Project Administration Data Sheet

Project No.: A-3360
Project Director: Edwin Betheer Frank Brown
Sponsor: Minority Business Development Agency, U.S. Department of Commerce

Type Agreement: Cooperative Agreement No. 04-10-82032-01
Award Period: From 10/1/82 To 9/30/83 (Performance) 11/30/84 (Reports)
Sponsor Amount: Total Estimated: $200,000 Funded: $200,000
Cost Sharing Amount: $30,000
Title: Rural Assistance Program for Minority Business

Administrative Data

1) Sponsor Technical Contact: Project Officer
   Project Officer: Stanley W. Tate
   U.S. Department of Commerce
   Minority Business Development Agency
   Atlanta Regional Office
   1371 Peachtree St. NE, Suite 505
   Atlanta, GA 30309
   PH: (404) 881-3438 4091

2) Sponsor Admin/Contractual Matters: Grants Officer
   Sonya Gilliam
   Office of Financial Assistance
   U.S. Department of Commerce
   14th and Constitution Ave., N.W.
   Room 6012
   Washington, DC 20230
   (202) 377-1370

Defense Priority Rating:

Military Security Classification:

Restrictions

See Attached Dept of Commerce Supplemental Information Sheet for Additional Requirements.
Travel: Foreign travel must have prior approval - Contact OCA in each case. Domestic travel requires sponsor approval where total will exceed greater of $500 or 125% of approved proposal budget category.
Equipment: Title vests with Gov't, except that items costing $1,000 or less vest with GIT upon acquisition, provided prior approval to purchase received.

Comments:

Copies To:
Research Administrative Network
Research Security Services
Research Property Management
Accounting
Procurement/EES Supply Services

Reports Coordinator (OCA)
GTRI
Library

Project File
Other

Other

FORM OCA 4781 (Rev 892)
SPONSORED PROJECT TERMINATION/CLOSEOUT SHEET

Date April 25, 1985

Project No. A-3360

Includes Subproject No.(s) N/A

Project Director(s) Frank Brown

Sponsor Minority Business Development Agency, U.S. Department of Commerce

Title Rural Assistance Program for Minority Business

Effective Completion Date: 11/30/84 (Performance) 12/31/84 (Reports)

Grant/Contract Closeout Actions Remaining:

☐ None

☒ Final Fiscal Report already submitted.

☐ Closing Documents

☐ Final Report of Inventions

☒ Govt. Property Inventory & Related Certificate

☐ Classified Material Certificate

☐ Other

Continues Project No. Continued by Project No.

COPIES TO:

Project Director
Research Administrative Network
Research Property Management
Accounting
Procurement/GTRI Supply Services
Research Security Services
Reports Coordinator (OCA)
Library
GTRC
Research Communications (2)
Project File
Other Heyser

Jones
NARRATIVE REPORT OF 1ST QUARTER
OPERATION OF THE
MINORITY BUSINESS DEVELOPMENT AGENCY
RURAL ASSISTANCE PROGRAM
COOPERATIVE AGREEMENT # 04-10-82032-01

GEORGIA INSTITUTE OF TECHNOLOGY
ENGINEERING EXPERIMENT STATION
ECONOMIC DEVELOPMENT LABORATORY
ATLANTA, GEORGIA
START-UP AND PRODUCTION

Consistent with the 30-day start-up requirement for achieving operational status, management's focus during this period and throughout the 1st quarter has been on:

- Establishment of the MBDA Rural Assistance Program within the Georgia Tech administrative and accounting systems;
- Establishment of appropriate program facilities;
- Hiring new staff and training of staff;
- Development and/or implementation of MBDA program and project systems and procedures; and
- Introduction and marketing of the Rural Assistance Program to other MBDA organizations and potential program clients.

ADMINISTRATION AND ACCOUNTING

Following final execution of the Rural Assistance Program Financial Assistance Award, Tech's Office of Contract Administration (OCA) implemented administrative procedures to establish the program within Tech/EES systems and authorized needed support from Tech/EES departments and personnel. Key departments involved in or notified of the program establishment included:

- Accounting
- Procurement/EES Supply Services

Program support provided by each of these departments during first quarter implementation greatly facilitated achievement of operational status. Procurement/EES Supply Services for instance, filled program supply, furniture and equipment needs and worked with EDL management to develop plans to allocate more office space for program use. Accounting setup requested accounts for program and project accounting and initiated plans to support the program with required financial reporting.
FACILITIES AND EQUIPMENT

Effective October 1, 1982, an office for the Rural Assistance Program was established in our EES Hinman Research Building in Atlanta, Georgia. Furniture and equipment to be utilized directly in the program was reassigned or ordered and delivered by Procurement/EES Supply Services within the first 30 days of program operation. Needed access to word processing equipment was also authorized by EDL management during this time.

