

BIZ Beat

New Year's resolutions for your business



MARGOT C. LESTER

Before I start into the news: I ran into Carrboro Board of Aldermen member Dan Coleman last week and he said he wants a locally made soda. Orange County has locally brewed beer and locally roasted coffee. Why not a soft drink? Who's gonna make Dan a happy man?

Now, on with the show.

New Year's resolutions

Ah, the start of another year. A slew of us make resolutions for ourselves, but what about our businesses? What should entrepreneurs strive to accomplish in 2011?

I asked Ted Zoller, director of the **Center for Entrepreneurial Studies** and associate professor of strategy and entrepreneurship at **UNC Kenan-Flagler Business School**, what he'd suggest as both a big-time scholar and small-town business owner. (His ventures include the **Bead Store** in Carr Mill Mall.) He responded that the most important thing is to accept the "new normal."

"We may not enjoy the prosperity we had in the past in the immediate term," he says. "If you [have] positive cash flow now, you will survive and perhaps thrive. This economy was your acid test. If you are not [in positive territory now], I'm not sure I

would bet the farm on things improving immediately."

Ouch, but true.

With that in mind, here's Zoller's list of business resolutions for 2011:

- **Appreciate your customers.** While it's always good business to recognize your customers, it's especially important now when folks may be more inclined to shop on price if all other things are equal. "In doing so, position your business in the customer's mind for future growth and when they have money to spend," Zoller notes. "Go beyond simply a discount and do something special to communicate how important their business is to you. Love them up."

- **Manage your margins.** If you're not making the margins you want, renegotiate your one-time and periodic services costs, such as accountant, attorney and other service-provider fees (phone, cable, Internet, etc.). Some providers may be willing to deal, especially if you're a long-term customer. "It never hurts to ask," Zoller asserts. And if you've got debt, consider refinancing at today's low rates. "Work with the community banks, credit unions and other lenders who are hungry for your business and work well with small business."

- **Look at your lease.** With so much commercial space sitting vacant, it's a buyer's and lessee's market, so look for deals on new leases or lease extensions. "You may even be able to lock in a long-term lease at bargain prices so that when the economy improves, you are sitting pretty," he says.

- **Staff up.** Many businesses held off hiring in hopes that better times would be just around the corner. Since they're probably not imminent, it could be time to stop putting off the inevitable. Take a look at the positions you need to create and/or fill and start recruiting (maybe with an ad in *The Citi-*

zen!). "You will be surprised by the quality of the workforce out there and your ability to attract top people in your business at competitive and fair rates," Zoller says.

- **Make a big buy.** If you've got cash reserves, consider buying hard assets, like your commercial space or large equipment and fixtures, at more affordable prices. "It's a buyer's market and not the time to pay the MSRP," he explains. "Negotiate with the vendor or asset owner."

These steps will help business owners position themselves to take advantage of opportunities when consumer spending and confidence start to tick back up. That probably won't happen until there's tangible evidence of the recovery economists say we've started.

"So do not expect more than a marginal improvement in purchasing and market growth this year," Zoller says, "but position for the next when likely it will be stronger."

Do you have tips and techniques to help small business owners grow their businesses and be successful? Share them with the Chapel Hill-Carrboro Chamber of Commerce's Small Business Roundtable. Email a brief description of your topic to Roundtable facilitator, Alan Hecht of Multi-Channel Marketing, at alanh@multi-channelmarketing.com.

Energy-efficiency grants available

Carrboro commercial property owners can get financial help making their businesses more energy efficient thanks to a federal grant that's trickling down to the Paris of the Piedmont. Thanks to the American Reinvestment and Recovery Act (aka The Stimulus Bill), the Department of Energy has been doling out grants to lower energy use and improve sustainability of the built environ-

ment. **The Southeast Energy Efficiency Alliance** received one such grant, and subsequently awarded a sub-grant to Carrboro to implement a commercial program based on the town's successful revolving loan fund.

Any business in the Carrboro town limits with 50 or fewer employees can apply for grants to improve energy efficiency. Applicants must undergo a \$500 energy audit prior to filing a grant request to ensure their energy use can be reduced by at least the 15 percent required by the program. (The audit fee will be "repaid" if the grant is awarded).

Carrboro is the only sub-grantee focusing on commercial properties. The others, including Chapel Hill, are focusing on residential property. "It's a big deal that Chapel Hill and Carrboro were chosen because we are forging [new] ground for an energy-efficiency market in the area and creating a model for other municipalities to follow," says Nora Barger, energy-efficiency services coordinator for Carrboro and Chapel Hill. "[Through] improving the energy efficiency of the existing building stock and educating the public about the benefits of energy conservation ... the grant funds are the first step to market transformation and an expanded energy-efficiency market in the future."

If the first round of funding is successfully granted, another infusion will be available, enabling more commercial landlords to participate.

"The more energy we save and the more homes and businesses that install energy-efficient measures, the better chance we have to continue and expand the programs into the future," Barger says.

Interested parties should visit ci.carrboro.nc.us/ecd/EERLF.htm, or contact Barger at 918-7334 or nbarger@cleanenergysol.com

Business Briefs

Mill House expands

Local property-management firm **Mill House Properties** (millhouseproperties.com) has acquired the rental-management division of another local firm, Redstone Properties. The addition brings the Mill House management portfolio to more than 300 properties in southern Orange County. Mill House, which markets primarily to undergrad and grad-student/young professional renters, has grown from a home-based business in 2002 to a six-employee enterprise.

Home sales down

Home sales ended 2010 down 6.7 percent for the year Triangle-wide, according to the Triangle Multiple Listing Service's Local Market Update report. Total dollar volume slid 4.2 percent from 2009 levels, though the median sale price rose 4.1 percent to \$189,500. Industry experts expect the skid to continue through 2011.

