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# Business News

450 Exton Square Parkway, Exton, PA 19341

Winter 2009

## Happy New Year

Wishing you all a happy and healthy New Year! Read on and see what business information the Chester County Library has to offer so you can prosper in 2009.

## Small Business: Starting Up in a Down Economy

Most Americans sorely knew it already, but now there's no doubt. The country officially is in a recession and has been since December 2007. What exactly is the definition of *recession* and how does it differ from the term *depression*? If there are two consecutive quarters of decline in economic activity as measured by a decrease in GDP (Gross Domestic Product), the economy is said to be in a *recession*. A *depression* is a very severe *recession*, as took place during the 1930's. With that being understood, can there be success, during this volatile time, in starting up a new company? The answer is **YES**.

Norm Brodsky, a veteran entrepreneur and columnist for *Inc.* magazine, started two of his many businesses just as the country slipped into the 1990 and 2000 recessions. In his new book, *The Knack: How Street-Smart Entrepreneurs Learn to Handle Whatever Comes Up* (658.11 B), he shows business people how to deal with all kinds of tricky situations using street-smart common sense. Below is some advice from Brodsky for business people involved in start-ups:

- You won't have a big staff or fancy offices to cover, whereas established companies have these fixed costs, even if sales drop. *One less thing to worry about.*
- During a recession people are scared about losing their jobs and morale at companies takes a hit. That's another thing you won't be fighting. You and your people will be excited that they are building something new.
- A start-up is also, by its nature, focused on sales and marketing, whereas established businesses often cut back on this. What usually results is a company's revenue dropping further and faster, thus aggravating its problems. A new company should spend every marketing dollar budgeted in the business plan. Let the larger companies adjust.
- When making a sales pitch to a potential client, don't use the *R*-word. You can mention that businesses these days are looking for ways to save money or streamline operations. Being a start-up, there isn't much overhead, so the savings can be passed along. *A pretty compelling offer.*

Good luck to all of the entrepreneurs starting new business ventures in 2009.

## Social Networking

In the Summer 2008 issue of *Business News* a few of the lesser known business social networking sites were listed. If you are interested in reading that issue, along with other past issues, go to: [www.ccls.org/cwo/Find\\_a\\_Resource/Business/News](http://www.ccls.org/cwo/Find_a_Resource/Business/News).

This issue will focus on the website, **LinkedIn**, [www.linkedin.com](http://www.linkedin.com), a Facebook-like social networking site with a business focus. Professionals use it to publish their latest work news, find jobs and connect with friends and sales prospects. Launched in the spring of 2003, it is the most popular business networking site, with 31 million users. The purpose of the site is to allow registered users to maintain a list of contact details of people they know and trust in business. Below are ways to benefit from **LinkedIn**.

- Use **LinkedIn** to build your network, starting with people you know. Invite them to join **LinkedIn** and your network. If they already are **LinkedIn** members, you can identify contacts that **they** know – contacts you could invite into **your** network. **LinkedIn** can help you

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*Business News*, a quarterly publication, is aimed at informing the business community and library customers about the Library's business resources and services. *Business News*, along with other pertinent information for the business community, is also available at [http://www.ccls.org/cwo/Find\\_a\\_Resource/Business](http://www.ccls.org/cwo/Find_a_Resource/Business).

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"warm up" cold calls by enabling you to get introductions to new contacts via the people you know. Use these connections to find contacts in a company you are targeting ("Who in my network knows someone in that company?") or find industry expertise ("Who in my network knows someone who does \_\_\_?").

- Tap the people you meet at networking events, using the business cards you collect.
- You can "mine" these business card contacts.
- Invite them to join your **LinkedIn** network.
- Explore their expertise and connections if they are on **LinkedIn**.
- Build your stature on **LinkedIn** by seeking **recommendations** from people who know your work and posting them on your **LinkedIn** profile. In return, give recommendations to contacts whose work you know.