Following initial establishment of program facilities, EDL management and Procurement/EES Supply Services began to identify additional floor space for program use. A decision to establish larger program facilities during the 2nd quarter of operation in another area of the same building resulted from those efforts. The address of the Rural Assistance Program operated by Georgia Tech is:

Rural Assistance Program  
Georgia Institute of Technology  
Room 325  
Hinman Building  
Atlanta, Georgia 30332

STAFFING AND TRAINING

Implementation of our proposed approach to program and project staffing required concentration on program orientation and training of existing staff, as well as recruitment and hiring of several staff support positions. Projected workloads and skill requirements of the program were also included in EDL plans for recruitment of additional professional staff during the year.

Beginning October 1, 1982, Jim Thomas and Ed Bethea were assigned responsibility to manage the program. Mr. Thomas was assigned full-time responsibility as Program
Director, and 10 percent of Mr. Bethea's time was assigned to the program as Program Coordinator.

Orientation and training of staff included sessions conducted by the Program Director and Coordinator and MBDA. In-house orientation and training consisted of group presentations/discussions, as well as individual instruction and program review. Areas covered with the Atlanta and field office staffs included:

- MBDA and program objectives and policy;
- Scope of program services and service area;
- Management and project approach to be used to deliver program services;
- Operations flow, documentation and communication linkages to be used in delivery of program services;
- Financial award, performance goals and anticipated staff support and involvement; and
- Approach and methodology to be used in delivering management and technical assistance and brokering services to program clients.

Individual orientation and training included program reviews and planning with EDL management. Throughout the 1st quarter, the Program Director also worked directly with and trained the support staff used to assist in implementing the program and to be used for ongoing program support. In addition to the training provided the overall staff, in-depth training was provided to support staff that included:

- Tech administrative and support systems;
- Program logging, reporting and filing systems;
- Project identification, tracking, accounting and control systems;
- Program and institutional resources to be utilized in delivery of services and to be included in a resource library for needed counseling and staff support; and
- MBDA Profile system.
Orientation and training conducted by MBDA and completed by the Program Coordinator and Director included:

- One day reviewing the MBDA Office of Financial Assistance and the Office of Inspector General policies and procedures;
- Two days reviewing Dun and Bradstreet, Control Data, F.W. Dodge, and Data Resource information, data base and reporting systems; *
- One day reviewing MBDA Profile and Business Development Reporting systems and procedures; and
- Five days at the MBDA National Conference.

Although the professional staff to be used for the Rural Assistance Program was already in place when the contract was awarded, needed support staff had to be recruited and hired. During the period of recruitment, clerical support was provided by existing EDL staff.

Positions filled to provided needed program support included (1) Senior Secretary and (1) Graduate Research Assistant. Both positions are under the supervision of the Program Director and have been utilized to develop and implement needed administrative, reporting and information systems. In addition to clerical support, Renee Williams, Senior Secretary, is also being trained in brokering procedures that are being developed and implemented. Jayme Merdzinski, Graduate Research Assistant (Management), will be utilized on an on-going basis to support project managers with needed research and analysis, as well as continued work on needed system improvements.

* We later learned that these resources were not going to be made available for our use. At our post awarded conference, we formally requested that this program support be provided.
SYSTEMS AND PROCEDURES

During the first 30 days and 1st quarter of the program, at least 50 percent of the Program Director's efforts were directed toward developing systems and procedures needed to effectively mobilize and manage EDL resources for program use, integrate MBDA and EDL resources in service delivery, and support MBDA's policy and reporting requirements.

During the first 30 days, priority was given to developing and implementing of systems needed to properly conduct day-to-day program administration, respond to requests for program assistance, and deliver services. Systems and procedures developed and/or implemented during this period included:

- Program reporting, correspondence and project files;
- Project identification and tracking system;
- Project accounting for expenditures incurred in delivering services;
- Operational procedures and responsibilities for responding to program inquiries, documenting assistance requests and recommended scope of assistance, and submitting task order proposals to MBDA;
- Management procedures for matching and assigning staff to client engagements;
- Management systems and procedures for working with the Atlanta and Field Office staff in effective delivery and control of project activities and expenditures; and
- A resource library of descriptions and directories of programs, organizations and individuals interested or designed to assist small and minority businesses.

