

FOCUS SECTION

Small Business

Soil and toil

Dishing the dirt on the gentle art of landscaping

By GINA GALLUCCI-WHITE

Special to The Daily Record

As temperatures creep higher and higher (we hope), many will find themselves outside more. But what has Mother Nature done to your yard over the past few months?

Enter **Lawn and Landscaping at its Finest LLC**, a Frederick-based small business founded in 2004. The company's claim? "Built on the belief that our customers' needs are of the utmost importance." Owner Tommy Smith agreed to answer questions for The Daily Record about the peculiarity of running a seasonal business heavily dependent on manual labor.

Q. What made you want to own your own business?

A. I started off doing landscaping during my early teens, helping a buddy of mine, so I kind of fell in love with it then. I come from a long line of business owners. My dad and uncle own a dairy farm, so I know all about long hours. I knew when the time came, I wanted to own my own business.

Q. How did you go about choosing a name?

A. We knew we wanted something different. We wanted to stand out from everybody else. We want to try to be the best company we can be and produce fine work.

Q. Could you tell me what services your company offers?

A. Hardscaping, landscaping, mowing, spring and fall cleanups, mulching, landscaping and hardscaping designs and lawn management.

Q. What are some challenges you face in your industry?

A. One of the biggest ones are other landscape companies. A customer told me about a previous landscape company they had used. The company had the individual sign a contract, took quite a bit of money from them and never came back. It makes homeowners hesitant to hire a contractor, landscaper or anyone who does any type of home improvement. We try to advise every homeowner to make sure companies are licensed, insured and do a background check on them.

Q. How much does weather play a role in your business?

A. It can play an extreme role. If it's not raining in the summertime, we are not cutting grass. If it's too hot, we aren't mowing grass. We try to treat our customers as fair as we can and only cut when the grass needs cut.

Q. Your industry requires workers to be outside on extremely hot and cold days. Is it hard to find people willing to do that kind of work?

A. It's hard to find people to work, pe-



MAXIMILIAN FRANZ

Tommy Smith poses on a patio built by his company, Lawn and Landscaping at its Finest. He says: 'Once you see the before and after, you forget about those 100-degree days.'

riod. This is manual labor. It's not easy work. There are days we dig ditches, put retaining walls in and dig out patios. There are some cases we are doing this by hand.

Q. How much can landscaping add to a home's value?

A. It depends on the home and the job you want to have done. We say, "Nothing can hurt." We say anywhere between 1 and 15 percent for an increase. It depends on how much you want to spend.

Q. What do you enjoy the most about your job?

A. Seeing the before and after — when we take a picture before we install a patio and then take one after we finish the job. Also seeing the look on a customer's face when we do a good job and they are satisfied with the caliber of work we put out. The other thing is working outside. If I could work outside all year round, that would be perfect.

Q. What's the biggest project you have worked on, and how did it turn out?

A. A 3,000-square-foot patio. It turned out excellent. We did the patio and retaining walls. It was me and one other employee. We worked on it every Monday and Tuesday for two months over a summer. It was hard work, but once you see the before and after, you forget about those 100-degree days. The customers still love it today.



MAXIMILIAN FRANZ

Smith takes measurements for a customer's patio.

Q. How have you built up your client base over the years?

A. Our client base has been pretty much built through hard work and determination. Ninety percent of our business has been spread through word of mouth. If you do good work, people will show gratitude to you by putting out your name. We try to treat each customer the same way that I would want to be treated if someone was doing a project at my house. The customer comes first.

Q. What are your plans for the future?

A. We are going to try to keep expanding. We want to satisfy more customers and grow the business each and every year — as well as keep the customers we have had for the past eight years.

Lawn and Landscaping at its Finest LLC, Frederick
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www.lawnandlandscapingatitsfinest.com

In building relationships, it's all about getting personal

Do relationships with customers, co-workers and colleagues still matter?

With the Internet, social media and so many forms of technology around us relaying messages, do personal, face-to-face “relationships” still really matter? We can find almost any product or service online and develop a whole network of connections on LinkedIn, Twitter or Facebook. Do we really need to cultivate in-person relationships to be successful?

In the modern world, where there is unlimited access to people, markets, products and ideas, maybe relationships matter more than ever. Granted, in this economy, businesses must focus on the bottom line. But very few owners or executives can exist anymore by hiring all of their middle school lunch buddies or spending countless long afternoons on the golf course cultivating business relationships. Neither, however, can they depend solely on flashy messages and empty promises.

