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ENTRÉE AND SIDES = COMPLETE MEAL

The calendar at year-end can be eye opening as we assess 2015's pros and cons, and look to make adjustments for 2016. The road to a more productive next twelve months begins with what I call honest eyes evaluation. Seeing things clearly necessitates an objective and straight-in-the-mirror stare. Did we serve our personnel, our clients and communities in the best possible way? Were our companies' efforts complicated and confusing or simple and precise?

We ask ourselves did we do all things exactly right this year, or are there areas of our companies and organizations that can be fine-tuned with more efficient lines of communication, production, sales and distribution. Those honest eyes hopefully realize the latter of the two. We also take a hard look at our organizations' number one product, the "trademark" which our companies are most known for and which drives the economics of our businesses. It's important that we utilize an overwhelming majority of our time and financial resources



of the competition and exercising multiple revenue streams, we must be careful to not lose sight of our bread and butter. Yes, other products or services can extend our menu, but when we direct 80% of our efforts, energy and all resources on the primary "entrée," the remaining 20% is the gravy. Many of you are probably thinking I'm hungry when writing this, and I am. I am hungry for improvement within my own management of VBR, hungry for our Rio Grande Valley to win as a unified region, and appetite hungry because holiday cooking and eating is one of my favorite times of the year.

Time is our most precious resource so we

on the production and promotion of that single product or service. For instance, KFC focuses on chicken – not chicken and burgers.

Our next step is putting all systems in place to ensure our number one product or service is the best it can possibly be. While we want diversity in our product line to stay fresh, ahead

must remember the 80/20 rule. It applies to everything. When our companies and organizations spend 80% of available resources on our business' "trademark," great things happen. Our "extras" should serve as complements to the main menu item, all aimed at satisfying our customers' needs and wants while maintaining a clear focus on who we are and what we do. When the whole package is served together, we win along with our coworkers and our clients.

Let's apply the same challenge to us as a region. When we work together across our four counties, filling the gaps with a unified goal to prosper the Rio Grande Valley, all benefit. When every county, town and city are linked together, complementing each other, greater things happen.

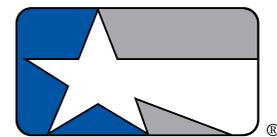
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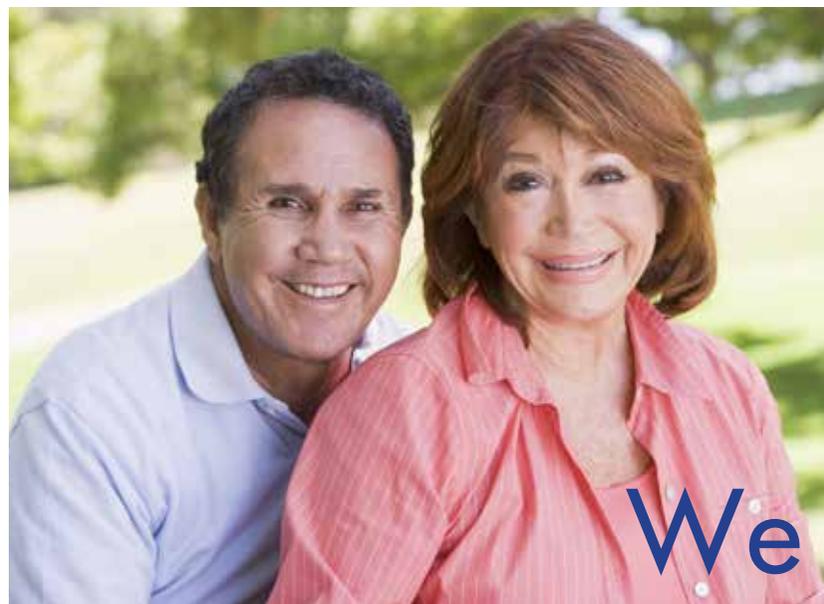
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BAUBLES, BANGLES AND BLING!

By Eileen Mattei

See them sparkle and gleam: silver, gold and gemstones brighten the holidays and every day. Glorious jewelry can warm any heart with its beauty. You can choose pieces with classic elegance or with enough bling to blind the front row. Jewelry can make a statement, create an image or be just for fun.

When you go seeking a piece as a gift for someone special or as a gift to yourself, Valley jewelry stores have the rings, necklaces and watches to satisfy that craving for bright, shiny, meaningful things.

Roberts Jewelry

Founded in 1922, **Roberts Jewelry** is the oldest jewelry store in the Valley, and years ago was responsible for synchronizing the watches and clocks of Missouri Pacific and Southern Pacific railroad crews. Today the Har-

lingen shop brims with eye-catching contemporary rings and necklaces, colored pearls, selected estate pieces and a stunning sterling bracelet set with opal, onyx and turquoise by Navajo artist Calvin Begay.

“People are shocked when they see what genuine, quality gemstones look like,” said owner Cindy Nelson, whose late husband’s step-grandfather opened the business. The red of a ruby, the blue topaz Texas star, the multi-hued opal, pink tanzanite, sapphires and much more reflect Nelson’s love of colored gems. On display are classic pieces and new finds like the constant motion diamond, where the gem is suspended in the setting so it always sparkles and catches the light.

While Nelson believes nothing makes you feel as good as gold, diamonds show up so much better in white gold or platinum, she said. “People come in looking for something original. I like having items that are unique.” Nelson orders gemstones and Roberts jeweler Raul Trevino designs and makes

rings to customer’s specifications.

Nelson tracks customer purchases because, “It makes it easier when a husband or boyfriend comes in.” She’s noticed that men tend to splurge a little more during the holidays. She has dealt with three generations of families and has seen how preferences and sizes of engagement rings change over time. “But nobody says ‘I do’ like we do.”

Most men wear only a wedding ring or a Texas university ring along with a good watch, Nelson observed. But vintage Rolexes are another story. Collectors snap them up as soon as Roberts gets one in.

Carats

Three years ago, Carlos Melguizo moved his fine jewelry store, **Carats**, from its boutique setting within a department store to its stand-alone location on North 10th. With more



At Portillo Chic, Deborah Portillo carries jewelry designed for young, stylish couples. (VBR)

space, Carats added fine crystals, exclusive perfumes, and unique gifts, but jewelry remains the heart and soul of the business and its owner.