## Internet Corner

**Inc. Magazine**  
**www.inc.com**

*Inc.* magazine, started in April 1979, is a monthly periodical based in New York City and targeting entrepreneurs and small businesses. You may check out this publication with a valid Chester County Library System card. It can also be accessed from home via **Business Source Premier**, an online database. The magazine recently introduced **IncBizNet**, **www.incbiznet.com**, a free website designed **exclusively for private companies** to promote their businesses and network with other business owners online. Users can create a profile, distribute press releases, create a business blog and join communities within **IncBizNet**. As a companion to the magazine, **www.inc.com** is updated daily with information on start-ups,

technology, blogs, etc. A recent posting to this site, dealing with how the nation's small businesses are coping with the economic crisis, can be found at **www.inc.com/keyword/dec08**.

**YouNoodle**  
**younoodle.com**

What is your business worth? Check out **YouNoodle**, an online community that focuses on start-ups. After answering a detailed set of questions, the program spits out a predicted valuation and a number that resembles a credit score. Some 6,000 have taken the test since it debuted this summer and the responses have been favorable. Venture capitalists feel, however, that **YouNoodle** is a good idea as a tool to play with, but the honest reality is that there's a lot of subjective art to figuring out what a start-up is worth.

## Business Q & A

Each issue of **Business News** will feature a question and answer segment, with information on how to retrieve pertinent data relevant to the business community.

### ***How can I find locate financial information on private companies?***

Basically, you can't. Unlike public companies, private companies are not required to file with the Securities and Exchange Commission (SEC) so the information that can be found in those documents is not necessarily available for companies that are private. Dun & Bradstreet (D&B) is a name that often comes up when researching private companies. They publish D&B credit reports and other profiles that are sold for a fee. It is important to keep in mind that these reports usually only provide credit/payment information (essentially whether or not that company has paid its bills and should you loan them money to them or not), not necessarily financials or much in-depth data on the company.

Private company information, therefore, leans more toward the anecdotal rather than to detailed financial reports. Some resources do give basic financial figures such as (estimated)

revenue, but most private company information will be gained from literature searches of local newspapers, magazines, newsletters, wire services and trade journals. To find this kind of information use one of these databases: *Business Source Premier*, *Newspaper Source*, *New York Times 2000-current*. You will need valid Chester County Library System card to access them from home, office or wireless.

Another strategy for looking up private company information is to research the industry. In addition to doing literature searches, industry ratios can help you determine how well a company is performing compared to its peers. Financial ratios are generally calculated using numbers from a company's financial statements. Depending on which numbers you're dividing, you can get a quick look at a company's financial stability, its efficiency overall, its profits and some future indicators of growth. When you average out these numbers across companies in the same industry you can derive industry ratios. Below are two financial questions to ask yourself whether a company is private or public:

- What kind of numbers can I find for this company? (If a company is private, can I find a similar public company and use their numbers to help guide me?)
- What can I do with the numbers I "can" find? Does this company have "good numbers?" (Relative to size of company and industry it operates in.)

Some databases that can help with industry research include: *Business Source Premier*, *ReferenceUSA*, *Business and Company Resource Center*.

Reference books (in-library use only) for research on private company and industry ratios include:

*RMA Annual Statement Studies*  
(R 338.0973 R)

*Industry Norms and Key Business Ratios* (R 338.0973 I)

*Lexis-Nexis Corporate Affiliations US Private Companies*  
(R 338.8 L 2008 v.5 & 6)

Hoover's Handbook of Private Companies (R 338.7402 H 2008)

If you need any help researching a company (public or private) please contact **Leora Rothschild**, Business Outreach Librarian, **610.280.2624** or e-mail **business@ccls.org**. Appointments can be made for one-on-one consultations.

Researching a company? Writing a business plan? Conducting market research? The Chester County Library can help. E-mail us to see how the Library can help you in your business research: **business@ccls.org**.

