



July 9, 2010

SCORE adds up to business start-up success

By Jeff McKinney
jmckinney@enquirer.com

Before Karla Lalosh opened A Salon Named Desire, she needed guidance to become an entrepreneur.

Lalosh and her partners knew how to provide professional beauty-care services like cutting, styling and coloring hair, but lacked some fundamentals to run a business.

The trio found their solution by working with Bob Wiwi and Linda Ulrey, volunteer counselors for SCORE, counselors to small businesses, in Cincinnati.

Wiwi and Ulrey worked with the partners for six months before they opened their shop in Pleasant Ridge in January 2008 as the recession started taking hold.

Among other things, the partners were taught how to make money and use their sales to properly cover payroll, buy products and pay utilities.

Lalosh of Pleasant Ridge owns the shop with Madeira residents Samantha Carter and Julie Duggins. The partners used their savings and got \$50,000 in private funding to open their business.

"We probably would not have opened without their direction," Lalosh says.

A Salon Named Desire and other local firms have relied on SCORE in recent years to help them start up, survive and overcome the recession.

The Cincinnati chapter includes 87 retired and working executives who provide free advice to help businesses open or expand in Southwest Ohio, Northern Kentucky and southeast Indiana.

In 2009, the chapter assisted more than 1,600 new clients, says Tom Moon, the chapter's chairman. It provided 4,000 sessions to local entrepreneurs in person or online last year.

Based on U.S. Small Business Administration studies, it's estimated that Cincinnati SCORE services last year helped create 230 jobs and more than 180 new small businesses.

"In the current economy, the assistance provided by SCORE is more important than ever," Moon says.

For Jim Mullaney, CEO and president of Edoc Marketing, a Fairfield-based business marketing firm that started in 1997, SCORE's assistance was vital.

Mullaney says SCORE counselor Ralph Lowenstein offered input to help cut the firm's expenses.

Those actions included reducing the salaries of the firm's two highest paid employees by 30 percent and getting the company's two largest vendors to cut their fees for services.

Mullaney says sales in 2009 were \$602,000, down 5 percent from \$632,000 the prior year. But "acting in a timely manner allowed us to break even profit-wise," he says.

This year Mullaney expects to have record sales and profits from doing more business with existing clients. He expects sales this year to top \$1 million.

"We expect to be debt free and have a very strong balance sheet this year," Mullaney says.

Mullaney, who has worked with Lowenstein for 10 years, advises potential entrepreneurs to contact SCORE very early in their business start-ups for "intervention and direction."

SCORE's assistance made the difference for Berrece Andrews, who sought the volunteers' help 18 months ago after launching NextLevel Vacations in 2005.

An African-American-owned firm, NextLevel Vacations of Mason is a wholesale vacation supply firm that buys vacation trips from resort networks in the Caribbean and sells them to customers. Andrews, a Procter & Gamble retiree, says he and his SCORE counselor Bill Haman determined that the company should serve multiple segments of the population instead of just focusing on consumers.

Today, the company also markets to travel agents, event planners, charity fund raisers and business incentive and award programs.

Andrews says sales in 2009 dropped about 30 percent from 2008 as travelers chose domestic vacations over international ones. Were it not for his diverse clientele, Andrews is sure his sales would have dropped even more.

"Identifying my market was critical because it helped diversify my sales," he says.

Andrews expects sales this year to improve slightly from last year as people continue to take vacations and the economic recovery continues.

"As people get more discretionary income, we're hopeful that will result in more business for us," he says.

"What SCORE does is allow you to play bigger sooner than what you may have planned."

Additional Facts

SCORE, Cincinnati

Started: 1964

Headquarters: 525 Vine St., downtown Cincinnati

Other local offices: West Chester, Lebanon, Fairfield and Lawrenceburg, Ind.

More details: www.scoreworks.org or (513) 684-2812