Companies across all industries have learned the importance of loyal customers and repeat business. Businesses employ customer relations

small biz Buzz

MARY ANN HENKER



Mary Ann Henker is the president of The Henker Group, a marketing, PR and business development firm in Easton. This originally ran in Small Biz Buzz, The Daily Record's blog by and for small businessmen and women. Read more on our website, TheDailyRecord.com/Small-Biz-Buzz.

strategies and training to ensure customers have the type of experience that makes them want to come back again and again. Companies that realize consumers have options and strive to provide the best customer service will have more success than those that don't value customer relations.

What about employee relationships and relationships with colleagues? Think about those you interact with in a professional manner on a daily basis. Do you want to work with someone you don't like? The

teamwork concept is very popular in business today, as is the use of cross-functional teams for projects and problem solving. How effective are these teams if team members can't stand each other? Conversely, how much more successful are they likely to be if they genuinely enjoy working with each other?

Let's not fail to consider that people who like their co-workers tend to like their jobs more than those who don't. Happy employees are simply better employees, especially since you may be asking them to work longer and harder.

Likewise, it is important to be liked and respected in your industry or by members of related industries. People still care about reputation and value referrals. When is the last time someone asked you if you knew a good babysitter, plumber or insurance agent and you replied, “I know John Doe, he is unfriendly, rude and treats his clients badly, let me give you his number”?

Emailing, texting and juggling a call on your cell phone while trying to order at the coffee shop are reality in business today. As is telecommut-

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People who like their co-workers tend to like their jobs more than those who don't.

ing, video, Skype and phone conferencing. But consider taking the time to invite a colleague to lunch and showing a genuine interest in who he is and what he does. Or, if she is hundreds or thousands of miles away, make a personal connection via phone or video. Even online, interact with those LinkedIn connections you barely know. Find out a little about who they are, what they value and just be friendly.

I think you will find, even in the rush of a fast-paced business world, that the return on your investment in people and relationships is invaluable.



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SBA offers help understanding Affordable Care Act

Daily Record Staff

The U.S. Small Business Administration is offering a new web page and blog to help small business owners understand the Patient Protection and Affordable Care Act, the biggest revision and expansion of the federal health care system in decades.

The idea is to connect business owners with information provided by SBA's federal partners responsible for imple-

menting the law, including the U.S. Department of Health and Human Services. The web page is www.sba.gov/healthcare.

"The Affordable Care Act provides small business owners with access and opportunity to provide affordable health care options for their employees," said SBA Administrator Karen G. Mills. "SBA's new Affordable Care Act web page and blog will serve as a resource for small business owners who want learn more about how to take advantage of these benefits."

"The Affordable Care Act has many beneficial measures specifically for small businesses, including slowing premium cost growth and increased access to quality, affordable health insurance," said Natalia Olson-Urtecho, the SBA's regional administrator for the mid-Atlantic. "SBA's new web page can help small businesses in the mid-Atlantic region and even breaks down the key provisions of the act based on business size."

The web page is organized into several

categories of business: self-employed, fewer than 25 employees, fewer than 50 employees and more than 50 employees.

It also provides links to other useful information for small businesses, including a glossary of key health care reform terms, an interactive timeline with dates for when certain reforms will be implemented, a state-by-state breakdown of health care options and resources to learn more about specific tax provisions and regulations.



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Attorneys: Small companies may cut coverage

By Kirby Lee Davis

The Journal Record, a sister publication of The Daily Record

OKLAHOMA CITY — Many small businesses may choose to reduce or eliminate their employee insurance coverage under evolving federal health care regulations, a pair of employee benefits attorneys said this week.

“We’re going to see a lot of this happening,” attorney Bill Freudenrich of the law firm McAfee and Taft told a local employers’ council audience.

Attorney Brandon Long said employers must look at their existing programs and determine whether they could run afoul of the looming no-coverage tax or the inadequate coverage tax.

More than 500 pages of new regulations

issued over the last month clouded those issues in some areas, he said, while simplifying them in others. In several instances he advised executives to meet with their consultants or attorneys over several “very tricky” elements these rules present.