## New Books

### Environment

**The Green Collar Economy: How One Solution Can Fix Our Two Biggest Problems**, Van Jones (363.7 J).

*A plan for solving the biggest issues facing the country – the failing economy and our devastated environment. The author is an acclaimed activist and political advisor who states that the economy is built on and powered almost exclusively by oil, natural gas and coal – all fast-diminishing nonrenewable resources. As supplies disappear, the price of energy climbs and nearly everything becomes more expensive. With costs and unemployment soaring, the economy stalls. The bottom line: we cannot continue with business as usual.*

### Marketing

**Relevance: Making Stuff That Matters**, Tim Manners (658.827 M).

*Branding is no longer a numbers game, according to the experts that Manners quotes, but about making sure your customer is happy; not just with the services, or the product, but in their lives. How can this be*

*achieved? The author's answer: through relevant insights, innovation, investment and design. Combine these with careful attention to value and experience, and you'll get growth.*

### Finance

**The World is Curved: Hidden Dangers to the Global Economy**, David Smick (337 S).

*Smick begins with a puzzle: why did the subprime mortgage crisis, an event that directly impacted a relatively small piece of the global market, have such a catastrophic impact on the world market as a whole? From there, the author turns to topics as complex and varied as the potential 21st Century Chinese financial bubble and the policy dilemmas currently facing the Fed. Throughout the book, the author returns to the argument that political trends are increasingly at odds with the forces driving the globalized world economy. Smick brings expertise and lucidity to many difficult subjects, and while his book's appeal will likely be limited to those with some background in the field, it will undoubtedly stir interest and debate amongst investors, policymakers and strategists alike.*

**Bad Money: Reckless Finance, Failed Politics, and the Global Crisis of American Capitalism**, Kevin Phillips (330.973 P).

*Bad Money refers to a new phenomenon in wayward megafinance – the emergence of a U.S. economy that is globally dependent and dominated by hubris-driven financial services. Also "bad" are the risk miscalculations and strategic abuses of new multitrillion-dollar products such as asset-backed securities and the lure of buccaneering vehicles like hedge funds. Finally, the U.S. dollar has been turned into bad money as it has weakened and become vulnerable to the world's other currencies. In all these ways, "bad" finance has failed the American people and pointed U.S. capitalism toward a global crisis.*

### Leadership/Management

**Leadership and the Sexes: Using Gender Science to Create Success in Business**, Michael Gurian (658.4092 G).

*Using a helping of neurobiology, the author illustrates how brain chemistry influences gender and how gender in turn powerfully affects every aspect of workplace behavior. Corporations that are attentive to gender and behavior can enhance their performance, competitive edge and bottom line. Also discussed is how men and women wield leadership, bond, regard and execute authority, and approach management and conflict resolution skills. The findings on brain differences can then be applied to account for the variations in male/female behavior.*

**Myth of Multitasking**, Dave Crenshaw (658.4093 C).

*In a compelling business fable, this book confronts a popular idea that has come to define our hectic, work-a-day world. This simple yet powerful book shows clearly why multitasking is, in fact, a lie that wastes time and costs money. Far from being efficient, multitasking actually damages productivity and relationships at work and at home.*

### General Business

**The Essential Guide to Business Etiquette**, Lillian H. Chaney (395.52 C).

*Which fork should you use to eat the salad at a business lunch? What does "business casual" really mean? What's the one thing it's important not to do when meeting a Japanese businessperson for the first time? Good social skills are critical to success in today's competitive business world. Excellent manners not only grease the wheels of commerce, but an employee's positive professional image rubs off on the company and improves its reputation. This book, a practical guide for interacting effectively with colleagues, customers and business associates, details the social skills necessary to ensure personal and professional success.*

## Career Development

**No More Mondays: Fire Yourself – and Other Revolutionary Ways to Discover Your True Calling at Work**, Dan Miller (650.14 M).

*The job market is changing rapidly and loyalty to the company or from employers to employees is a thing of the past. Perhaps your industry has been shaken by the economic crisis. You may have ideas stirring that you think could create new income and free up time. Maybe you're tired of the long commute and being tied to your desk when you know you could make your own hours and still be productive. **No More Mondays'** practical, inspirational advice speaks to people looking for guidance on how to launch a new career or business, those who want to stay in their current jobs and give the old 9-to-5 model a 21st Century makeover, and managers desperate to understand the way people want to work today.*

## Starting a New Business

**Turn Your Hobby Into a Business: The Right Way: Tax and Legal Tips to Avoid IRS Problems** (CD-ROM included), John Alan Cohan (658.0412 C).