“One of my goals is to bring the finest pieces from jewelry collections to the Valley,” said Melguizo. “I go and cherry pick (designer collections) and that’s the fun part.” While his staff chides him about being very picky, Melguizo enjoys offering a curated selection of beautiful jewelry.

At a recent gala, many women came up to Melguizo and pointed at their earrings and said “Carats.” Necklaces, “Carats.” Rings, “Carats.” Their pride in the lovely pieces purchased at Carats made Melguizo emotional. “We’ve been successful because our clients trust us. Our clientele is so loyal.”

The store works for that loyalty. They have an extensive data base of sizes, style preferences, anniversaries and birthday. “What sets us apart is the very personal attention we give. I’m very proud of my team. They work long hours but are responsive to everything our customers want and also very focused on detail like how we wrap the gifts.”

Champagne or espresso help welcome visitors to Carats. In fact, Italian designer Roberto Coin has visited Carats more times than any other independent store in the world, said Melguizo, who still wears a gold ring he made many years ago. He studied gemology but his degree is in communications/public relations.

In addition to fine jewelry, Carlos Melguizo at Carats sells Lalique and Daum glass art. (VBR)



Beyond the shimmering Mikimoto pearls, Lalique glass, Shinola gifts and expertly cut and set diamonds, Carats has been involved in the community. Melguizo works with Easter Seals, IMAS and MOST History.

Portillo Chic

Deborah Portillo, 30, grew up immersed in dinner table conversation about Portillo Jewelry, which her parents had started in Brownsville in 1984. When her father retired three years ago, she looked at the facts: She always wanted to open her own business. She frequently heard that not enough young people invigorated Brownsville with new businesses. Also, she was proud of her family business, and “I didn’t want us to

lose our footprint in Brownsville. I wanted to create something of my own, but not stray from the family.”

So, three years ago Deborah Portillo, with a graduate degree in English and her mother’s encouragement, opened **Portillo Chic** as a contemporary jewelry store in Sunrise Mall catering to stylish, young couples. Portillo gives her personal imprint to the jewelry collection. “I tend to pick pieces that are unique because every bride is unique.” When she sells an engagement/wedding ring, she will not restock the same rings.

“Many couples now come in and pick the ring together,” she said. “I think it’s important to be comfortable talking about your budget when picking the ring. I can find you your dream ring within your budget. What I produce is the perfect marriage of the two. My challenge is conveying to couples to get out of the habit of choosing what their friends like.”

“What makes me different is it is all about my customer. My advertising is about advertising my customer, not my product,” Portillo said. She takes photos of customers in front of the Portillo Chic logo and posts it on Facebook. She gives bridal customers a bottle of Portillo Malbec to celebrate and pays for the first year of insurance on their rings. Portillo Chic has a policy that any engagement ring bought there is eligible for a trade-in for life.

Technically Portillo has two jobs, since she serves as a Brownsville City Commissioner. “Politics was new to me but service was not. That’s what I do every day in my work. It’s the same rewarding feeling. It’s knowing you have a



Lapidarist Laurel Becker creates unique jewelry by wrapping semi-precious stones in wire. (Courtesy)



This Texas blue topaz ring has a star carved in the stone at Roberts Jewelry. (VBR)

Roberts Jewelry owner Cindy Nelson features a Norman Begay bracelet. (VBR)



Carats displays the jewelry of noted Italian designer Roberto Coin. (VBR)



part in changing their perception of city government and how it helps. Here, I'm always available to customers who text me or email. I don't get bothered when they are indecisive or don't know what they want. I'm supposed to make the process easier for them." One reward is being part of people's most precious moments.

The Valley is also home to several independent jewelry designers. **Aleida Wedgworth** described the design of her necklaces and earrings as contemporary tribalism. Hand-crafted from sterling silver or gold and semi-precious stones, the one-of-a-kind pieces combine cultural symbols and intriguing textures. Her current series is inspired by other-worldly orchids with angular features. She takes custom orders and displays her work at Titan Studio by appointment.

Laurel Becker is a lapidarist whose one-of-a-kind jewelry is displayed at Beyond Arts Gallery. "People respond to the stone," she said. She seeks semi-precious stones around the country, going to Nevada for opals, Utah for topaz, and Texas for petrified black palm wood (the state stone) and moss agates. She also teaches lapidary courses in silver and wire wrapping.

For more information, see caratsf.com, portillochic.com, [Roberts Jewelry on Facebook](https://www.facebook.com/RobertsJewelry), beyondarts.com and call Wedgworth at 279-7093.



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MAKING MORE THAN AN IMPRESSION

By Eileen Mattei

Five manuscripts are awaiting Tony Corso's attention when client John Martin walks into the Copy Zone owner's office. The full-color hardback book "Save Camp Lula Sams" is due out in December, and Martin, chairman of the habitat preservation effort, is checking on the book's delivery date.

Copy Zone does much more than make copies of documents for businesses and agencies, and Corso loves that aspect. Before he opened Copy Zone 20 years ago, Corso had had a similar business in Kerrville and also worked in production with a maquila.

"This is manufacturing, but with paper instead of steel and electronics," said Corso, who vaguely resembles comedian Bill Murray and enjoys taking on projects. "You'd be shocked at the different type of people who come through the door. Books are fun, and the Valley is full of writers. They can tell a story, but they don't know how to get it into a hard copy or an e-book. We enable them." By providing experienced staff who know how to create books and are willing to coach writers, Copy Zone has become the go-to place for authors, whether

they have a 52-page memoir or a 650-page novel.

"We do the same thing with artists and photographers," including nationally known wildlife photographers, Corso said. He shows artists that Copy Zone can scan original paintings or images. Once in digital format, the images can be used for posters and more. "Rather than just sell it once, they can have control of the art and extend the life of the art. Our artists are able to sell 4-10 copies of an image. You can make all sorts of neat products once

Tony Corso prepares manuscripts for printing at Copy Zone. (VBR)



you have it digital. Those are fun for us to do."

Of course, Copy Zone does traditional business cards, forms, back drops, interior banners, wedding invitations and countless copies of documents. But the business is constantly morphing, Corso admitted. "The Internet has affected the way we do things a lot. If you can't make your business fun to come to, people are not going to come in. It's critical to your business. I tell my people: you want to make friends. And my front people are pretty good about it. I walk out and talk to people, too."

Corso said that the market and customers will always have room for brick and mortar stores. "But you better be at the top of your line. Our biggest competitor is the company that sells copy equipment. They are selling directly to my customers."