Long said the most difficult determination involves figuring out how many full-time employees a company has. The

number generally aligns with people working 30 hours a week or 130 hours a month. Firms must keep running tabs of part-time worker hours over extended periods to factor in their full-time-employee equivalents, with variable or seasonal workers requiring still more precautions.

The no-coverage tax, which targets employers with more than 50 full-time workers, charges companies \$2,000 a year for each full-time worker (with that employee total reduced by 30) if those employers do not offer minimum essential health insurance coverage to at least 95 percent of that full-time staff and dependents.

Companies with fewer than 50 full-time employees face the inadequate coverage tax if they fail to offer minimum, affordable coverage for employees and dependents. But these employers are only charged that \$3,000 fee for each employee that actually gets coverage and a subsidy from the state health care exchange.

“If your plan qualifies for health care reform and you provide all the essential benefits and it meets all the essential guidelines, it’s going to meet the minimum value,” Long said, noting that spouses are not included as dependents.

As for keeping it affordable, Freudenrich said the lowest single-coverage policy should cost less than 9.5 percent of the employee’s annual income on the W2 form.

Considering the time and cost of monitoring employee hours, much less the cost of complying with health-care expenses under the Consolidated Omnibus Budget Reconciliation Act (COBRA), Freudenrich said some of his small-business clients have chosen to contain costs by offering marginal or no coverage, knowing they face an inadequate coverage fee only if an employee resorts to the state exchange.

“If I’m a small employer, I’m strongly looking at going to the exchange, because I’m not going to have to pay the tax and I’m not going to have to look at COBRA,” said Freudenrich, adding that those firms may have to factor in higher wages to compete with businesses offering health coverage plans.

Long warned executives of two other health care reform fees:

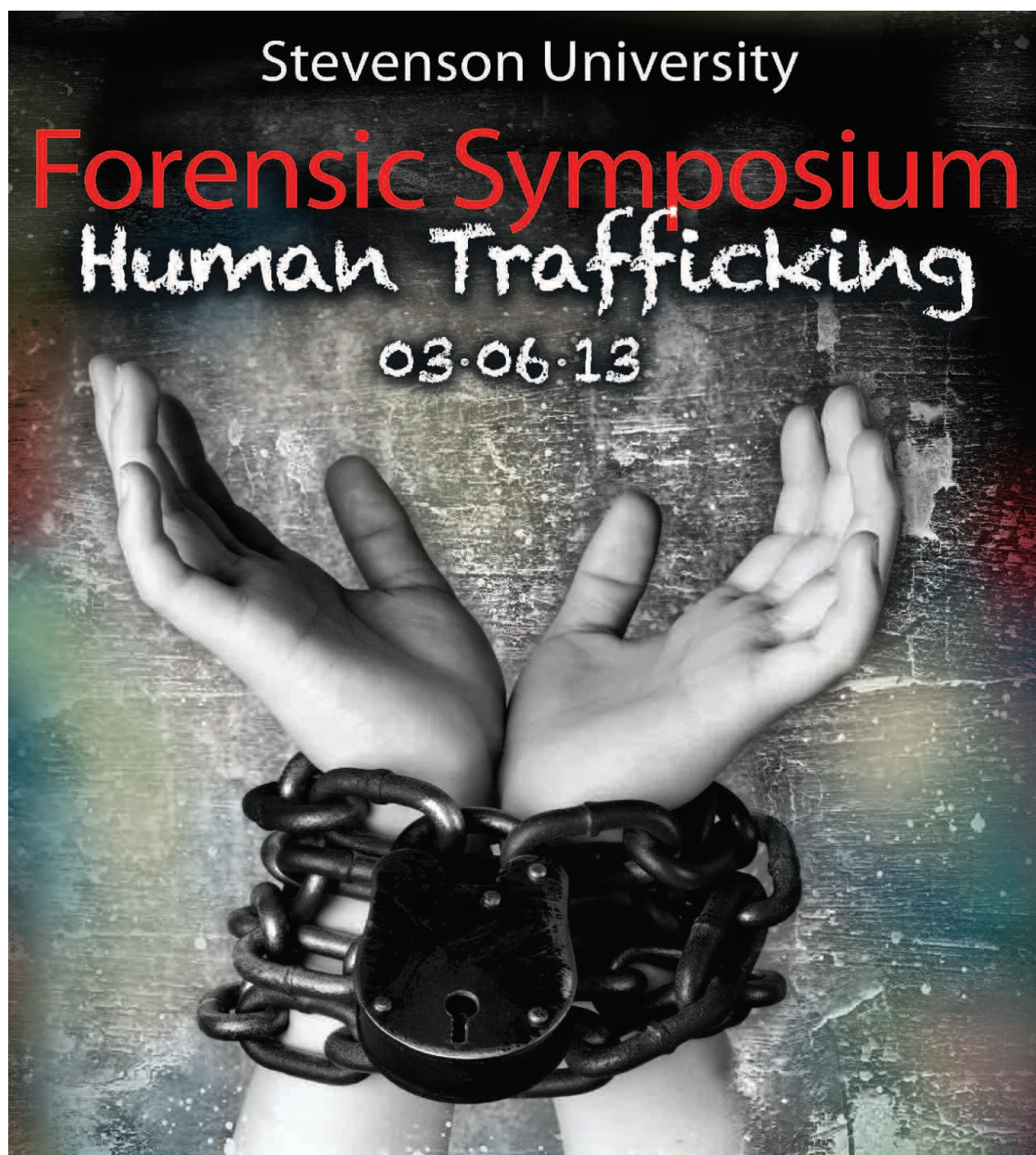
- PCORI, which rises this year to \$2 times a company’s average number of covered lives, payable in July. It stood at \$1 last year.
- The reinsurance fee, which kicks in next year for companies to pay in 2015. Long said that fee now stands at \$63 per employee or dependent covered by the company’s insurance program.