*The majority of people who convert their hobbies into businesses are ordinary people who simply want to do it the right way and avoid problems with the Internal Revenue Service. This book includes many case studies of actual hobbies-turned businesses. Whether you're a craftsman or a writer, an inventor or a hobby farmer, this book lays out all the steps so that you can turn your personal pastime into a profitable business venture. The CD-ROM contains Articles of Organization forms provided in MS and PDF formats for use on a Windows-based PC.*

**Will Work From Home: Earn the Cash –Without the Commute**, Tory Johnson (331.2567 J).

*Good Morning America's Workplace Contributor Tory Johnson and Consumer Advocate Robyn Freedman Spizman tells readers exactly how to turn today's cultural change to their advantage*

*without giving up an income. With real-life stories, a step-by-step plan, resource guides and lists of scams to avoid, this is the book that will help readers finally make the leap.*

## Upcoming Events

All events are held at the Chester County Library. Programs are free and open to the public. Upcoming events are also listed on the Library System's website, [www.ccls.org](http://www.ccls.org), click on **Find an Event**. For information and reservations call **610.280.2624** or e-mail [business@ccls.org](mailto:business@ccls.org).

**Wednesday, January 28**

**6:30-8:30 PM**

### Small Business Financing

**Andrea Giles** will discuss financial assistance programs offered through the Small Business Administration.

**Tuesday, February 17**

**6:30-8:30 PM**

### Financial Literacy

**Jacquelyn Basso**, CPA, will discuss how to make appropriate decisions in managing your personal finances.

**Monday, March 23**

**6:30-8:30 PM**

### Strategic Planning for Small Business

**Mary Vogan**, CEO of One Stop LeaderShop, will discuss what it takes to be a leader and how to incorporate that for the small business person.

**Monday, April 13**

**6:30-8:30 PM**

### How I Started My Own Business: Three Personal Stories

Three Chester County residents will share their journey on starting their own businesses.

## KUSBDC Classes

These classes are held at the Chester County Library.

### How to Start and Operate a Small Business

Sponsored by the Small Business Assistance Center (SBAC), Kutztown University Small Business Development Center (KUSBDC) and SCORE. Registration required, call **SBAC 610.444.1721** or register online at [www.sbacnetwork.org](http://www.sbacnetwork.org). There is a

one-time **\$15** materials fee for these classes payable by check to Kutztown SBDC at the door or prepay online at [www.kutztownsbdc.org](http://www.kutztownsbdc.org).

**Wednesday, January 14**

**Wednesday, February 11**

**Wednesday, March 11**

**Wednesday, April 8**

**6:00-8:30 PM • Struble Room**

### Four Part Business Planning Workshop Series

Attendees must register with KUSBDC before attending Business Plan I. The classes must be taken in order. A certificate will be awarded at completion of all four Business Planning classes. To register, call **KUSBDC 610.683.4725** or visit their website [www.kutztownsbdc.org](http://www.kutztownsbdc.org). There is a one-time \$60 materials fee for these classes. Contact KUSBDC for payment information.

**Series starting January 22:**

**All 6:00-8:30 PM • Struble Room**

**Thursday, January 22**

*Business Plan I*

**Thursday, January 29**

*Business Plan II*

**Thursday, February 5**

*Business Plan III*

**Thursday, February 12**

*Business Plan IV*

**Series starting March 5:**

**All 3:30-6:00 PM • Struble Room**

**Thursday, March 5**

*Business Plan I*

**Thursday, March 12**

*Business Plan II*

**Thursday, March 19**

### Chester County Library System

Atglen Public Library 610.593.6848

Avon Grove Library 610.869.2004

Bayard Taylor Memorial Library 610.444.2702

Chester County Library 610.280.2600

Chester Springs Library 610.827.9212

Coatesville Area Public Library 610.384.4115

Downingtown Library 610.269.2741

Easttown Library & Info. Center 610.644.0138

Henrietta Hankin Branch Library 610.321.1700

Honey Brook Community Library 610.273.3303

Malvern Public Library 610.644.7259

Oxford Public Library 610.932.9625

Paoli Library 610.296.7996

Parkesburg Free Library 610.857.5165

Phoenixville Public Library 610.933.3013

Spring City Free Library 610.948.4130

Tredyffrin Public Library 610.688.7092

West Chester Public Library 610.696.1721