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At two recent meetings, a common theme emerged: our client base of current and prospective entrepreneurs is increasingly ethnically diverse. Though this is a trend nationwide, the development is particularly strong in New Jersey and especially pronounced in the center of our service area, the city of Newark.

Among the nearly 37 million people in the U.S. who speak Spanish at home, some 3.2 million Latino businesses pump some $500 billion into the economy each year, according to SBA Administrator Maria Contreras-Sweet. To better reach this the Latino entrepreneur community, the SBA launched a Spanish-language version of its Web site, which can be found at http://es.sba.gov. A growth in entrepreneurship has been also been seen among African Americans.

On Wednesday, May 21, regional staff from SCORE Headquarters and SCORE leaders from New Jersey chapters met to exchange ideas—how to work together to best meet the progressively diverse pool of entrepreneurs in the Garden State. Staff from the New Jersey office of the SBA was on hand to deliberate how they can assist with financial matters. For additional information, please see the article on page 7.

On Wednesday, June 3, Newark business development leaders were invited to the main SCORE/SBA office to exchange ideas on businesses in the city of Newark. Multiple organizations are available to entrepreneurs in Newark; these assist with the business (organizational) aspects of starting and running a business, obtaining the necessary funding, and attracting customers. These organizations reflect the tremendous diversity to be found among the residents and business owners of Newark. On page 10, we look at diversity in the U.S., New Jersey, our three-county area, and the city of our offices, our own backyard—Newark.

**Diversity in the United States**

To illustrate the increasing diversity of the United States, New Jersey, the Chapter 15 tree-county service area, and the city of Newark, let’s look at the U.S. Bureau of Statistics for July 1, 2014 (extrapolated from the 2010 Census), the most recent indicators available:

- Total U.S. population stands at approximately 321,200,000 people.
- Non-Hispanic whites totaled 197.9 million people, an increase of 94,000 (0.5 percent) from a year earlier.
- Latinos made up 55.4 million people, an increase of 1.2 million (2.1 percent) from a year earlier.
- African Americans totaled 45.7 million people, an increase of 578,000 (1.3 percent) from a year earlier.
- Asians comprised 20.3 million people, an increase of 631,000 (3.2 percent) from a year earlier.

Most notably, millennials (persons born between 1982 and 2000) now outnumber baby boomers (those born between 1946 and 1964), numbering 8.1 million people, more than one quarter of the nation’s population (baby boomers, by contrast, number 75.4 million). Of these individuals, 44.2 percent are part of a minority group, defined by the U.S. government as non-Hispanic, single-race white; in the future, this trend will become even more stronger. Among those born in the last five years, 50.2 percent belong to a minority group (in contrast to 37.9 percent of the total population), for the first time becoming majority-minority.

**Diversity in New Jersey**

In July 2014, New Jersey had 6.8 million residents, of whom 1.5 million were Hispanic (all races), 1.4 million were black (including Hispanic), and 1.2 million African-American (non-Hispanic). In 2010, according to the Modern Language Association, 14.6 percent of New Jersey’s population spoke Spanish as their primary language; another 14.1 percent spoke other languages at home. New Jersey has the third-highest Asian (Southeast Asia and India) population in the U.S. Among children born after 2010, 56.1 percent belong to an ethnic minority group, that is, they have at least one parent who is other than a non-Hispanic white.

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Recent Members Welcomed

We are pleased to announce the following recent members to the SCORE, Chapter 15, team:

• Chris Stanziale  
  Specialty: Financial Planning
• Fredric M. Smith  
  Specialty: Finance (cash flow, accounts payable, payroll)
• Courtney Terrence Jackson  
  Specialty: General
• Amaury Sanchez  
  Specialties: Insurance Services, Sales & Marketing, Consulting and Investments
• Justin A. Stone  
  Specialty: Dental Office Operations

Looking Ahead...

Please note, that as of October 2015, a new slate of the Executive Committee members will be in place.

The new Chapter Chair will be Sue Melamud. She is already in place—arranging the newly elected Executive team.

Names and particulars will be communicated shortly. Leadership continuity and terms of service are mandated by SCORE by-laws.

Stay tuned!