"But it's more than having the equipment here. You have to know what you're doing," Corso said. "We have a full graphic team doing designs and they know what they are doing. That makes a difference: being able to talk to a person and interact with the designer." That value-added element is not available online, but you have to pay for personal service. "Everyone in retail is faced with the same problem."

But over the last 20 years, Copy Zone has developed a reputation for quality and been able to stay ahead of the pack. "I thought about going beyond one location. But I'd much rather invest in very good equipment in one spot rather than spread ourselves out," Corso said. "Besides



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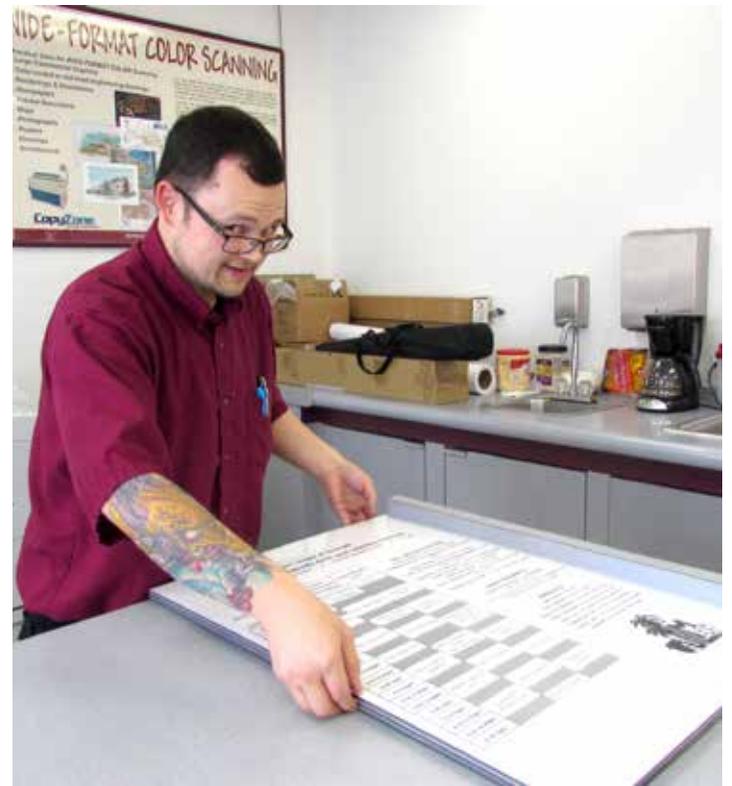
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Pam Friend and Suzanne Corso check wedding invitation samples. (VBR)



In addition to engineering plans and drawings, Copy Zone prints event posters. (VBR)



you need talented people. We're really lucky most of our people have been here a long time. I get to work with really smart people." The firm has a combination of 24 part-time and full-time employees.

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Bakery has helped Copy Zone, Corso said. "It drives people into the business."

While demand for business cards and graduation announcements have soared, orders for personalized holiday cards have dropped in recent years. But in a changing world, Copy Zone

has carved out its niche.

For more information, see copyzone.net.

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Left to right - Michael Scott, President Chief Executive Officer; Michael McCarthy, Senior Vice President/Manager; Flora Fagan, Assistant Vice President; Marco Perez, Vice President



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MISSING PIECES DON'T RUIN THE PUZZLE

By Arnoldo Mata

When I do leadership training, I focus on abilities and resources. I do not focus on whining and needs. One activity that makes the point involves jigsaw puzzles.

After I divide a class into three groups, each group gets a puzzle similar in size and difficulty. One gets a complete puzzle, including the box that shows what the puzzle is supposed to be. The second group gets a puzzle with the four corners missing, and a partial picture of the puzzle. The third group gets a puzzle with all the edge pieces taken out, and no picture of the puzzle. Each group is supposed to build a puzzle, which they can actually do. When I have a fourth group, that one gets the puzzle with a random handful of pieces missing.

The first group has the least challenging problem. They have all the pieces and directions for a successful project. The third group, of course, has the most challenging problem. Still, every time we do this activity, all three groups eventually manage to complete a recognizable puzzle.

The most interesting aspect of the exercise is how the second and third groups han-

dle the missing pieces. I have done this with community and professional leaders, church groups, at-risk teens and mixed groups. The reactions are consistent.

At the start, the second, third and fourth groups will complain that the first group has an advantage because they have the complete picture. Then, as they realize that they do not have all the pieces, they start to complain that the challenge is beyond them. Even the second group focuses on those missing pieces.

The third and fourth groups are often stopped cold from the beginning. They struggle and complain that they absolutely need the missing pieces. Someone in the group inevitably starts grouping similarly colored pieces, and the group starts its work. Once in a while, a member of the third or fourth



group becomes so focused on and frustrated over the missing pieces that they stop working on the puzzle.

The lessons of the exercise are numerous, but the most important one is the tendency to focus on what is missing. True leaders do not first fo-

cus on what is missing. They focus on what they do have. In this exercise, the group has to focus on what it can do with the pieces it has.

On the other hand, people can get tied into the "If only we had ..." syndrome. Lack becomes more important than ability. By focusing on what is missing, they may lose time or not finish the puzzle.

Effective leaders look at what resources are available, what they actually have at hand that can be used to deal with the problem. It applies to most of the problems we face as individuals, neighborhoods, communities and as a region. The mantra becomes reality: if only I had a better job, if only I had a better car, if only we had more police, if only we had iPads for every child, if only we had more money, if only we had more prisons, if only we had this building, if only we had this program.

Good leaders see what resources they have at hand and start working on the problem before they start looking elsewhere for help. A good leader is not going to wait for all the puzzle pieces before tackling a project.

Although speaking to a different group facing a different situation, Booker T. Washington's words from more than 100 years ago still apply. "Do what you can, where you are, with what you have!" Or as Tony Robbins puts it, "It's not a question of resources. It's a question of resourcefulness."

We already have the tools we need to solve our own problems. Look around. We have the essential pieces to solve our puzzles: you and me.

Arnoldo Mata heads Leadership Resource Group, specializing in leadership and management training, grant writing and strategic planning. He has more than 25 years experiences with non-profit organizations, community organizations, local governments and private businesses. For more information, contact him at arnoldo.mata@hotmail.com.



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THE CURRENT REAL ESTATE OUTLOOK

By Eileen Mattei

“Economists were put on Earth to make weathermen look good,” said Mark Dotzour, real estate economist, at a State of Real Estate forum sponsored by Edwards Abstract and Title Co. “Torture data and it will confess to anything.”