Throughout the 1st quarter, most of our efforts have been directed at having in place the facilities, staff, system and procedures needed to deliver direct assistance. Three key reasons for this were:

- Our contractual obligation for the first 30 days of
Development of systems and procedures to support brokering services consisted of establishing a resource library, including directories of public and private sector sources of financing and equity directed at small and minority businesses and directories of franchise and business opportunities. Also a basic system and procedure was worked out for brokering market opportunities. Briefly, this consists of:

- Scanning published information sources regarding market opportunities to identify possible matches with our product list of clients in our brokering portfolio,
- Contacting by telephone and letter those clients for whom matches were found to alert them of the identified opportunity, and
- Follow-up contact to determine if bids were submitted and if the bid was successful.

The system developed and implemented for brokering market opportunities is limited in the following ways:

- Linkages and working relationships have not been fully developed with the network of institutions, agencies and individuals involved in minority procurement and procurement programs;
- MBDA has not provided EDL with a profile listing of clients within its services area; and
- Automated access to market information data bases such as those marketed by Dun and Bradstreet, F.W. Dodge, Control Data and Data Resources are needed to effectively match opportunities on a timely basis.

The need for access to these data bases is essential to make a brokering system work for this program. Reasons for this include:
A large number of our most capable clients are in construction. Currently, we can be of limited assistance to these clients who, like ourselves, review the Commerce Business Daily each day. In some instances, we have matched a bid solicitation sent to us, but these are usually received too late for adequate response.

Within our 5-state service area, we have the full range of minority businesses in the Southeast and hundreds of federal, state, military and prime contractors. Data base access to information that is comprehensive and diverse in scope of opportunities is needed to service this market.

The large geographic area and client base of the program is a key factor if large numbers of market opportunities are to be brokered beyond those brokered as a result of management and technical assistance.

PROGRAM OUTREACH AND MARKETING

With regard to our efforts to establish the program at Tech and to achieve full operational capability, program outreach and marketing received a lower priority and resource commitment during the 1st quarter. Reasons for this were:

- Program start-up required that service capabilities be established prior to marketing of program services,
- Uncertainty regarding the expected heavy volume of referrals from other MBDA-funded organizations, and
- Management's concern regarding a possible overload of program clients that could adversely affect our ability to effectively integrate the program within EDL and respond to requests for program assistance.

Efforts at program outreach during the first quarter were directed toward the establishment of an identity for the program and Program Director within the "family" of MBDA-funded organizations and programs. The opportunity to accomplish this objective was provided by MBDA's regional orientation and training sessions, as well as by the MBDA National Conference. Jim Thomas made a presentation at the conference describing the Rural Assistance Program's objectives and services.

Our program outreach to other MBDA organizations did not produce measurable
results during the first quarter of operation. It did produce interest and discussion regarding program interfaces and overlaps, possible joint efforts at assisting clients, and possible client referrals. In the latter case, six potential client referrals were identified during the MBDA conference, in comparison to one actual referral received from another MBDA-funded organization during the 1st quarter of operation.

Work at program marketing began in November with the development of alternative approaches and procedures that could be utilized to make MBEs aware of available program services. Approaches to program marketing selected for implementation during the 1st and 2nd quarter were:

- "Cold calls" to MBEs to discuss the program and available services;
- Program press and radio coverage in targeted areas; and
- Program presentations to minority associations and business leagues.

In December, it became apparent that the anticipated heavy volume of client referrals would not materialize during the 1st quarter. As a result, considerable effort was directed at actively marketing the program to potential program clients. Unfortunately, our efforts were frustrated by the following:

- EES Public Relations recommended that attempts to get program coverage through the local press would be more effective after the holiday season;
- Many business are involved in year end closings, plant closings and holiday business; and
- Attendance at the MBDA National Conference, and 5 Tech holidays at year-end eliminated 10 days that the Coordinator and Director could allocate to a marketing effort during the month of December.

The approach initiated in December to produce the most direct and immediate result was to make "cold calls" to potential program clients. This effort was also handicapped by the holiday season as well as the lack of a profile listing of MBEs located within the program service areas.
Using this approach, 15 potential clients were contacted successfully and expressed an interest in direct or brokering services. Ten of those contacted were sent partially completed Profile applications to be completed, signed and returned.

MANAGEMENT AND TECHNICAL ASSISTANCE

In accordance with the attached statistical summary of planned and actual performance goals, our goal was to complete delivery of management and technical assistance to at least 2 program clients during the 1st quarter. Hours of assistance to be provided each client were not specified in our proposal and contract award. Actual direct assistance provided during the quarter consisted of assistance initiated for 2 clients to be completed during the 2nd quarter. Specific assistance related tasks completed for these clients included:

- Response to the client's inquiry regarding assistance and preliminary review of need and overall plan;
- Visit to the client's location to document in more detail the request for assistance and develop a full scope of needs and priorities,
- Initial review with the Program Administrator of the request and proposed assistance,
- Drafting of a task order proposal to be submitted during the 2nd quarter.