EXECUTIVE COMMITTEE

SCHEDULE OF MEETINGS:
August 12  
September 9

Dennis Newnham, Chapter Chair  
Susan Melamud, Chapter Co-Chair & Team Leader, Membership  
Richard Berek, Team Leader, Marketing, BEST Program  
Emil Hartlieb, Team Leader, Library Seminars  
Kenn Bosland, Team Leader, Spanish Outreach  
Mitch Layne, Team Leader, Technical Matters  
Paul Dzera, Treasurer  
David Cortese, Corresponding Secretary  
Don Rogers, Recording Secretary  
Peter Fleischmann, Government Liaison Point Person

GENERAL MEMBERSHIP

SCHEDULE OF MEETINGS:
  Wed., July, 22  
Thurs., September, 24

Staring at 9:30 a.m., at our Newark headquarters

All members are strongly encouraged to attend.

If you are unable to attend a meeting, please arrange to participate via a phone conference.

Topics to be announced

QUOTES WORTH QUOTING

Above all, you want to create something you’re proud of. This has always been my philosophy of business. I can honestly say that I have never gone into any business purely to make money. If that is the sole motive, then I believe you are better off not doing it.

Sir Richard Branson

That has always been one of my mantras—focus and simplicity. Simple can be harder than complex: You have to work hard to get your thinking clean to make it simple. But it’s worth it in the end, because once you get there, you can move mountains.

Steve Jobs
A Geography of Diversity

Diversity in Essex, Hudson, and Union Counties
SCORE, Chapter 15, serves three counties that are the most ethnically diverse in the state and even the country overall:

- **Essex County.** In 2010, among the county’s nearly 800,000 residents, 42.6 percent were white, 40.9 percent black or African American, 20.3 Hispanic (all races), and 4.6 percent Asian.

- **Hudson County.** In 2010, among the county’s nearly 609,000 residents, 55.6 percent were white, 13.5 percent black or African American, 39.8 Hispanic (all races), and 9.3 percent Asian.

- **Union County.** In 2010, among the county’s nearly 536,500 residents, 61.3 percent were white, 22.5 percent black or African American, 27.3 Hispanic (all races), and 4.6 percent Asian.

These three counties include a large number of colleges and universities, including Bloomfield College, Caldwell College, Essex County College, Hudson County Community College, Kean University, Montclair State University, New Jersey City University, The New Jersey Institute of Technology, Saint Peter’s College, Rutgers—Newark, Seton Hall University, Stevens Institute of Technology, and Union County College. Most of these institutes of higher learning offer academic and vocational programs in business entrepreneurship.

Diversity in Newark

In the city of Newark, ethnic diversity is even more pronounced. In 2010, among the county’s nearly 277,140 residents, 26.3 percent were white, 52.4 percent black or African American, 33.8 Hispanic (all races), and 1.6 percent Asian. In addition, nearby Jersey City is one of the most ethnically diverse communities in the entire world. The populations we serve, our clients, increasingly reflect what these statistics convey.

Recognizing Diversity: Working Together in New Jersey

“A ll of us are natural-born leaders,” said Larkin Connolly, SCORE Regional VP, Northeast U.S., in opening the SCORE District 299 meeting. Leaders from four New Jersey SCORE chapters met on Wednesday, May 21, in Morristown to learn from one another and, in the words of Larkin, “to create a conduit between volunteers and the paid staff at SCORE Headquarters.”

Strong Chairs, Vibrant Seminars, Diversity

Larkin recognized the importance of the chapter chairs. “If you have a good, strong, dynamic chapter chair, you have a good, strong chapter,” said Larkin. He spoke of the importance of effectively branding SCORE, both to attract clients and to raise funds from banks, local corporations, and government agencies (in addition to the SBA). In addition, although a “vibrant” seminar schedule is key, it should lead to follow-up face-to-face counseling sessions. Larkin concluded with his thoughts on the need to attract diverse volunteers to better serve the increasingly diverse population of our clients.

SCORE and Superstorm Sandy: Phase II

Andrew Beamon, SCORE Director of Field Operations, provided an update on SCORE’s outreach efforts to help businesses affected by Sandy. Phase I involved an SBA grant, along with workshops on disaster preparedness the New Jersey Small-Business Development Centers (NJSBDC) sponsored. Phase II, which started in January 2014 and runs through August 2015, continues the business education project beyond disaster preparedness, focusing on business resiliency, i.e., according to the NJSBDC, helping entrepreneurs develop a business continuity plan, involving the following:

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During this period, eight local workshops are scheduled to help entrepreneurs, especially minorities, work and even seek volunteers. He said the workshops help the Urban League and SCORE work with such groups as mentors. He suggested SCORE, Chapter 24, has established a strong Facebook presence at the center of its publicity and outreach strategy, building on the social media site's powerful marketing tools.

