

# THE FINANCIAL EDGE

September 2016



## It's Never Too Late...

*Personal comments by Mary*

When frustration sets in it's a good time for me to take a step back. To stop, take a deep breath and look around. Stop and feel the sun shine, listen to the rain drops, watch for the friendly smile or ask for a hug from a loved one. My frustration usually comes from trying to force a solution or find the answer that I want. In general, my life isn't going my way.

I just realized that I have been starting each day with anxiety - anxiety to be better, to eat less, to exercise more, to get more done, to not disappoint others, etc. The anxiety, along with the frustration, has taken its toll on me. I have allowed the pressure of preparing for my vacation of a lifetime to Africa to dampen the joy of my adventure. I have allowed the growth of my business to force me out of my comfort zone, instead of treating this as a chance to share this adventure with new staff. My anxiety is a result of being out of my comfort zone.

What if I started each day celebrating and sharing myself with others? What if I looked for joy and adventure, to discover new friends, new ways to work or to share my heart?

It's never too late to start. I am going to smile more, be thankful my life is full, trust that my life is just as it should be. I have some very wonderful people in my life. Thank you to my husband Steve who puts up with me, my sister Jodi who has been by my side during the growth of Focus CPA, Ken who has been a great mentor in my business journey and to the awesome clients we get to serve.

*Mary Guldán-Lindström*

P.S. Someone is looking out for me - for later this month we will have a new staff person joining us.



## WHAT CLIENTS ARE SAYING...



"I so appreciate all of your support as I created this new vision. Mary, you are a standout among accountants in that you keep your eye on the big picture AND on the day-to-day functioning of my businesses. Thank you for sharing that rare gift with me!"

Bonnie Nussbaum,  
*Owner of Empowerment Coaching  
& Hillcrest Inn and Motel*

*Your referrals are appreciated and will be treated with utmost care!*



Visit [www.focus-cpa.com/blog](http://www.focus-cpa.com/blog) for quick links to our social media channels...

**While you're there please take a minute to leave us a review.**

## The Book Review

**Title:** Built to Sell

**Author:** John Warrillow

**Topic:** Business Sale, Entrepreneurship

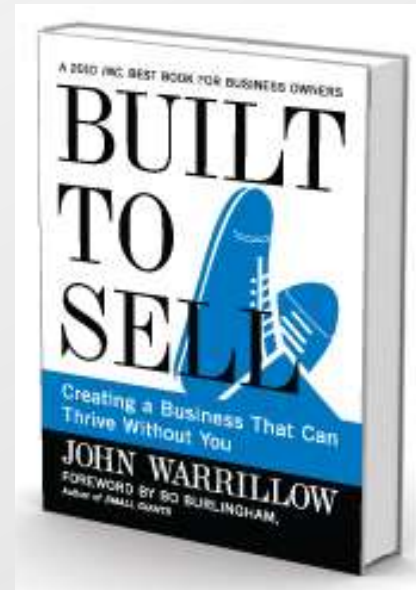
**Easy to Read:** \$\$\$\$ (5 out of 5 dollars)

**Applicable to small business:** \$\$\$\$ (5 out of 5 dollars)

**Summary:** Step by step guide to prepare your business to sell for the highest price. The process can apply to a business owner that just got started, in growth mode or ready to transition out.

**My recommendation:** This is a quick easy read with great ideas to improve your business. It doesn't matter if you are selling or not. The book includes stories to support the process, tips and an implementation guide so you can get started right away.

Pages: 153 | Published: 2010



## Tesla: Redefining the Auto Industry

By Mary Guldán-Lindstrom, CPA

Combine a car and a computer and what do you get? A Tesla. Tesla started in 2008. Through many ups and downs it has redefined the car buying experience. They don't have auto dealerships. They have a store showroom, like Apple. In March of 2016 they announced the new model 3 and within one month, 400,000 people handed over \$1000 for the opportunity to own one. Currently they only have about 125,000 cars in total on the road. Their marketing process delivers more than the operations at this point.

They create a customer experience before you even purchase a car. The videos on the website define the luxury experience before you slide into the seat. The car can go 0 to 100mph in 12 seconds. Hang on or you will get whiplash. It is fueled 100% with electricity. The electricity to charge the car is free, if you can find a charging station. They are very quiet and offer a smooth ride.

They do software upgrades on a regular basis. A recent upgrade added the "summon me" feature. When you step out of the movie theatre the car will come and pick you up. No driver. I saw the car park itself in my garage. I also saw it back out and leave with my son.

Last December I had the chance to drive a Tesla. From the outside it looks like a luxury car with sleek contouring. As you sit in the driver's seat the first thing you notice is the 17 inch touch screen. Once you buckle up and step on the gas, hang on tight. When placed in the self-driver mode, the car headed toward the nearest federal highway. It knows it is not to be in self-driver mode on local roads. It was quite an experience.

