



MINORITY SUCCESS STORIES

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MAKING IT!

AMERICA'S MOST LAUDED SMALL BUSINESS TV SHOW

NEWSLETTER

WWW.MAKINGITTV.COM

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Through a Glass, Not So Darkly

Perhaps it's just my perspective, but it seems that these days, every news magazine and newspaper is featuring articles on subjects pointing to an inadvertent but vital lesson for us in life and in business. The pieces catching my eye are about a variety of subjects that may not seem directly related to business. But to me, their collective wisdom appears to be clear, singular, and blunt. The extremely valuable lesson hitting me right between the eyes is that short-term thinking is only a strategy and not a solution. It rings with a solid granite chiseled sense of enduring truth like the faces on Mount Rushmore.

Let's scan some of those headlines:

"The dollar has been toppled as the world's leading currency."

"American corporate pensions in turbulence."

"Wasting public money; the long and expensive road."

Behind each of these headlines is a decades long string of decisions by smart people and forks in the road leading to unintended consequences. The people who made them were probably facing the same kinds of stresses and pressures as you are today. They were business and government leaders who were often dealing with tough situations ranging from sweating over the quarterly numbers to courting a fickle and restless electorate.

"The perspective of reality is lost when we view life from the range of a short experience." Ernest Holmes

In the early 1980's I worked at a TV network with a legendary programmer who's face appeared on the cover of Time magazine over the banner, "Man

With the Golden Gut." I recall being in a meeting where he said, "let's do that (replace a low rated show) since we can't do any worse than we already are." Well, we found out that we could do worse, much worse. The decision had been made with an eye on next month's Nielsen ratings rather than tackling the more arduous task of hammering out a long-range view to solving fundamental problems. The lesson is worth noting, whether you are running a one-person home business or a global corporation.

In a story often attributed to hard living entertainers Frank Sinatra and Sammy Davis Jr. there is the line, "If I'd known I'd live this long, I would have taken better care of myself." Imagine being a fly on the wall in the room with negotiators for the big three auto companies in the 1960s. Promises were being made to the United Auto Workers that they'd have lifetime company paid pensions and health care benefits. The short-term result was the desired labor resolution and smiles all around the table where everyone felt they were being properly cared for. However the long-term prognosis resulted in trillions of dollars in unfunded liabilities, broken promises and potential bankruptcy. It was a short-term strategy, not a real solution.

Another example is our country's airlines. Not only are pension promises casting a long cold shadow, think of the 14 trillion frequent flier miles that they have to account for. Sometimes there is a massive disconnect between what we know to be a sustainable long-term course and the pressures we feel to "go along to get along." Just ask Bernard Ebbers, ex-Chairman of MCI who was recently convicted of conspiracy and fraud.

Perhaps both business owners and executives have to see the future through a different prism than their predecessors of past decades. Though we all expect and hope to do better than we may have done previously, it will often take a different

form. For example, the phrase of the week for me is Pod-casting. We can now convert Making It! TV shows to MP3 audio files and make them available to users of I-Pods and similar audio players. How should I process this new development? Since my long-term strategy is to widen the distribution pattern of our Making It! show, I'd have to find or create a sustainable business model to support Pod-casting. It is great and even necessary to dream big, but the lesson I take from current developments is that you have to put strong and durable wheels on those dreams—so that they serve you and the business for a long time. Thinking only of being profitable in the short term could be ruinous over the long haul. As Dooley Wilson sang in the movie Casablanca, "You must remember this...The fundamental things apply as time goes by."

by Nelson Davis
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The 'MAKING IT!' Newsletter can now be seen online & downloaded at www.MakingItTV.com



THE GRAMMY IS IN THE BAG

Making It!'s own Gina Alexander rubs elbows with music's top artists on its biggest night.

Gina Alexander, Inc Photo Handbags was chosen to be the official handbag for the 47th Annual Grammy Awards. Gina designed personalized handbags for each celebrity presenter, and performer from her collection.

She was given an opportunity to sit with each presenter and performer to create awareness for Hope for Children, an organization facilitating the adoption and placement of children domestically and abroad. This philanthropy is important to Gina because she herself is adopted as well as her daughter.

STORM CLOUDS IN COMMENTS FROM THE DAVOS CONFERENCE

Some at the forum said they doubted that China, which is financing much of the American debt, would bow to pressure to allow its currency to rise against the dollar this year. "The U.S. current-account deficit is a problem for the whole world," said Jacob A. Frenkel, a former governor of the Bank of Israel. But, he said, "I don't see the budget deficit being taken seriously." Other critics were blunter. "There's nobody home on economic policy in America right now," said Stephen S. Roach, the chief economist at Morgan Stanley. The twin burdens of household and public debt in the United States, he said, are unsustainable. Describing American consumers as "an accident waiting to happen," he asked, "When does the music stop?"

This past December, I officially became a graduate from the University of Southern California. (I even have the diploma to prove it!) December also signified the first anniversary of Nani Clips. When my sister Traci and I first created this business from our hobby, I wasn't sure if it would even last a year. I now have high hopes for the future.

Nani Clips participated in the SPCA Home Show at the Los Angeles Convention Center this past February. We displayed our new and ever-growing selection of hair clips, as well as our brand new doggie shrug design. What is a shrug? It is a type of jacket that goes over other clothes and is basically two sleeves connected. This event gave us the chance to test them out. The event was a good one, and we have acquired a few more distributors. We also may have a type of partnership in the making with another pet com-

pany. It is an exciting and hopeful time for our business. But I have to admit that I am anxious and a bit unsure of myself now that I am finished with college.