Andrew Beamon, regional SCORE Director of Field Operations.

Working Together in New Jersey
(continued from page 7)

• Identify critical factors and minimizing the impact of business disruption
• Control risks and create contingency plans, including adequate insurance planning
• Plan for the protection of employees, suppliers, customers, and stakeholders
• Improve data security and ensure the protection of business assets.

During this period, eight local workshops are planned, supplemented by eight webinars.

Andrew echoed Larkin’s observations about the diversity of SCORE volunteers, affirming his concern that prospective entrepreneurs belonging to ethnic minority groups may feel uneasy about entering a homogeneous room, “even if these minorities are served well by SCORE mentors.” He suggested working with groups such as the Urban League and even seeking volunteers among seminar attendees, who already feel favorably toward SCORE.

Bruce Foster of SCORE Northwest NJ (Chapter 24), which covers Morris, Sussex, and Warren counties, introduced the efforts his chapter has taken to make publicize its services, using the marketing power of Facebook. The campaign has two primary objectives:

• Build brand awareness of Chapter 24 and SCORE overall
• Generate leads for seminars and individual counseling sessions.

The SCORE, Chapter 24, Facebook page offers informative articles, along with free business templates and a link to join an e-mail list. Visitors to the page can leave comments and a review. All five reviews posted since the page’s inception have been highly positive. SCORE, Chapter 24, has also allocated a budget to advertise its Facebook page, using a cost-per-click system similar to that found on Google. According to Bruce, since mid-January 2015, these advertising efforts have netted 44,000 impressions, distinct views. Average cost per click has been $0.85, which translates to $10 per positive lead (which is considered highly efficient by industry standards); total cost so far has been $357.

Bruce expressed his chapter’s strong desire to have the other seven New Jersey SCORE chapters involved in Facebook efforts, with reciprocal links to increase overall SCORE brand awareness in New Jersey and generate contacts (clients as well as volunteers) statewide.

“We Want to Help”
Barbara Anne Gardenhire-Mills and Sheryl Paynter gave an update on how the SBA New Jersey District Office can assist New Jerseyans interested in starting their own business with financing. Both women have experience as entrepreneurs themselves and understand the needs of others looking to go into business or expand a current one. They discussed an initiative called LINC (Leveraging Information and Networks to access Capital), an online tool that connects small-business borrowers to lenders that participate in the SBA program. For borrowers who do not qualify for an SBA loan, the New Jersey District Office can provide other information, including referral to SCORE counselors with an expertise in business financing. The SBA New Jersey District Office even offers a train-the-counselor course on SBA loan products and programs. (For further information on the training course, please see related article, page 14.)

Sheryl Paynter (left) and Barbara-Anne Gardenhire-Mills of the SBA New Jersey District Office are available to assist SCORE clients with financing their new or existing business.

Chapter 15: Three Initiatives
Dennis Newnham discussed challenges Chapter 15 is facing and initiatives in place to meet them. “We are in the midst of a major change in business, the biggest since the Industrial Age,” he said. Dennis introduced Chapter 15’s three primary initiatives: the seminars offered at key public libraries, the BEST Program, and an outreach to chambers of commerce, with strategic alliances to these and other business organizations.

Library Seminars. Library seminars have been the mainstay, along with one-to-one counseling. However, there have been many changes. Said, Emil Hartleb, the Team Leader, “The management of change is one of the most important strategic functions of management, as change is constant.” Globalization and new technologies present the greatest trials to people starting and maintaining businesses and SCORE counselors alike. In addition, the demographics of people considering starting a business are changing, representing a higher degree of ethnic diversity and age: 45 and older and 25 and younger. How to reach these clients? Dennis introduced Chapter 15’s three primary initiatives: the seminars offered at key public libraries, the BEST Program, and an outreach to chambers of commerce, with strategic alliances to these and other business organizations.

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Among the nearly 37 million people in the U.S. who speak Spanish at home, some 3.2 million Latino businesses pump some $500 billion into the economy each year, according to SBA Administrator Maria Contreras-Sweet. Similar growth in entrepreneurship has been seen among African Americans. These points were clear during a June 3 meeting at SCORE, Chapter 15, hosted with Newark business development leaders. “We need to be more involved with business organizations in Newark,” said Dennis Newnham.

