
Local business owners share advice on starting a business

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With hundreds of small businesses opening annually in the Tri-Cities, many Mid-Columbia entrepreneurs are experiencing firsthand the challenges and opportunities of running their own companies. What's it like to start your own business, and what should you expect going into it? New local business owners and supporters share their advice.

- **Realistically assess the market.** A great idea doesn't automatically translate into something people will buy. "Too many people have an overinflated view of the need for their new product or service," said Blake Escudier, program director for the Small Business Development Center in Kennewick. He recommends that entrepreneurs conduct a thorough assessment and needs analysis of the target market. This approach paid off for Paul and Debbie Didzerekis, who started Three Rivers Internet last year. The Richland company provides a variety of computer services and consulting, with emphasis on web site design and hosting. "I researched the market for more than a year before starting the company," Paul Didzerekis said. Three Rivers Internet now supports almost two dozen local and regional clients.
- **Be prepared to invest a substantial amount of money establishing the business before you see a profit.** Sallie Ortiz and her husband Dave have spent \$15,000 of their own money thus far building their company, Range-of-Motion Therapeutic Equipment, Inc. The Kennewick firm, started in 1996, is introducing a new, patented product—a hands-on exercise board that helps patients regain upper-body movement after a stroke or head injury. "We discovered that banks don't loan money on the merit of a good idea, and when they do loan it, they require you to put all your personal assets up as collateral," Ortiz said. "We refinanced our house to get \$20,000 in seed capital." They used the money to refine their product, attend trade shows, develop marketing materials and set up product tests at Richland and Seattle hospitals. Many new companies may not require this level of investment, but all require a reliable source of up-front cash flow.
- **Have a customer base ready.** Chris Lentz, owner of the electronic design service Rising Edge Design, started his Richland business in April with five steady customers—companies from the Seattle area where he used to work. Didzerekis of Three Rivers Internet said that one of his largest customers is his former employer, which downsized him and then contracted with his company to provide Internet and networking services.
- **Have a source of cash to pay expenses while the business gets established.** Ortiz and her husband have continued their outside jobs to meet expenses and maintain medical insurance. Pacific Northwest National Laboratory granted Ortiz a leave of absence that allows her to work part time for the Laboratory while developing ROM Therapeutics. Lentz, of Rising Edge Design, purposely started his company with no debt. "We sold our house in Seattle and are living temporarily with relatives in the Tri-Cities," he said. Still, the fledging company's first customer didn't pay Lentz for 120 days after the work was completed. Lentz was forced to dip into personal savings to cover

expenses. Didzerekis, of Three Rivers Internet, is finally taking a paycheck after a year and a half--but his wife continues to work full time outside the business.

- **Be willing to market yourself.** "If you're shy, get over it," Ortiz said. "As a business owner, you have to be willing to spend a lot of time and energy attending events, asking questions, and making yourself visible." Explained Escudier, "Business networking is different than making social contacts. It's developing a network of people who can help you advance your business." Lentz, an electrical engineer, admits that marketing is his biggest challenge. "In the company I used to work for, we had technical marketers who brought in the work," he said. "And marketing doesn't come naturally to me; I have to work at getting out and meeting people."
- **Educate yourself.** "It's critical to acquire business acumen in finance, marketing and management," said Escudier. Many local organizations can help entrepreneurs acquire basic knowledge and skills. For example, Escudier offers free business consulting through the Small Business Development Center. The Tri-Cities Enterprise Association provides a variety of business assistance and consultation. Washington State University-Tri Cities offers training programs and marketing courses geared for entrepreneurs, some through its Business LINKS program.