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Talking with One Tough Mother

Edited By Rod Kurtz (Excerpts Taken)
www.businessweek.com

Gertrude Boyle, affectionately known as "Gert," is not your typical entrepreneur -- let alone company chairman. She had no interest in business and was rather content raising her three children while her husband ran the family business -- a small outdoor-clothing concern for hunters, skiers, and fishermen called Columbia Sportswear ([COLM](#)), founded by her father in 1938. But her husband, Neil Boyle, died suddenly of a heart attack in 1970, leaving his wife and three children a growing enterprise saddled with debt.

Gert had earned a degree in sociology from the University of Arizona, but just about the only financial experience she had was her monthly ritual of throwing all the bills across the living room and paying the one that flew the farthest. But the spirited woman learned the ropes quickly. Her first big decision was to fire the bankers and advisers who urged her to sell the company. When she realized she would only make \$1,400 off the sale, Gert told the prospective buyer, "for that kind of money, I'll run the company into the ground myself."

The rest, of course, is history. Since taking over in 1971, the now publicly traded company's sales have ballooned from \$600,000 to \$1 billion today. And the 81-year-old matriarch, who recently penned *One Tough Mother: Success in Life, Business, and Apple Pies*, is showing no sign of slowing down.

SBC Named Best in California Diversity Contracting

By Business Wire (Excerpts Taken)

SBC Communications got the top grade in a survey of utility supplier diversity filed recently with the California Public Utilities Commission. The survey, conducted by the Greenlining Institute, found that SBC earned the highest score by awarding 23% of its contracts to minorities. SBC finished first in the survey in contracts awarded to African American vendors and also recorded the largest percentage gain over the previous year in overall contracting. SBC's A-minus grade was the only A grade awarded by Institute. "At SBC, supplier diversity is an important strategic initiative," said Chuck Smith, President and CEO of SBC West. "By integrating diverse businesses into our supply chain, we create real competitive advantages for SBC that increase our success in the marketplace."

Latino DVD Market Is Now In Focus

By Greg Hernandez (Excerpts Taken)
www.dailynews.com

Latino households with DVD players now total 8 million in the U.S. and continue to grow rapidly. But the home video industry is still struggling to maximize this burgeoning market.

Participants in DVD En Espanol, the second annual Latino Home Entertainment Conference, made clear that the Spanish-language audience has gone far beyond a niche category. Still, many said the industry lacks the infrastructure to deal with a buying segment that some major studios estimate represents between 11 percent and 13 percent of all DVD customers.

Jerilyn Kessel, president of Centris Research, conducted research during the months of January and February that focused on 2,000 Latino respondents, 62 percent of whom preferred to be interviewed in Spanish. It showed that the group bought slightly more DVDs per month than non-Latinos and also rented more discs per month.

"It's a large enough number where it cannot be ignored," said Lori MacPherson, Warner Home Video's vice president of multicultural marketing. "We have to make sure we are marketing to that demographic."

For the home entertainment divisions of major studios like Warner Bros. and Disney, the decisions regarding Latino customers can be simply whether to have subtitles versus dubbing, or both, and how to tweak an ad campaign to reach that specific audience when releasing their mainstream hits.

But smaller distributors are faced with the challenge of creating awareness for the sometimes low-profile titles they acquire.

"We're taking existing available products and putting them in the market and those aren't necessarily what consumers want," said panelist Leigh Savidge, president of Xenon Pictures. "You've got consumers who, in my view, are saying, I'll come around as soon as you make something I'm interested in buying."

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25 Top Women Business Builders

By Jena McGregor (Excerpts Taken)
Fast Company, May 2005

When most orthopedic surgery residents finish a 36-hour shift, there's nothing they want more than a good night's sleep. Not Taryn Rose [featured on Making It! in 2003]. "I was known to leave the hospital, go straight to Neiman Marcus, and speed shop the last 15 minutes they were open," says the surgeon turned shoe designer, now CEO of her own \$20 million company. Rose loved wearing heels to the hospital but searched fruitlessly for stylish shoes that wouldn't destroy her feet.

To pump up her publicity efforts, she landed her shoes in the 2004 Oscar presenters' swag bags and scored the ultimate media coup: an interview on Oprah. Though she has a unique story, Rose puts a lot of faith in persistence, too. Taryn Rose International's revenue has more than doubled in the last two years, from \$8 million in 2002 to \$20 million in 2004.

To learn more about Taryn Rose's appearance on Making It!, go to: www.makingitv.com/show451.htm



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Cut Your Healthcare Costs Now

By Jennifer Gill (Excerpts Taken)
www.inc.com

Nine ways to slash your insurance costs, from health savings accounts to getting tough with your broker to joining purchasing pools.

1. Shop around — even in good years

This is not the time to relax, says David Reid, vice president of Unison Benefits Management Inc. in Minnetonka, Minn. "Complacency will cost you a lot of money," Reid says. "Even in years when your rate increase is modest, you should still adopt the same techniques as if you're facing high increases. Competitive proposals yield genuine results."

2. Consider health savings accounts

Much has been made of health savings accounts, or HSAs, which were introduced in January 2004 as part of the major Medicare legislation. The accounts are so new that few companies have implemented them. But industry experts expect that number to grow fast. One out of four small companies, according to the Kaiser survey, is very or somewhat likely to provide an HSA plan in the next two years.

3. Find a broker who will work for you

Entrepreneurs also should be mindful of how their agents are compensated. Commissions vary depending on the product line and the carrier but typically range from 2.5% to 5% of the annual premium, says Ramsburg, at EBD Financial. In other words, if you've been socked with a 25% increase on a \$1 million policy, your broker just scored a nice fat bonus.

3. Tweak the finer points of your plan

Then there are the standby modifications, like raising deductibles and copays. According to the Kaiser study, 42% of small firms are very or somewhat likely to boost deductibles this year and 38% expect to raise the amount employees pay for prescription drugs. Another option to consider: Switch from a flat dollar copay on prescriptions to a percentage copay with a minimum/maximum dollar contribution, says Chris Robbins, CEO of Arxcel, a consulting firm in Buffalo that helps employers design prescription benefit plans.

5. Careful who you're covering

Look at whom you're covering in-house, too. Adams at Mountainview Mushrooms found that annual turnover at his company last year ran about 30%, or 36 people, half of whom left within the first six months. New employees were eligible for benefits after three months, which meant that the business was paying two to three months' worth of premiums for workers who soon left.

6. Be your own insurer

With a self-insured plan, your company assumes responsibility for the costs of your enrollees' medical claims. In most cases, a self-insured business purchases stop-loss insurance to limit its financial liability to a certain dollar amount in case an employee has a catastrophic claim, such as cancer or an organ transplant.

7. Jump in the pool

There's strength in numbers. Purchasing pools let small companies -- typically those that have fewer than 50 employees -- band together to buy health insurance. The combined purchasing power of the group often translates to better rates and access to plans from a larger number of carriers.

8. Outsource it

If you want to hand off all of your human resources hassles -- not just health insurance -- you might consider a professional employer organization, or PEO. Such organizations serve as outsourced human resources departments.

9. Get healthy

Offer discounts to a local health club, start a walking club in the office, serve salads instead of slices of greasy pizza at company lunches. Factor in some of the cost-cutting ideas that are mentioned above, and who knows? Maybe next year's renewal rates won't make you sick to your stomach.

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