Despite acknowledging it's almost impossible to predict the future, Dotzour summarized current economic conditions and trends, before forecasting what he expects 2016 could bring for businesses.

“Is the global economy really picking up? No,” Dotzour said. China, Japan and Europe are devaluing their currencies. “The U.S. has problems, yes, but compared to the rest of the world, we are the best place. I'm really bullish on commercial real estate investments across the state. It will last until either we go into recession or start losing jobs.”

What traditionally brings the U.S. out of a recession is new home construction. That didn't happen this time because banks didn't want to make loans for new home developments, Dotzour explained. “Regulators have ruined the mortgage business with Dodd-Frank.”

Energy and agriculture initially lifted

the U.S from the depths of this recession and currently the second team of car sales and credit card spending has demonstrated the rising level of confidence. “Those two engines are driving the economy. Americans are spending money again.” Construction of more single family homes could be the next engine of the economy, he said. The indicators of more residential sales are job growth, low mortgage rates and home price appreciation. “This disaster of mortgage regulation has held back home builders.”

Nevertheless, for the last five years investments have been flooding into American stocks and real estate. In the biggest cities, real estate prices have skyrocketed, leading to an overflow or trickle-down effect in the Rio Grande Valley.

Will mortgage rates ever go up? What is relevant to the mortgage business is the rate on 10-year U.S. treasury bonds. The mortgage rate typically is 1.5% higher than the bond rate. “Expect the rate to up in 2016.”

Because the Canadian dollar is worth 75 cents to the U.S. dollar, everything in Texas is more expensive for Canadian visitors, which will likely reduce the number of Canadian Winter Texans.

Dotzour predicted, “It's going to be a game of chicken for the next year or two in the oil business, but that's normal.” As for foreign firms waiting

to buy distressed oil assets, he said there is no reason for concern. “Go ahead and pay hardball with us. We invented baseball. The energy business is not dead. Four thousand wells in Texas are drilled but capped, and ready to turn on the spigot with a moment's notice. The rig count is starting to stabilize, signaling a soft spot in the economy.”

Corporate profits stopped going up in 2011. Corporations and small businesses are looking to fill some 5.3 million jobs in construction, manufacturing and service.

Dotzour summarized the economic trends in Cameron County as good. The slow pace is not a reflection on Valley businesses, but rather a national tendency. “Compared to a lot of places, it's good here. You have job growth, cheap mortgage money and a boost in sales.” He predicted 2016 would bring a significant rise in home sales even as the inventory of unsold homes shrinks. Nevertheless home sales would be restricted by the difficulty of buyers securing a mortgage due to Dodd-Frank.

Dotzour noted that the average home price in Brownsville in 1997 was \$67,700; in 2015, it was \$96,000.

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BUSINESSES GIVING BACK

HABITAT FOR HUMANITY

By Eileen Mattei

Habitat for Humanity opened its second Valley ReStore in October in Harlingen. “We wanted to strengthen our presence in Cameron County and provide low-cost building materials and home accessories,” said Wayne Lowry, regional executive director of the non-profit.

The McAllen ReStore, selling new and used home décor, furniture and building materials, has been netting enough to cover the cost of half a house a month, Lowry said. “Our typical house is \$45-\$50,000 in hard costs. We try to raise half of that in sponsorship and the other half at ReStore.”

Valley businesses continue to contribute a large portion of the Habitat funding that does not come from the resale stores. “Boggus Ford in McAllen and Harlingen has been really good in supporting us directly and some of our homeowners, with appliances or a tree. Capital One contributes \$10,000 annually. Sierra Title has been a huge help. The Harlingen Board of

Realtors have volunteered and also raised funds. Wells Fargo Bank paid for and helped build from the ground up one of the houses in Primera. South Texas Electric Co-op comes out once month with 15 or so people when we have a big roofing project, and they work hard for the whole day.”

The list goes on. Texas Regional Bank is contributing \$30,000 to fund a project in partnership with TSTC, with TSTC construction program students working on the house, Lowry said. “It’s an

Wayne Lowry, executive director of Habitat for Humanity RGV, stands with donated hardwood flooring that was for sale at the Harlingen ReStore. (VBR)



opportunity for students to learn on the job.” SpawGlass sends volunteers from its office as well as sponsoring a day by donating \$500, which helps cover logistical costs for the day, such as supplies, food and water. “That’s becoming more and more of a necessity as we get more groups out.”

Businesses contribute in additional ways. When Rush Trucking remodeled its offices, the used furniture and fixtures were donated to ReStore. NIU donates floor models of chairs, tables and other furniture. (ReStore’s truck



Applying putty prior to painting occupied these volunteers from UTRGV and Valley Day & Night Clinic. (VBR)

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can pick up business donations.) Zarsky Lumber donated materials as well as a secure place to hold building supplies during construction.

Businesses and community organizations frequently volunteer as a group to help build a house. Habitat for Humanity has a construction manager and crew that work Tuesday through Saturday, preparing for volunteers to tackle painting, framing and flooring on Fridays and Saturdays. Volunteers get safety training and orientation before they get down to work, under the guidance of the construction manager.

The typical build is 15-20 people, Lowry said, usually a group, although individuals are welcome. H-E-B women employees who participated in a recent build found the experience rewarding. "They truly enjoyed investing their time and sweat equity to build a home and lay a loving foundation for a well deserving family. They look forward to doing it again soon," said an H-E-B spokesperson.

"Everyone receives basic training and leaves with new skills," Lowry said. "It's a great team building experience. We are booked with volunteers through the end of the year, and we're excited about next year." This fiscal year the nonprofit will build 13 homes across the Valley: Alamo, Pharr, Harlingen, Primera and San Benito. "The growth over last year is due to generous outpourings from local businesses. We recently received a commitment from McAllen South Rotary to sponsor a \$25,000 project in McAllen."

Lowry explained that each region has a family selection committee, which interviews applicant families, and determines if they meet program guidelines. Three criteria are needed, the ability to be financially responsible and willingness to partner via sweat equity for a minimum of 200 hours.

Habitat builds on lots it owns that were either donated or purchased at a discount. The homeowner purchases the home at zero percent interest. The typical mortgage payment is below \$400 per month, including taxes and insurance, and meets all federal lending guidelines with Habitat carrying the note.