I recently ended one of my part time jobs in hopes of having extra time to work on Nani Clips. I have big plans for our company and this extra time will allow me to make further steps to making Nani Clips even more successful than it is.

Goals for Nani Clips:

- Open our own store
- Revamp our website
- Hire PR firm to showcase products
- Maintain and continue to obtain more distributors.

College student starts a business, with her sister, while still in school.

(Parts 1 & 2 can be found in the Newsletter section available at www.MakingItTV.com)

BELEAGUERED BY THE BIG LEAGUES

By: Howard Lim

Imagine being the general manager of the famed New York Yankees. Your job is to select and acquire a group of athletes capable of competing for the highest prize in baseball, the World Series. Without worrying about budget restrictions, you can virtually build an all-star team acquiring the top names in the sport. Wouldn't you like to have that freedom and flexibility in your small business? Most Major League GMs don't have that luxury to spend past a fixed amount and surely your small business budget has limits. So how do you stay competitive?

Billy Beane is the general manager of the Oakland Athletics. The franchise's payroll ranks among the lowest in major league baseball yet they boast one of the highest winning percentages during Beane's tenure. How does he do it? He has perfected a formula for competing and winning both on the field and in the books. This formula looks at selecting a group of under-valued players instead of one player that had a breakout year. Once the stock rises for these players, they will demand a higher salary. At that point, a new crop of under-valued talent will replace the players.

Beane's philosophy can be applied to many small businesses. Though the circumstances are different, the fundamental idea is to find value and optimize your resources. Imagine what you can do with \$2.4 million as your advertising budget. You could buy a single 30-second spot during the Superbowl or you can wisely use that money towards an effective, highly-targeted ad campaign at a fraction of the cost.

Instead of buying fancy office furniture and the latest in high-tech office machines, find uses for things that you already have. Use the old chair and old computer lying around the house. If you don't have what you need, look for deep discounts on discontinued or second-hand goods.

Small businesses succeed because they invest their time and resources into areas that are under-valued and under-served. Until you become the Yankees of your industry, stick to the Beane method.

Top 3 Winning Teams from 1999-2002			
TEAM	WINS	PAYROLL	\$/WIN
Braves	387	\$86m	\$221,576
Yankees	383	\$105m	\$273,499
A's	382	\$33m	\$85,079



Seminars and workshops were filled near capacity. Nearly 900 corporate representatives and minority businesses attended the event.

Southern California Minority Business Development Council, the region's largest non-profit minority business advocacy organization, held its 36th annual Minority Business Opportunity Day (MBOD) this past February.

One of the largest events of its kind in the western United States, MBOD offers minority businesses access throughout the day to corporate representatives, seminars for purchasing professionals, workshops that address current business challenges, and networking opportunities.

"It is apparent MBOD achieves its objective, judging from the number of corporate participants returning each year, and the number of new corporations and minority businesses who are participating this year," stated SCMBDC President John Murray.

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Upcoming Shows:

Power Couples

Adelano Packaging Corp handles packaging needs for Fortune 500 companies. Despite a bankruptcy, owners Al & Hattie Hollingsworth persevered and rebuilt the business into a debt-free, multi-million dollar enterprise.



High school sweethearts **Sanda & Marco Johnson** each bring their talents to their business venture. Together, they created Antelope Valley Medical College and this year will gross over \$7 million.

Lighting The Way—Edison Dedicated

Picasso's Café Bakery & Deli is owned and operated by the De Rosa family. Their vision was to combine delectable dishes with the aesthetics of art. Watch as this family business caters to corporate events with works of art.



Since the last time Making It! profiled **Tracy Stanhoff's Ad Pro**, she has tripled her profits. She was able to accomplish this feat by continually doing business with large clients like Southern California Edison.

CUT OUT FOR YOUR FRIDGE!



"You read a book from beginning to end. You run a business the opposite way. You start with the end and then you do everything you can to reach it."

-Harold Geneen, Legendary ITT Chairman

"Never be afraid to try something new. Remember that a lone amateur built the Ark. A large group of professionals built the Titanic."

-Anonymous

Hear "Secrets of Success" Streaming Audio at: www.MakingItTV.com



CALENDAR OF EVENTS

For a complete calendar listing, visit our website at www.MakingItTV.com

SUCCESS THROUGH INVENTION SMALL BUSINESS ADMINISTRATION.

Where: Santa Rosa, CA
Date: April 06, 2005
Contact: (707) 524-1770, Debra Hayes

BUSINESS START UP ORIENTATION CUESTA COLLEGE SBDC

Where: San Luis Obispo, CA
Date: April 14, 2005
Contact: (877) 549-8349 www.smallbusinessinfo.org

MANAGING YOUR MONEY IMPERIAL VALLEY SBDC

Where: El Centro, CA
Date: April 20, 2005
Contact: (760) 312-9800, seminars@ivsfdc.org

LEARNING FROM SUCCESSFUL LEADERS UCLA EXTENSION

Where: Los Angeles, CA
Date: April 29, 2005
Contact: (310) 825-2012

'MAKING IT!' is California's #1 Small Business TV Show

Where can you see 'MAKING IT!' in your area?

LOS ANGELES KTLA - Ch. 5 Sundays 6:30 am	SAN DIEGO KSWB - Ch. 5 Sundays 5:30 am	SACRAMENTO KSPX - Ch. 29 Saturdays 6:30 am	SAN FRANCISCO KTLA - Ch. 16 Saturdays 6:30 am
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16 YEARS OF