Long outlined several key changes from the latest round of regulatory changes, and noted continued areas of confusion and concern. He refrained from commenting on the mechanics of state exchanges, auto enrollment and “Cadillac” plan taxes, noting that these regulations continue to evolve.

“There were some new wrinkles to what you guys probably have already heard,” he said. “Some of the things we’ve been telling people for some time have changed.”

Among other points raised:

- Owners of multiple businesses will face the no-coverage tax only for workers under the specific business fined, and not for all employees.
- Owners of multiple businesses may use different sets of rules for different companies to measure their part-time employees.



The School of Graduate and Professional Studies invites you to attend a free symposium on a “ripped from the headlines” topic. The FBI reports that in 2013, people in the United States are still being bought and sold like modern-day slaves. These individuals are often beaten and starved, and forced into either prostitution or grueling jobs with little or no pay. Join Stevenson’s faculty for this informative symposium to learn about the role forensics plays in the fight against human slavery. You will also have the opportunity to learn more about the distinctive career-focused master’s degree programs offered in Forensic Studies, Forensic Science, and Cyber Forensics. Please register at accelerate.stevenson.edu or call 443-352-4399 for further details. Registration is free but advance registration is requested.

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FOCUS SECTION

Small Business

SMALL BUSINESS BRIEFS

Startup Maryland goes to the White House

Small business owners from across the state joined representatives of **Startup Maryland** for a meeting at the White House last week with government officials, business leaders and other members of the national organization that promotes entrepreneurship to discuss their initiatives and goals. Co-chairs Mike Binko and Julie Lenzer-Kirk led the group, which included Dave Troy, CEO of Baltimore-based tech startup **410 Labs**, Johnny Shockley, co-founder of **Hoopers Island Oyster Co.**, and Brian Murphy, founder of **Smith Island Baking Co.**

SBA holding webinars to teach crowdfunding

The U.S. Small Business Administration will host three webinars next week to teach small business owners how to use crowdfunding. The series is in recognition of the National Entrepreneurship Week, which begins Saturday. Tuesday's webinar covers the pros and cons of crowdfunding, Wednesday's is about innovation, and Thursday's is "Kickstarting an Urban Farm." Each class begins at 3 p.m.; information can be found at www.sba.gov/news. Wondering what crowdfunding is? The SBA says it's a collective of people who network and pool their money and resources, usually via the Internet, to support efforts initiated by other organizations.

Bel Air-based JigSaw signs up 2 new clients

Bel Air-based **JigSaw Marketing Solutions**, a marketing and communications firm, recently received three new projects, two of which are with new clients. Baltimore-based **Alliance Realty** hired JigSaw to boost its market penetration, and Independence Solar, a commercial provider of solar energy based in New Jersey, brought on the firm to develop a breakfast seminar series for prospective customers in Harford County. In addition, JigSaw will provide public relations services for the second consecutive year for an annual contest sponsored by two county nonprofits: **Harford Family House** and **SARC**, an organization that fights domestic violence. JigSaw, which is owned by Kathleen Walsh, was recently certified as a Minority Business Enterprise/Disadvantaged Business Enterprise by the **Maryland Department of Transportation**. Walsh said these projects will help the company continue its recent growth; she said JigSaw brought in 60 percent more revenue last year than in 2011.