In the Habitat business model, 100% of donated funds goes directly to the home building program. "Our administrative costs are covered thru ReStore," Lowry said.

The new ReStore at 1305 Oklahoma Ave. is in startup mode with Lowry trying to develop a steady inflow fostering steady sales, but it already has pallets of new hardwood flooring for sale along with shingles, large packets of wildflower mix, bathroom vanity tops with built-in sinks, furniture and paintings. "You never know what you are going to get. Most of the donations come from individuals, al-

though several select retailers donate on a regular basis," he said.

The larger McAllen location at 412 W. Ash Ave. has been in operation for 10 years, and it has rapid inventory turnover. If you bring a copy of this article to either ReStore, you will receive 10% off your purchase, Lowry said.

For more information, see habitat.rgv.org.

Volunteers from Valley Day & Night Clinic seal windows at a house under construction in Harlingen. (VBR)



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PRESSED ON TIME

By Lori Vermaas

Five years ago, Dyan Warrenburg was in a bind. A married marketing professional with children, she had just lost her housekeeper and was struggling to maintain the daily upkeep of her home. When a Valley dry cleaner hadn't even started to press the 56 items she had dropped off prior to a family vacation as a rush order, she not only got mad -- she got creative.

"I knew that people would pay for ironing services, not just professional executives, but also busy mothers." The concept was so compelling that she told her best friend, Jana Durant, an executive recruiter, about it. Within three days, they had worked out a business plan for Pressed On Time. "It was crazy. We were open in less than 30 days," recalled Durant.

Warrenburg's marketing instincts were spot on, almost too much so. Along with utilizing her vast networking skills (born and raised in Harlingen, "she knows everybody, everybody, everybody"), her idea of investing in a large outdoor sign brought in more customers than expected. Although it cost the equivalent of 250 ironed shirts, Durant admitted that it was their best idea. "That massive yellow sign out front

that says '\$1.75 ironing' flooded the gates."

Within days, business was so brisk that the pair realized they wouldn't survive by offering ironing-by-hand services. "We were like, 'Holy cow!' We knew we had to get a steam press," Warrenburg said. She believes no other Valley ironing-only business has that equipment.

From those frenzied beginnings,

Pressed On Time has blossomed into a solvent small business. Providing iron-only, green (no chemicals) and same day/next day services, the business attracts a wide variety of customers, although a good portion of their 90% retention rate includes uniformed professionals, like doctors and healthcare professionals. "They bring in their lab coats," said

Co-owners and friends, Jana Durant and Dyan Warrenburg "work through every kink together." Durant handles the finances and staffing and Warrenburg focuses on marketing. Despite being skeptical at first, a local bank is now one of their "biggest supporters." (VBR)



Durant. Indeed, demand from medical employees has been so high that the duo offers a Thursday scrubs special.

The road wasn't always smooth sailing. The pair had plenty of wrinkles to iron out, including realizing the best price to charge; or "what happens when you get to the middle of

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Co-owner Dyan Warrenburg (left) asked for the biggest sign that Harlingen would allow. "That massive, huge sign out front "made all the difference," said co-owner Jana Durant. (VBR)

the day and you're out of product (bags, hangers, starch) and you have to go pay retail for something that you need." Even more difficult was when the steam press repair man overcharged them, said Warrenburg. "He killed us. He was charging us thousands of dollars per repair. He'd fix one thing, and then an hour later something else would need to be fixed. So we had to learn how to sustain a small business."

Pressed On Time's success proves that two busy and savvy women can run multiple businesses successfully. In fact, having other jobs likely made it possible. Their professional, full-time jobs provided them with income to cover their own personal bills, making it more feasible to keep working at making their fledgling business a success. "I think we were smart to keep our full-time jobs," said the owner of Durant International. "Sometimes people give up, because when you start a business it doesn't float your income for a couple of years. A lot of small businesses don't make it past their first two years."

Another "wrinkle" the pair has smoothed out involves the fact that they aren't always on site. But that hasn't been a problem given their talent for hiring quality employees. A headhunter, Durant knows well that the biggest struggle in any small business is finding good workers. It's particularly crucial with their business, given that the front-counter work requires a lot of customer interaction.

"You don't just stand there and take the clothes," added Warrenburg. "There's a lot of responsibility," including assessing an order's quality, handling monetary transactions and maintaining customer relations. Indeed, as part of Pressed On Time's commitment to building relationships, employees usually get to know patrons so well that the owners have often observed them having a customer's clothes ready when they see them pulling up in their cars.

Durant and Warrenburg understand that a niche business like theirs poses a great opportunity for Valley entrepreneurs because trends "often take a while to get here." While they're ahead of the curve (they really don't have much competition), the enterprising pair has been looking ahead. "We have a business plan to franchise it. It'd be great to see Pressed On Time on corners all over the place," said Warrenburg.

For now, they're content with enjoying the fruits of their labor and providing service to people who need them. "What's so cool about this is that we've done it ourselves," said Warrenburg. "And we're still friends," added Durant. "That's the greatest thing after five years of total mayhem in this business."

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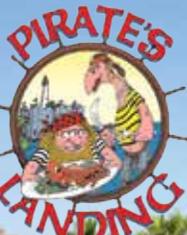
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BOOT CAMP DIARY - DAY 2

By Eileen Mattei

The second day of the Brownsville Chamber of Commerce Women Entrepreneur's Boot Camp shifted to the technical. Business plans were to be our focus, although I dreaded the thought of filling in templates.

I had forgotten that the boot camp is designed to engage us, not bore us. Arturo Gonzalez, counselor for Small Business Development Center of UTRGV, warmed up his audience with comedy: "I can't tell you the number of people who have come into my office and say they want to start a business so they can work less hours."

Then we went to the dark side and a review of business failure statistics. Had some of those owners anticipated shorter hours? The cause of failure included inadequate front-end planning, poor management, wrong location and insufficient capital. And don't even think about starting a restaurant and expecting to get financing.

A business plan, typically required to secure financing and SBA certification, helps focus your goals, like a road map does. Banks and lenders want to know the entrepreneur has

done her homework. Start-ups often turn to family and friends for funding, but those lenders, Gonzalez said, often believe they can tell you how to run the business from your recipes to your hires.