Vet relocates

Triangle Veterinary Referral Hospital, formerly Triangle Veterinary Emergency Clinic, has relocated to 608 Morreene Road in Durham. It will continue to offer 24-hour emergency care, as well as specialty services such as surgery, radiology, cardiology, ophthalmology and dermatology by appointment. Contact 489-0615 for more information.



Business Calendar

CH-C annual chamber meeting

The **Chapel Hill-Carrboro Chamber of Commerce's** annual meeting will be held from 11a.m. to 1:30 p.m. Tuesday at the **Sheraton** (1 Europa Drive, Chapel Hill). Winners of the 2010 Business of the Year Awards will be announced at the event. Nominees are:

Small Business of the Year: **Herndon Construction, Vacuum Cleaner Hospital** and **Weaver Street Realty and Auction Company**.

Mid-Size Business of the Year: **Chapel Hill Magazine, Great Outdoor Provision Co.** and the **North Carolina High School Athletic Association**.

Large Business of the Year: **Carolina Brewery, Top of the Hill** and **East West Partners Management Company**. Non-profit of the Year: **The Women's Center, Morgan Creek Foundation** and the **Chapel Hill-Carrboro YMCA**.

Registration required. Individual tickets are \$50; preferred seating for 10 with sponsorship recognition is \$600. Register at carolinachamber.org/events. For more information, contact Laura Morrison at 357-9989 or lmorrison@carolinachamber.org

Green economic-development workshop

Part of building a sustainable local economy is managing open space, and a day-long workshop at N.C. State University will explore the ins and outs of the issue. "A Green Future for Economic Development: The Dollars and Sense of Open Space" will be held at the McKimmon Center (1101 Gorman St.) in Raleigh from 8 a.m. to 3 p.m. on Wednesday. Speakers will include Chuck Flink, founder and owner of **Greenways, Inc.**, and Ed McMahon, Charles Fraser Senior Resident Fellow for Sustainable Development at the **Urban Land Institute**. Breakout sessions will address important subtopics. Registration is \$40. A full agenda, registration form and additional information are available at researchtriangle.org

Biotech conference

CED's annual Biotech/Life Science Conference will host the southeastern life-science community in a two-day conference including world-class speakers, panels on industry topics and trends and networking opportunities. The event will be held on Feb. 21 and 22 at the Raleigh Convention Center (500 S. Salisbury St.). Full details and registration (fees vary) are available at cednc.org

Reception for James Harris

A farewell reception for Economic & Community Development Director **James Harris** will be held at The Speakeasy (100 E. Main St.) from 5 to 7 p.m. on Jan. 27.

CABHA

FROM PAGE 1

John Gilmore, codirector of the UNC Center for Excellence in Community Mental Health, which has offices in Carr Mill Mall, said that he is supportive of Cansler's efforts to "put quality clinical care back at the heart of North Carolina's mental health system."

"Strong and active medical leadership is critical for the agencies that we entrust with the care of North Carolina's citizens," Gilmore said, "especially in a time of tight budgets and hard decisions."

At a Jan. 7 DHHS press conference, Debra Dihoff, executive director of the National Alliance on Mental Illness North Carolina, said, "NAMI NC is here because we support moving towards greater stability and quality in the provision of mental health services in North Carolina. And

we believe the move to establish Critical Access Behavioral Health Care Agencies will do just that," adding that, "we will remain vigilant – unintended things happen when major changes are put into place."

Others are more concerned.

State Sen. Ellie Kinnaird, who represents Orange County, said, "I'm very worried about the CABHAs. They create one more layer of bureaucracy." Kinnaird advocates a return to having services delivered directly by local management entities, such as OPC Area Plan, as was the case prior to reform.

"I'm for giving money directly to the LMEs," Kinnaird said.

She's also worried about what will happen to mental health services funding in general when the incoming legislature assembles, calling the new Republican-controlled House and Senate a "wild card."

Truitt, too, is concerned about the long-term financial viability

of CABHAs "given the fiscal realities of our system."

Truitt said that building the infrastructure required of a CABHA creates significant financial pressures on agencies at a time when "they are likely facing reductions in available funding from the LME, as well as possible overall reductions in rates for Medicaid-funded services."

Bebe Smith, codirector, with Gilmore, of the UNC Center for Excellence in Community Mental Health, believes that CABHAs have the potential to restore quality treatment to the state's mental health care system. Smith questions, though, whether they will be committed to work with individuals with particularly challenging issues and if they will be able to provide care for the uninsured and the underinsured.

"We have come to rely quite heavily on Medicaid funding," Smith said, "and there are many people with significant mental health issues who do not have

Medicaid."

Yet another concern comes from smaller providers, who say that CABHA requirements are prohibitive and that the vetting process for certification is, in the words of Angela Annas of Annas Resources, a Chapel Hill mental health care provider, "arbitrary and unfair."

"The state is not a good judge of quality," Annas said.

For David Cornwell, executive director of the advocacy organization N.C. Mental Hope, the primary problem with the process was that input from individuals receiving mental health care services and their families was largely ignored. For that, he said, "DHHS and its divisions should be ashamed."

"CABHA is yet another in a steady stream of fixes over the past decade that has meant continuous disruption for provider agencies and their clients," Cornwell added.

Orange County Human Relations Commission

What we do . . .

The Orange County Human Relations Commission (HRC) provides assistance to people who file a complaint when they think or feel that their race, color, religion, sex, national origin, familial status, veteran status, age, or disability (or their association with members of any of these groups) caused them to receive differential treatment in their search for housing. The HRC also provides assistance with public accommodations issues.

Call 919 245-2487 with questions or to file a complaint.



ORANGE COUNTY HUMAN RELATIONS COMMISSION

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