After Paul Dzera’s introduction, Sue Melamud stressed her and Paul’s efforts to focus on diversity in their recruiting efforts. There are already three bilingual counselors at SCORE, Chapter 15, “and they would love to use their language skills.”

The Latino Business Community Is Growing
Luis De La Hoz, Vice President at the Intersect Fund, spoke of his organization’s efforts to assist prospective Latino entrepreneurs. The Intersect Fund provides microloans of $100 to as much as $25,000 (with an average of $2,500) to small-business owners to reach their business goals, building strong enterprises and creating jobs. The organization also provides business training and coaching to low-income, minority, and women-owned businesses throughout New Jersey. Since its first loan in 2009, the Intersect Fund has provided more than 300 loans, totaling more than $800,000; the organization currently receives some 100 applications each month, said Luis. He stated that some 92% of new enterprises are micro-businesses. In fact, if each one of these employed just one person, we would have full employment in the U.S. “That’s the power of micro-business,” said Luis. Latino-owned businesses have grown nearly three-fold since 1997, from 1.2 to 4 million. Luis is also a board member of the Hispanic Chamber of Commerce of New Jersey.

Newark: A City of Opportunity
Chip Hallock, President and CEO of the Newark Regional Business Partnership, discussed his organization’s role in creating opportunities for businesses in Newark. “We connect people with business resources, for example, architects looking to meet builder—businesses connecting with other businesses.” In addition, “NRBP is committed to creating opportunities for our diverse membership to interact with each other and to collaborate on creative ideas for growth and prosperity with business, civic and government leaders,” he said.

Seth Grossman, Director of the Ironbound Business Improvement District, outlined his community’s vibrant business activity, especially shopping and its renowned Portuguese and Spanish cuisine, but also hotels and other local services. His organization’s Web site, “Meet Me in the Ironbound,” is a detailed directory of all there is to see and do.

Newark Leaders spoke of his organization’s efforts to assist their language skills.”

Recognizing Diversity:
Finding Common Objectives with Newark Leaders

Scott Blow, Executive Vice President and Chief Business Development Officer of the Newark Community EDC (Economic Development Corporation), said some 50% of all retail corridors in Newark are Latino-owned. Newark CEDC is the primary economic development catalyst for the city of Newark, attracting new businesses and expanding existing ones, especially small and minority-owned businesses.

New SBA New Jersey District Office: Helping Finance Dreams
Claudia Yarbourough, Lender Relations Specialist, SBA New Jersey District Office, presented the latest edition of the Resource Guide for Small Business, a reference source with a wealth of material for prospective entrepreneurs. Her organization’s main role: “We refer clients to banks that can lend money,” she said. The SBA New Jersey District Office works with the Small business Development Center, Women’s Business Center, the Rutgers Business School and, of course, SCORE. Harry Menta, Economic Development Specialist, added “We’re about partnerships.” SBA, he said, is about the “3 Cs,” counseling, capital, and contracting. As such, he values the working relationships between his organization and New Jersey SCORE chapters highly. “I ask, what can we do for each other?” Moreover, “If SCORE succeeds, the SBA succeeds,” he stressed.

In recognizing the importance of the Latino business community, Harry mentioned the SBA’s new Spanish-language Web site. “In the next year, it’s going to be a big part of what we do.” Harry is also working with our BEST initiative.

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On-Site Seminar: Starting and Managing a Business

In addition to the library seminars, SCORE, Chapter 15, also offers half-day seminars at the Newark office. Designed for people planning on starting or who have already recently started a business, this seminar will be offered on Tuesdays, from 9 a.m. to 2:30 p.m.:

- September 15, 2015
- November 17, 2015
- January 19, 2016
- March 16, 2016

SCORE Chapter 15 Library Seminars

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<th>Date and Time</th>
<th>Course and Presenter</th>
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<td>September 9, 2015</td>
<td>Women in Their Own Business</td>
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<td>Laura Tilden</td>
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<td>Marketing Your Small Business</td>
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<td>Low-Cost/No-Cost Strategies Available</td>
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<td>Starting a Home-Based Business</td>
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<td>Business TBA</td>
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<td>October 14, 2015</td>
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<td>Vol. 4, No. 3</td>
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Training SCORE Counselors on How the SBA Can Help

The SBA New Jersey District Office, in an effort to reach out to SCORE, has produced a training program geared specifically to counselors. The program comprises four subject areas.