We had to ask ourselves hard questions: Did we have a unique product or service? Did we know where we were going? It was more satisfying to ask hard questions of an unusual panel composed of representatives from major banks and other lenders. What an opportunity with no repercussions for asking slightly naïve questions! Even better were the straightforward responses we received from Jessica Salinas of Lone Star National Bank, Jesse Sanchez of PeopleFund, Sandra Zermeno of BBVA Compass, Sergio Rodriguez of Lift Fund, Markus Villanueva of Capital One and Richard Abete of IBC.

When a camper questioned the need for a personal guarantee, LSNB's Salinas explained that lenders don't differentiate between business and personal income. "If you're not willing to sign on it, why should we? We have to make someone responsible."

Angela Burton, SBA's regional director, clarified that: "You have to put some skin in the game." Lenders expect the entrepreneur to contribute 20-30% of the total project cost, in any mix of equipment, tools or fixtures.

Salinas echoed the advice of the Lift-Fund's Rodriguez. "Find a good banker who will help you." Build and nurture that relationship. She suggested interviewing several bankers, taking a short list of questions. "We almost all do the same thing but in different ways. Some favor certain industries. So find someone you feel comfortable with."

The panel surprised me both with its frankness and the multiple voices emphasizing the same thing: Be prepared and thorough. I realized they want to keep their jobs, which means to lend money if you are a good risk. The entrepreneur's job is to submit the necessary documentation to prove our business is worth them taking that risk.

The standard business plan has seven parts with the narrative running between 13-20 pages. But what do lenders look at first? The consensus was: "Work on the market analysis first. That determines everything else. Your market analysis has to match your sales numbers." They home in on the financials. The detailed plan really is for the entrepreneur.

Mili Shah, a camper and vice president at Inter National Bank, added that lenders look

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					1 @TEX 2 7pm	
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10	11	12 @RNO 13 9pm	14 @IDA 8pm	15	16	
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FEBRUARY

SUN	MON	TUE	WED	THU	FRI	SAT
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7	8	@AUS 9 11am	10	11	12	13
14	15	AUS 16 7pm	17	18	@SCW 19 9pm	@IDA 20 8pm
21	22	SCW 23 7pm	24	25	TEX 26 7pm	TEX 27 7pm

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SUN	MON	TUE	WED	THU	FRI	SAT
		1 @GRD 2 10am	3	@ERI 4 6pm	5	
6	7	OKL 8 7pm	9	10	@TEX 11 7pm	@TEX 12 7pm
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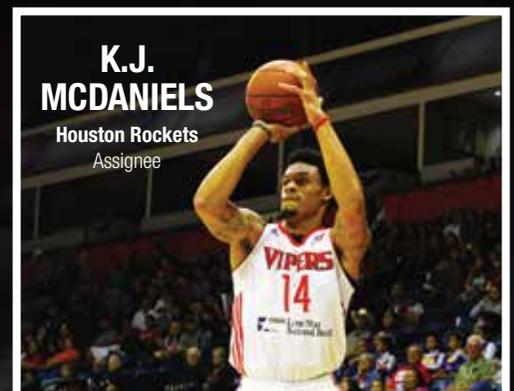
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A candid panel of Valley bankers and lenders answered questions about business loans at the Brownsville Chamber's Women Entrepreneur's Boot Camp. (Courtesy)

Elia Lopez, a graduate of the Women's Boot Camp, described how she started the Ms. South Texas Senior America Pageant. (Courtesy)



at the character of the person, their ability to repay debt and their business plan.

We heard that it's hard enough to predict the first year of your business, but need to base those numbers on facts. Three to five year projections? Those numbers verge on fiction. Estimating operating expenses is easy, but predicting sales is hard. Every industry has different standards on the amount of capital needed. Startups need to acquire assets and inventory

along with a cushion of six to nine months of operating expenses, plus a 10% contingency "Keep the numbers conservative. Keep bankers' expectations low. But show you can make enough to pay off the loan."

SBA supplied a quick reference guide to its various loan guaranty programs. SBDC can supply industry reports free along with assistance in completing a business plan. Residence Inn, bless them, supplied snacks for the campers.

During lunch, I talked to Edith Saldana, who had attended the first boot camp. "After I took the course, my business began growing because I got focused. I found my niche." Edith Saldana Photography specializes in maternity, newborn and young family portraits. She decided to take the course again for the opportunity to be around women committed to their business. "I get inspired by them and learn from them. I know here every one has the same goal."

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CELEBRATING THE SEASON IN STYLE

By Lillyan David

As VBR's fashion columnist, I plan for this new column to spotlight not only clothes and style but the local business people who wear them.

My favorite historical building in Harlingen, now known as "The Reese," was built in 1925, and four years ago underwent a red carpet-worthy makeover. Fashionista Jo Rae Wagner was the brilliant mind behind that masterpiece of repurposing. Always stylish, Wagner became the first woman to chair the national Plumbing, Heating and Cooling Contractors Association in its 125-year history. She's currently president of CTO Inc. and presides in style over the upscale eatery Colletti's at The Reese.

Q What prompted you to take on a huge project like The Reese and Colletti's?

A The building was going up for auction. My sons Steve and Todd and I saw a lot of promise, even though it needed work. I thought it would be a beautiful building for the downtown district.

Q In one word, characterize your life as an entrepreneur.

A Exciting.

Q To what do you most attribute your success?

A Luck and the fact that I'm stubborn.

Q What three pieces of advice would you give to an aspiring entrepreneur?

A Be sure you've done a plan that takes you out at least three to four years. Make sure you have the money to back it up, because it's never easy starting anything. Know everything that you can possibly learn about what you're going into.

Q What motivates you?

A The fact that I can't sleep but three to four hours means I've got to fill in all the rest of those hours.

Q How would you describe your sense of style?

A I like elegant. I like simple. Fortunately I have a buyer at Saks Fifth Avenue in New Orleans that knows what I like. Because of her I haven't been in a store since 2004. This lady sends me what she knows I'll like. If I like it, I keep it. If I don't, I send

Jo Wagner. (Photo Credit Juan Macias)



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Cool champagne or red hot? Create a timeless appeal with a champagne-colored dress. Luxe by definition, the elegant color combined with a gorgeous tulle fabric makes this dress chic and timeless. Taylor Saldana models a one-of-a-kind dress by local designer Laisa Chavez Macias of LaLa Fashion designs. I integrated a faux fur capelet to up the elegance and sophistication. And nothing says winter formal like a classic red gown. JoAnn Jimenez wears pearls and this red silk gown dress from Quelle Boutique to make a bold fashion statement. (Photo Credit Juan Macias)

it back.

