "It's Your Business" and "Making Your Money Work for You" classes.

"During the business class I was getting help in areas that I didn't even know existed," says Michael. "The class emphasized the importance of marketing research, strategies

and business image, especially word-of-mouth and community building." Michael integrated the class skills and since has built a successful massage therapy practice. After the classes, Michael received individual business counseling on marketing strategies and cash flow projection. "The counseling helped me focus and create business goals for the next year, specifically how many clients I want and which health practitioners I wanted to partner with," explains Michael. "I'm no poster child for numbers crunching, yet I clearly recognize the huge benefit I received from doing a cash flow projection." Michael went from having a few clients per week to seeing 15-20 clients per week and his income has increased about 300% in less than two years!

The "Making Your Money Work for You" class helped Michael realize that having a joyous attitude towards money helps you create money. He'd visualize himself as a responsible and professional business owner and then it happened! Michael explained, "I began to understand and experience money as an outgrowth of my creative energy."

"Because of my vision and love for this community I recently opened up the Mount Shasta Center for the Healing Arts. We have

an acupuncturist, naturopath, chiropractor, and myself providing top-quality care for our clients." The respect and admiration in Michael's voice make it clear how much he loves his work and values his clients.

Michael often tells his entrepreneurial friends what an ally and asset JEDI is for a business owner. He explains to them the importance of marketing persistence and keeping a positive attitude. Hearing "no" can be difficult for a new business owner. Michael found that 80% of potential new clients were not very interested in his service, however 20% of the people did want to know more. He continued to have a positive attitude and not take rejection personally. JEDI helped guide him through the challenging times and offered more marketing ideas.

Michael also made a contribution to JEDI to help the organization continue to thrive and to expand existing services. Michael says, "JEDI has had a huge impact on me and many others in this community. I wish them continued success and prosperity."

Please visit the

*Mount Shasta Center for the Healing Arts
801 S. A Street, Mt. Shasta or call 926-1835*

Programs & Services

Our Goal: To increase financial well-being of individuals and businesses

- **Entrepreneurial training:** to plan for successful start-up or expansion of a locally-owned business
- **Business consulting:** to address your specific questions
- **Access to capital:** to start and expand your business
- **Financial education:** to get a grip on personal financial skills as a foundation for reaching personal and business goals
- **Asset development:** to provide matched savings for investment in first home purchase, business, and further education
- **Business technology training:** to enhance business productivity through the use of technology
- **Sector-networking projects:**
 - Stewardship Tourism Project and grant making Fund
 - Business Technology Center
 - Child Care Providers

Call the JEDI office for more information on how these programs could advance your dreams of business ownership and financial well-being.

Stewardship - Good for Community and Good for Business



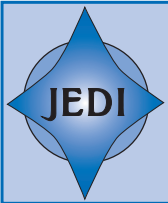
River Dancers

Using the Google internet search engine, look for "Stewardship Fund", and our local River Dancers rafting company comes up first! What does it mean? Owners Chantal and John McDermott have taken to heart the teachings of JEDI's Stewardship Programs. "We had a great season, increased by 10%, while other river companies statewide have struggled," says Chantal. "I do believe it has been of real benefit to be involved in the JEDI's Stewardship Tourism Project. We are lucky it exists!"

In 2005, the Project offers a special pre-tourist season "Marketing Planning Workshop", open to all businesses, on how

to successfully set goals, use the Fund, media, and websites. Qualified businesses receive one-on-one consultations with Trainer Diane Strachan. See insert for more information on the workshop. Stewardship Fund of Far Northern California grant funds will be available in March 2005. Call JEDI for more info about the Stewardship Tourism Project, the Fund and how you can get involved.

Businesses like River Dancers, Shasta Mountain Guides, and Cross Petroleum have participated to develop more in-depth, effective, and meaningful marketing and customer service. The Fund, established by project participants, seeks to preserve Siskiyou County's cultural, historical and environmental heritage through grant awards (see JEDI website for 2004 list of projects). River Dancers will donate hundreds to the Fund this year from donations and their \$1 pass through Visitor-that-Cares reservation system. In return, Trainer Diane Strachan explains, "they have a great new marketing strategy that is causing their business to grow."



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"The It's Your Business class brought clarity for me. Stephanie cuts through the confusion and gives you inspiration, reality, and the bottom line that you have a chance."

Steven Chase,
 Steven Chase Enterprise



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Partnering to build prosperity, one person & one business at a time!

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Help Us Build Community Prosperity Make a Contribution Today!

JEDI invites you to make a contribution that leads to the creation of healthy local businesses, financially-empowered citizens, and a more vibrant local economy.

YES, I am putting my dollars where they will make a real difference:

Name _____
 Business Name _____
 Mailing Address _____
 Phone # _____
 E-mail _____

All JEDI donors will receive the JEDI newsletter and for contributions of \$75 or more receive an additional thank-you gift.

| | | |
|-------------|----------------|-----------------------------|
| \$25 & up | JEDI Friend | JEDI Newsletter |
| \$75 & up | JEDI Associate | Biz-Link Listing on Website |
| \$150 & up | JEDI Partner | JEDI Lapel Pin |
| \$500 & up | JEDI Angel | JEDI Gift Basket |
| \$1000 & up | JEDI Visionary | JEDI Paperweight |

How to Donate: Check one (and send in this form with check or credit card info.)

Check: Payable to "JEDI" – mail to P.O. Box 1586, Mt. Shasta, CA, 96067

Credit Card: Check one: Visa MasterCard

Amount _____ Amount per month: _____
 Credit Card # _____ Exp. Date: _____
 Billing Address _____
 Name as it appears on card (please print) _____
 Signature _____

Why JEDI? Why Now?



Colette George

Colette George, co-owner of Plexus Pacific, learned the hard way (without help) how to take a risk and make it work. In 1997, she and husband Don successfully adapted their Bay area business to Siskiyou County, purchasing the EcoWood product line from Jefferson Recycled Woodworks. Today Plexus Pacific has grown rapidly and offers retail display fixtures from recycled wood. They

serve the outdoor retail industry, providing the rustic look of wood for environmentally conscious businesses. Colette explains, "My husband's family were mill workers here from the early 40's. Two generations helped build the economic base of Siskiyou County. But today that base is gone, and slowly being rebuilt by the newest generation of these families and others in our community. JEDI provides tools needed to accelerate this rebuilding process, to benefit all county residents."

A JEDI Board member since 2001, Colette is passionate about JEDI, "I wish I had JEDI when I started!" She notes that in seven years JEDI has brought over \$2 million into Siskiyou County through grants alone. Yet the demand for services increases every day, and grants are more bound in red tape than ever. "In order to meet the County's growing demand for JEDI's caring, quality service, we need the community's help." She invites everyone to make a donation to JEDI and keep the spirit of locally-owned and innovative business development alive in our region.