Instead of your smart phone connecting to the car – the car connects to the phone. The phone can visually show you where it

is at, how charged it is, how fast it is going, etc. Think about it – the first smartphone was invented in 1992, over 20 years ago. Can you image where Tesla could lead the auto industry in the next 20 years?

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# Out of the Nest, in with the Sharks Starting or Revitalizing a Business

By Mary Guldan-Lindstrom, CPA

Are you starting a new business or revitalizing an existing one? Think of the newly hatched sea turtle. The egg is buried in the sand on the sea shore, far enough away from the ocean to be safe from the tide. Once it's time the turtle emerges from the shell, amidst the many other baby turtles, and makes a run for its life to the ocean. Only 1 out of 1000 sea turtle hatchlings makes it to adulthood.

As you begin your new business, there are many things that could threaten your survival. Here are three common mistakes that I see new business owners make:

1. Fail to plan or obtain necessary knowledge,
2. Not taking action and
3. Being too general - taking every customer and offering everything possible.

**PLAN TO SUCCEED.** To kick start your new venture I recommend that you plan for your run to the water's edge. Take time to find a way to succeed on paper. Write down your business plan and work through the numbers. Specific areas to address:

- Identify your ideal customer, how to attract them, what to charge and how to deliver it.
- Define your cash flow formula: SALES – COST OF SALES – OVERHEAD = NET INCOME – TAXES = YOURS to live on or reinvest.
- Know your minimal sales amount to pay for your overhead.

**COMPLIANCE.** Another area of risk is compliance. First it can be overwhelming, it can also penalize you. Obtain an understanding of the regulations that impact your business and specifically your industry. Topics include:

- Sales tax - know sales & use tax laws for your industry, keep invoices for sales tax
- Tax records - keep receipts, bank statement, mileage documentation, home office
- Independent contractors - if you pay over \$600 send a 1099misc in January
- Payroll - learn the rules or hire a payroll processing company
- Income taxes - place 15% to 35% of your profits in a savings account to pay your income taxes

## TIME IS MONEY SO MOVE QUICKLY.

Now that you have a plan on paper, get started. The faster you find your cash flow formula the higher your chance of success. Don't give yourself the excuse of being profitable in 3 years; make it profitable in one month. Keep focus on what is important. Here are some ideas that I have found that will help speed up the process.

- Keep an open mind. Change as you find easier ways to be more productive and improve your results.
- Invoice and collect at the time the product or service is of most value to your customer.
- Deliver as soon as possible. The longer it takes, the more it will cost.
- Treat your time as money. Prioritize activities and focus on activity that brings results.
- Work on reoccurring sales or repeat business. This cuts down on future sales time.
- Keep expenses flexible. Expenses are easy to commit to, harder to get released from.

## INSTEAD OF BEING A GENERALIST – GET SPECIFIC.

Take advantage of your smallness, be unique. The best way to distinguish yourself amidst the other business is to narrow your focus. There are riches in niches. Know who your best customer is - the one who can afford to pay the most and get the most value from your business. Identify your best product or service that provides the highest value and can be delivered at the lowest cost. By narrowing your focus it is easier to explain to others what you do and much easier for them to refer business to you. A referral is the best prospect. The trust factor has already been started.

Simplify behind the scenes. Keep business finances separate from personal. Set up a separate checking account, credit card, Pay Pal, etc. It is easier to update your financial records once you have your sales process ignited. It is easier to delegate this area once you can afford to.

Once you make it out of the nest to the water, then you can start swimming with the sharks and face a whole new set of challenges. Happy swimming...

## 2016 BUSINESS SUMMIT

### Mary is presenting HOW TO USE AND ANALYZE YOUR QUICKBOOKS REPORTS

Less is more. Don't get lost in the numbers. Mary will provide a short 45 minute presentation for entrepreneurs and small business owners who use QuickBooks and want to use the information to manage their business.

For more information about the Summit see the enclosed flyer or go to [www.newbizsummit.com](http://www.newbizsummit.com).

Hope to see you at the 2016 Business Summit on 11/9/2016!

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## Did You Know... Six Little Stories

- 1 Once all villagers decided to pray for rain. On the day of prayer all the people gathered, but only one boy came with an umbrella. **That's FAITH.**
- 2 When you throw babies in the air, they laugh because they know you will catch them. **That's TRUST.**
- 3 Every night we go to bed without any assurance of being alive the next morning, but still we set the alarms to wake up. **That's HOPE.**
- 4 We plan big things for tomorrow in spite of zero knowledge of the future. **That's CONFIDENCE.**
- 5 We see the world suffering, but still we get married and have children. **That's LOVE.**
- 6 On an old man's shirt was written a sentence 'I am not 80 years old I am sweet 16 with 64 years of experience.' **That's ATTITUDE.**

Have a happy day and live your life like the six stories!