Q That's exactly what us stylists do!

A Actually that started because I had a speech to give in front of 3,000 people, and the airline had lost my luggage. I walked into Saks and asked this wonderfully dressed lady, "Can you dress me in one hour?" She did it and did it extremely well! And she's been doing it ever since.

Q How important is style to you?

A First impressions are really important in any business. We feel good about ourselves when we know we look our best. So, yes, fashion is important.

Q What is your favorite article of clothing or accessory?

A (Pointing to her long gold necklace with an attached gold lion.) This was my mother's gold lion, and she wore it all the time. It's probably 50 years old.

Q It's timeless.

A I like a lot of my mother's gold jewelry. They give that vintage look to outfits I wear. It makes me feel good to wear something she wore.

As holiday invitations start to mount for parties at the Reese and elsewhere, so does the uncertainty of what to wear. It's time to start making wardrobe decisions. Like the perfect gift, the right outfit requires thought: knowing the setting, the guests and most of all yourself. Greet the season in style.



Professional stylist Lillyan David advises businesswomen and media on professional attire and dressing for success. (Photo Credit Juan Macias)

Shine bright like a diamond! Stand out from the crowd with some sparkle and shine! Sure, a little black dress is always a go-to for the party season, but who says holiday style has to be so cut and dry? For a New Year's Eve party, try this classic embellished look by designer Laisa Chavez Macias. I paired the embellished top with sleek black silk dress pants also by LaLa. Remember not to overdo it: if you have one embellished piece, allow it to be the star of the show. You don't need to add any more "ring to your bling." (Photo Credit Juan Macias)





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BEDES – BORDER ECONOMIC OUTLOOK

By Eileen Mattei

The fifth Border Economic Development and Entrepreneurship Symposium brought a look at the new UTRGV's College of Business and Entrepreneurship, an update on Valley Ports of Entry and a keynote by a Federal Reserve Bank of Dallas senior economist. Presented by UTRGV's Department of Economics and Finance, the Federal Reserve Bank of Dallas and the McAllen Chamber of Commerce, BEDES gave a positive assessment of the region's economy.

Rigoberto Villarreal, superintendent of the international bridges at McAllen-Hidalgo and Anzalduas, said the major challenges to addressing infrastructure needs is the lack of federal money on both sides of the border. To overcome that, the Anzalduas International Bridge, for example, sets aside 25 cents of each passenger toll, which is used, in part, to pay for an inspection station now being built on the Mexican side of the bridge.

"Increasing bridge traffic correlates with increases in McAllen sales tax," Villarreal explained, underlining the importance of not discouraging travelers and trucks by long cus-

toms inspection lines. Legislation now allows entities such as bridge owners and municipalities to pay overtime of federal employees. Employed on busy weekends and holidays, that option has enabled Pharr, McAllen, Cameron County and Laredo to pay to have more bridge lanes opened and staffed, cutting wait times. Villarreal noted that bridge board members fear mission creep: the possibility that the federal government will exploit the assistance in order to shift more of POE operational costs to localities. "It is a federal responsibility, but with four-hour wait times, the only thing we can do is give free water and shuttles to restrooms," in addition to speeding up processing. It costs \$65/hour to have a truck idling on a bridge.

COBE

"We want to create an entrepreneur culture in the Valley," said Mark Kroll, dean of the UTRGV College of Business and Entrepreneurship. The Center for Innovation and Commercialization has been

Roberto Coronado, senior economist with Federal Reserve Bank of Dallas, El Paso branch. (VBR)



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Dean of UTRGV's College of Business and Entrepreneurship Mark Kroll. (VBR)

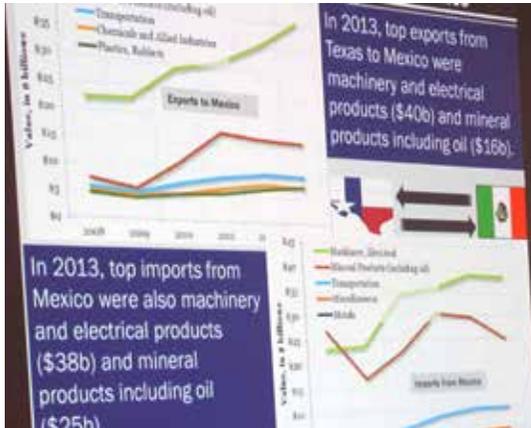
set up to support scalable new products and services. CIC works with entrepreneurs to assess the feasibility of an idea and develop a viable business model, helping them get from the cocktail napkin sketch to a product.

Eight out of 10 times, Kroll said, a bright idea is not feasible. "We burst a lot of bubbles. It's a great idea, but it's already patented or the price is too high. That's okay." Through the CIC, students can see the entrepreneurial process unfold so they can go do it themselves, learning as much from misses as hits.

The viable ideas that emerge from the incubator advance to the accelerator platform. Unlike incubator projects, which more or less test the water, carefully vetted accelerator projects "look really like hot prospects. You finance them and provide with extensive support, nurture them intently," Kroll said.

Financing will come from the newly formed RGV Angel Network, a 501c6 designed to support startups. Qualified investors are being sought who get to listen to the pitch-

Presenters at BEDES charted the value of imports/exports in Texas-Mexico trade.. (VBR)



es and decide, individually or as ad hoc groups, to invest, via convertible debt, equity or other mechanism, in a new business. The RGV Angel Network will join a statewide network of angel funds. “We can tap into the network and shop ideas.”

Within 18 months COBE will launch a new school of hospitality and tourism management. Kroll said tourism is an engine of economic development and enhances the region’s well-being. Because the industry education is very experiential, the program will need a wine and beverage center and a five-star hotel, which the Valley does not yet have. “If we are really going to train our young people to be competitive in the industry, they need experiential training.”

TRADE

Roberto Coronado forecasts that retail sales in the Valley will go down as the peso weakens. Historically, 35% of the retail trade in McAllen is attributed to Mexican visitors while 25% of Brownsville retail net is from Mexican nationals. That amounts to approximately \$30 million per day in the RGV, he said.

Maquilas continue to grow almost at the 2008 level in Matamoros and Reynosa. “Manufacturing in northern Mexico is doing well,” Coronado said, and that “is important because it creates jobs in the Valley.” A 10% growth in maquila output leads to 2.2% job growth in Brownsville and 6.6% employment total in McAllen.