What Lenders Look For

Traditional sources of capital included the entrepreneur’s equity investment, investments by business partners, home-equity loans, and loans from friends and family. What happens when these sources of funding are not enough? That’s where the SBA comes. Lenders look at the five Cs of credit:

- **Character**—Individual and business credit history, quality of references, individual background, and a credible business plan
- **Capacity**—Cash flow: How quickly is the business to generate a positive cash flow? Can the profit be sustained? Can the loan be repaid?
- **Collateral**—Assets both personal and within the prospective business. SBA loans are personally guaranteed!
- **Capital**—Personal money invested, as well as the business owner’s ability to save money and accumulate fiscal growth
- **Conditions**—Purpose and length of the loan: terms usually are 10 years for working capital, 25 years for real estate.

Grants do not provide personal financial assistance, as they usually are meant for public economic stimulation. **Ineligible** businesses include nonprofit, religious, and charitable organizations; lending and investment activities with capital or real estate; and corrections-related businesses, along with business owners who have previously defaulted on a federal loan. The training program also goes into considerable detail in loan application information.

SBA Technical Assistance

So far, the program has covered SBA guaranteed loans, which reduce the lender’s risk. However, not everyone needs this type of financing, and the SBA can help find other sources of capital.

SBA Financial Programs

Five SBA financial programs are outlined, as follows:

- **The 7(a) Loan Guaranty Program**—Provides for low-interest loans for small businesses (as defined by type)
- **The 504 Program**—Provides for the long-term financing of real estate or equipment
- **The Microloan Program**—Small amounts of capital can obtain money through community-based, nonprofit micro-lenders; the SBA acts as an intermediary
- **Small-Business Investment Company**—A 1958 federal government in program to finance the difference not provided by traditional sources of financing
- **Surety Bond Guarantee Program**—A program with a twofold purpose: to provide an incentive to surety companies and offer greater access to government contracts.

Other Financing Options

Crowdfunding is an increasingly popular way to raise funds for a start-up firm. Also known as crowdsourcing, businesses can raise money from multiple contributors or investors, often in small increments. An entrepreneur seeking funds uses the power of the Internet to publicize an opportunity to contribute, lend, or invest in a venture according to specified rules, according to the stated goal of the seeker. The advantage to this type of financing is that the new business becomes publicly accountable to the investors or contributors.

Working Together with Newark Leaders

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To Follow Up

Everyone present agreed that the meeting had been highly productive and expressed the strong desire to work together toward the common goal of the economic and business well-being of Newark and the rest of the area SCORE, Chapter 15, serves. After the meeting, Paul outlined the four following activities the chapter should pursue:

- Hold a meeting to discuss the missions, strategies, and initiatives, including the creation of business improvement districts, as suggested by Seth Grossman.
- Identify seminars, workshops, and roundtable discussions (in English or Spanish) that Chapter 15 and the SBA Newark office could present to the members of the other organizations at the meeting.

SBA New Jersey District Office is available to assist both entrepreneurs and SCORE counselors with financial matters necessary to launch a new business.

The SBA New Jersey office this year produced this informative guide to starting and financing a business in New Jersey. Copies were distributed at the June 3 meeting with the local SBAs and members of the Newark business development community.
More of the Same—Yet Different

Like the other 304 SCORE chapters throughout the country, SCORE, Chapter 15, assumes the very important responsibility of assisting small businesses to grow and succeed.

However, our chapter has an additional responsibility: that is, dealing with a highly diverse population—socially, ethnically, and economically, and more so than most other chapters. This is a large challenge, indeed.

This diverse challenge is particularly in evidence with our Latino population, one of the largest—if not the largest—minority group in the U.S.

To meet this challenge, we have established a Spanish Outreach program headed by our senior and experienced member, Kenn Bosland. He and his team organize this responsabilidad, involving language-specific mentoring and publicity. Included is literature for wide distribution.

We are pleased to offer this, the eighth edition of 15SUES.

We would like to take this opportunity to wish everyone all the best for Independence Day and the rest of summer.

We welcome your suggestions and contributions you deem important. The major objective is to make 15SUES our newsletter.