Compiled by Alissa Gulin



KELSEY MILLER

Winners of past Pitch Dingman competitions are displayed at the University of Maryland's Robert H. Smith School of Business.

Big-league pitchers

UM entrepreneurs learn to sell their ideas

By KELSEY MILLER
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University of Maryland students with big business ideas but little knowledge of how to get started are turning to the university's **Dingman Center for Entrepreneurship** for start-up advice and friendly competition that could turn into cash.

At the center, part of the **Robert H. Smith School of Business**, students and alumni are learning how to get a business started, working to morph an idea or fledgling company into a success.

The Dingman Center is a "community of entrepreneurs," said Holly DeArmond, assistant marketing director. The center has entrepreneurs-in-residence, many of them Maryland alumni, who help budding business men and women learn how to get rolling on an idea.

"They come here with their business ideas, and we help them every step of the way," DeArmond said.

Each Friday, students can pitch their ideas to a panel of entrepreneurs as part of a program called Pitch Dingman. The professionals listen — they aren't afraid to tell them if they've lost their audience within the first minute — and then they work with the students to strengthen their business ideas in 30-minute sessions.

Twice a semester, students compete for \$2,500 in seed money, pitching before an audience. A winner is announced as well as an audience-choice winner, who gets \$250, DeArmond said.

Many Pitch Dingman competitors

have merely an idea, DeArmond said — but the winners have something extra. "These are companies that can really go somewhere," she said.

Each April, a larger competition, the Cupid's Cup, is held for businesses that are already earning revenue but want to expand — and seek **Under Armour** CEO Kevin Plank's stamp of approval. The competition, which Plank helped start and now helps judge, is named after his first business: a rose delivery company called Cupid's Valentine, DeArmond said.

Satish Pillalamarri and Dominic Crapuchettes were both MBA students at the University of Maryland when they paired to start **North Star Games**, which produces family and party board games.

The two began by taking advantage of office space in the Dingman Center in April 2003, and they transitioned to working full time on the project after they graduated in 2004. They took first place in the inaugural Cupid's Cup in 2006.

Pillalamarri, co-president of North Star Games, recalls putting together a business plan and filling out an application before being selected as one of five contestants. They were already searching for investors and were prepared to pitch their idea.

"We basically used a similar presentation that we were giving to investors," Pillalamarri said. The company won \$10,000, he said. More importantly, it gained credibility.

The company has done well since then, bringing in \$3.2 million in revenue in 2012, Pillalamarri said. North Star Games has nine full-time employees and three profitable years in a row on the books, and its two best-selling games, "Wits and Wagers" and "Say Anything," are in stores such as Target, Toys R Us and Barnes & Noble, Pillala-

marri said.

Another entrepreneur, Amanda Nachman, started **College Media**, publisher of College Magazine, during her senior year at Maryland in 2009.

"I had this idea to create the ultimate guide to college written entirely by students," Nachman said.

She recruited friends as writers and photographers and sold ads for the magazine herself. In her entrepreneurship class, she heard about the Cupid's Cup, and entered as soon as she had enough revenue to qualify.

Meeting with the Dingman team, Nachman wanted to make sure the panel knew exactly where she planned on going.

"I wanted to make my story really clear," she said. Nachman won the 2009 competition and enjoyed meeting with Plank, who she said is a great role model.

After she won, the magazine expanded to 14 universities and had a readership of 120,000. She used her winnings to build a website — and College Magazine is now online only.

"We changed our focus completely," Nachman said. "We had to create an entirely new system."

Now, 45 students from colleges and universities nationwide write for the website, which has academic and social content daily. Nachman said its readers include students from as far afield as California.

Competitions such as the Smith school's, DeArmond said, are designed for businesses to develop a solid pitch.

"Particularly with Pitch Dingman, the lightbulb comes on: 'I've got to get my pitch down or I'm not going to get investors,'" she said.

The next Pitch Dingman competition will be held on Feb. 15, and the final round of Cupid's Cup is scheduled for April 5.