Since NAFTA launched, trade flow between the U.S. and Mexico has grown nearly 400%, reaching \$450 billion last year. For the past 10 years, automotive has been the dominant trade category, followed by electronics.

Coronado said among Valley border cities, McAllen benefits most, accounting for \$5.5 billion in trade last year. That is because the Reynosa maquila sector is larger and also more productive.

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CYBERSECURITY PLUS

By Eileen Mattei

Cybercrime is where the money is: that's why there is so much of it. One in five websites is malicious, with Google taking down 10,000 malicious websites a day. Yes, you should be scared and working to protect your company and your information, said Louis Barton of Frost Bank and Victor Leal of Cybernation, who gave presentations on cybersecurity at the Governor's Small Business Forum.

Along with an anti-virus program and a firewall, you now need malware protection (Leal recommends Emsisoft) and passwords on your router. Barton recommended a return to the old-fashioned way of doing business, such as walking to your colleague's office to ask if they really wanted to transfer \$100,000 from the company account. "Be aware at ATMs, gas pumps and merchant terminals where information can be captured by cyber criminals."

So much depends on being alert to the dangers, Leal and Barton agreed. You are always a target, so be cautious when clicking on links. If you think a text or an email is suspect, call the number on record for that person, not the one in the message. Be aware that "bad guys

may have the strongest signal," at an airport, hotel or convention center. Do not connect to an unknown WiFi. It may harbor a key logger virus, which can track everything you do, including accessing bank and credit card accounts. Don't click to download for a free app.

The biggest emerging risk for small businesses is having data held for ransom. "Over half of small businesses fail within six months of a cyber-attack. So keep your data backed up," Barton said. The major way to thwart having all your data encrypted out of your control and held for ransom is to securely back up your data daily or hourly, depending on your industry. The FBI reports that most cybercriminals don't give you the passwords to decrypt your files once a ransom is paid. Mission critical data should be stored in the cloud and offline.

"Security is really cheap," said Leal, a virus remediation specialist. A \$34 thumb drive holds 64

gigs of data backup. Legitimate cloud storage costs about 50 cents a gig and is essential for critical data. "I tell my clients, if are you doing banking and payroll online, you have to have a dedicated computer for that," with no other activity but banking allowed. He suggested a validation process with your bank for funds transfers: is this what you really want to do?



The weakest link in the chain can be the business owner or employee, he added. "We have to be vigilant. It starts with us. We get on the computer and start surfing." It takes only one misstep to incur a loss that can put you out of business.

Here's a to-do list that can help protect you from cybercrime.

1. Put a freeze on credit reports. Identity guard programs are not that useful.
2. Put a procedure in place for payment requests, using dual controls, and reconcile your bank accounts consistently.
3. Use a dedicated PC for banking.
4. Contact your insurance provider about cyber liability coverage. It works.
5. Use a password on all your devices.
6. Apply all Window and Java updates. Someone can compromise your computer in seconds if you have Java 7 instead of Java 8.
7. Go to www.virustotal.com and insert a website name to find if it is a malicious site.
8. Do not use Facebook for sales transactions, only for public relations.
9. Owners of Android devices should understand that 97% of mobile malware is targeted at them.
10. Be aware that cold tech support calls are scams; i.e., don't trust caller IDs to be legitimate.

For more information, see victorleal.com.

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SOFT SKILLS

By Eileen Mattei

In 2014, Texas added 450,000 jobs, a testament to the job creation prowess of small businesses and their owners who have vision and the work ethic to achieve it. Yet finding employees who share that work ethic is an obstacle statewide and in the Rio Grande Valley.

In a survey, employers in Cameron County identified their number one issue as the lack of soft skills in applicants and new hires, according to Henry Castillo, regional director of Workforce Solutions Cameron. In response, the agency developed the Work Readiness Soft Skills Mini-Course, adapted from a Florida program.

“Ten to 20 years ago, these skills didn’t need to be taught,” Castillo said. “It was called work ethics: showing up on time, putting in an honest day’s work, working with others, following instructions, communicating effectively, accepting responsibility and being productive.” At a recent Chicago workforce conference, the theme was soft skills and the necessity of teaching those skills in middle and high schools, Castillo said. Punctuality, flexibility, time management, respect for customers and coworkers are among the soft skills that help job applicants and current employees succeed on the job.

“We presented our curriculum to SHERM (the lower Valley chapter) and they loved it and endorsed it. They know what employers need,” Castillo said. The 20-hour course includes interactive, instructor-led discussion and team discussions, working together, about the acceptable and unacceptable way behaviors at work and in life. Workforce Solutions has awarded certificates to course graduates, who to date have mostly been job seekers who have not held on to jobs, in part because of absent soft skills.

Local school districts requested the soft skills curriculum, and several teachers completed the training as summer externs, Castillo said. Workforce Solutions invites use of all or part of the course, without a fee, targeting eighth grade and up.

“Employees like to think they did everything they were asked do,” Castillo said. “If you did just that, you met my expectations, but you didn’t go beyond that.” Employees who finish a task and don’t turn to help co-workers or find other tasks that should be done are further evidence of not fitting into company culture due to missing soft skills. When it comes time for an evaluation or raise, the employees who lack soft skills, including inappropriate use of mobile devices, are the ones who may be let go first.

Ramiro Martinez of Workforce Solutions Cameron has begun outreach to employers on the soft skills issue. WSC is able to go to workplaces to conduct short, directed soft skills refreshers for employees. “It’s not just for those with little or no work experience.”

Nearly 40% of the adult population in Cameron County does not have a diploma or GED, Castillo pointed out, while more and more positions are requiring education beyond high school. Workforce Solution GED classes have added

soft skills, career readiness, and financial literacy and labor market info about the 41 fastest growing, in-demand jobs in the area.



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IN THE SPOTLIGHT



Left: Author Lori Vermaas signed copies of her new book, "Cornerstone: Building the Rio Grande Valley" at an event hosted by Associated General Contractors. She also writes for Valley Business Report. (VBR)

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Top: Ben Cavazos, who founded MAE in Mission 60 years ago, was recognized as a long-term member of NFIB. Cavazos and his company were featured in VBR in 2014. (VBR)



Pharmacist Bobby Muniz of Muniz Rio Grande Pharmacy received the Small Business Award from the Harlingen Chamber of Commerce represented by Frank Espinoza and Ricky Leal. An October VBR article told the story of the family pharmacy. (Courtesy)

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