

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE.

The meeting was called to order by Chairman Donald Dahl at 9:00 a.m. on February 6, 2003 in Room 243-N of the Capitol.

All members were present except: Representative Donald Betts, Excused  
Representative Rick Rehorn, Excused

Committee staff present: Jerry Ann Donaldson, Kansas Legislative Research Department  
Renaë Jefferies, Revisor of Statutes  
June Evans, Secretary

Conferees appearing before the committee: Wally Kearns, Director, Kansas Small Business Development Center Network  
Galen and Karen Huffman, Formation Plastics, Quinter  
Lynda and Loren Fisher, Fisher's Fixtures, Topeka

Others attending: See attached sheet

The Chairman called the meeting to order at 9:00 a.m. and welcomed Wally Kearns, State Director of the Kansas Small Business Development Center Network (KSBDC).

Wally Kearns, KSBDC, introduced two regional center directors: Les Streit, center director of the Washburn University KSBDC and Curt Clinkinbeard, the new center director of the University of Kansas KSBDC.

The focus of KSBDC is to provide high quality, cost effective, educational, counseling and training services to entrepreneurs in the areas of retention, expansion and start-up using a team approach. KSBDC has been an integral player in economic development in Kansas since its inception in October of 1983. KSBDC clients create new wealth in Kansas by starting and growing businesses, creating and saving jobs and accessing capital. Implementation of the KSBDC program, upon completion of the annual cooperative agreement, rests with the KSBDC Network and the sponsoring statewide host organization which is Fort Hays State University (FHSU).

There are eight regional centers and two newly established outreach centers hosted by colleges and universities. The KSBDC collaborates with the U.S. Small Business Administration (SBA), Rural Development (RD-USA), Kansas Department of Commerce and Housing (KDOC&H), Kansas Women's Business Center, local economic development programs, Chambers of Commerce, certified development companies, small business financing programs, and other agencies. The KSBDC strives to meet the specialized and complex needs of entrepreneurs with a team approach through referral to and from, and joint counseling with these agencies.

By serving as "the bridge" between resources and area commerce, the KSBDC enhances the economic well being of both existing and prospective businesses.

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE at 9:00 a.m. on February 6, 2003 in Room 243-N of the Capitol.

Lynda Fisher, Fisher's Fixtures, stated the company her husband had worked for went out of business. They purchased much of the equipment and started their own business. Ms. Fisher learned about KSBDC from an add in the newspaper. Through KSBDC they learned about workshops and seminars that were available. They learned the requirements for starting a business along with contacts and phone numbers needed to provide assistance.

Les Streit, Center Director, Washburn University KSBDC, gave the Fisher's counseling on the start-up, getting software in place, and develop government contacts, etc. Mr. Streit recommended Fisher's Fixtures for a case study. A marketing class analyzed and prepared a detailed marketing plan which was very beneficial. The counseling, seminars and workshops have been of tremendous benefit to their business. With the assistance of SCORE and KSBDC they are analyzing the possibility of expanding their business (Attachment 2).

Galen Huffman, Formation Plastics, Quinter, stated KSBDC has provided significant help to their small business and has been a big part of where they are today. Formation Plastics makes guards, fenders, covers, etc. for other manufacturers. The company began 30 years ago with SBA loans but lost the business after 5 years mostly because of the lack of knowledge.

After paying off the SBA loans for 15 years Formation Plastics began again with SBDC's help. SBDC gave guidance and got the company on the right track. SBDC did not do the work but showed us how to do it ourselves; what workshops we needed to attend and how to apply for grants and funding. The SBDC consultant has helped us through many stages of growing the company and making it successful. Through the years, Formation Plastics has received valuable assistance from a number of state agencies referred to us by our SBDC consultant. SBDC has given consistent, reliable and sound advice. They have guided us in the right direction. It is believed if SBDC would have been available to us during our first business venture it would have been successful. Formation Plastics has received valuable assistance from a number of state agencies, referred to us by our SBDC consultant (Attachment 3).

The meeting adjourned at 10:05 a.m. The next meeting will be February 10.

KSBDC uses local cash matching funds, provided by KDOC&H, and the hosts of the eight regional centers and two outreach centers, to leverage \$778,455 of federal funding from the SBA. The funds are used to operate the KSBDC Network and deliver services to entrepreneurs.

The KSBDC's role is to create a team with diverse training and ownership experience. The team assists existing and aspiring entrepreneurs to help them increase their understanding of small business management.

The goal of KSBDC is to provide timely, quality, and cost-effective services that generate incremental tax revenues for Kansas. This occurs through increased sales from existing businesses, new sales from start-up businesses, sales from retained businesses, and additional income tax revenue from new jobs created and jobs saved. These increased revenues are greater than the cost of operating the KSBDC program (Attachment 1).

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