Approximately 12 hours of the Program Director's time was expended in completing these tasks. Not reflected in these 12 hours are the hours involved in working out the best approach and formats for initiating direct assistance to these first program clients.

Many of the factors that contributed to this level of goal accomplishments have already been discussed. Briefly, those factors were:
EDL management put less time into program marketing during the 1st quarter than into development of the systems, structures and tools needed to provide direct assistance.

MBDA had expected a large volume of client referrals that did not materialize during the 1st quarter.

Program marketing initiated in December was frustrated by the holiday season, fewer work days available and the unavailability of a Profile listing to identify potential clients quickly.

PROGRAM EXPENDITURES AND COST SHARING

Actual program expenditures incurred during the 1st quarter were approximately $23,000. Cost sharing cash contributions made by Tech during the quarter were approximately $4,700. Actual cost sharing ratio during the first quarter was approximately 20%, in comparison with a proposed rate of 13%. Line item expenditures during the 1st quarter involved mostly personnel and related overhead. Other quarterly expenditures incurred in materials and supplies and travel were less than $1,500.

The low rate of overall program expenditures and limited travel expenses during the 1st quarter directly reflects the emphasis on achieving fully effective operational capability during the 1st quarter. During the 2nd quarter, emphasis will be primarily on program marketing and implementation of program services.

A positive aspect of the rate of expenditures incurred is that most of these expenditures represent administrative costs that are in line with the low rate of administrative overhead planned for this program.

PROFILE INVENTORY

Our proposed goal of making 3 additions to the Profile inventory was not accomplished in the 1st quarter.
Actual performance in this area of responsibility consisted of development and implementation of a "cold call" approach to contacting potential clients for the purposes of:

- Identifying program clients for management and technical assistance and brokering services, and
- Identifying potential applicants for the MBDA Profile system.

As a result of the approach used, 15 potential clients for direct and brokering services were identified and 10 Profile applications were initiated through direct telephone interviews. We anticipate receiving these completed and signed applications during the next quarter.

Next quarter, we expect to continue the "cold call" approach on a limited basis and rely on more generalized approaches that will reach larger groups at one time.

NEW BUSINESS OPPORTUNITIES

Proposed performance goals for the 1st quarter did not include new business opportunities.

We have added to our resource library information on new business opportunities, as well as information on the characteristics of business types and industries most often entered by small business entrepreneurs. Our expectation is that our goal in this area will be achieved as we project the program into local communities and as the level of direct assistance increases. In this regard, our information on new businesses and their characteristics will be an important contribution to our staff in providing effective counsel and assistance to minority entrepreneurs.

NEW MARKET OPPORTUNITIES

The proposed performance goal for new market opportunities for the 1st quarter is 2 procurements with no dollar objective specified. We did not achieve this objective, but we did develop an initial system for matching market opportunities with clients in
our brokering portfolio. Several matches were actually made and forwarded to clients during the quarter; however, the system currently in place will not be adequate if we are to actively broker for clients when direct assistance is involved. As discussed in the section on Systems and Procedures, the geographic area to be served and the diversity of program clients are important factors in the tools and approach required. Specifically, the market information data bases already discussed will be needed to effectively pursue this goal outside the context of delivering direct assistance. The MBDA's Profile listing for our service area is included in this category.

Actions required on EDL's part to achieve better results in this area include increasing both the program's client base and the program visibility. Also, more resources will be committed to the establishment of needed institutional relationships and improvements in systems and procedures.

NEW CAPITAL OPPORTUNITIES

There were no 1st quarter performance goals for new capital opportunities.

Efforts were expended in this area with the inclusion of directories of financial institutions and investors interested in minority businesses as well as financial assistance program descriptions in our resource library.

This resource will be used during the next quarter to provide client referrals, and direct assistance, and to make potential sources of financing and financial assistance aware of the program.
### PERFORMANCE INDICATORS

<table>
<thead>
<tr>
<th>H &amp; TA</th>
<th>Proposed</th>
<th>Act'1</th>
<th>Year to Date</th>
<th>% of Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Clients assisted</td>
<td>2</td>
<td>2 initiated</td>
<td>2 initiated</td>
<td>-</td>
</tr>
<tr>
<td>Total Number of hours of assistance</td>
<td>N/A</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Cost-sharing

| Cash Contributions | 17% rate | 20% rate | 20% rate | - |
| Matching Funds | N/A | $4700.00 | $4700.00 | - |
| In-Kind Contributions | N/A | - | - | - |
| User Fees | N/A | - | - | - |

### PROFILE INVENTORY

| Number of firms in PROFILE System at the beginning of the award | N/A | - | - | - |
| Number of firms added to the PROFILE System | 3 | 0 | 0 | - |

### Brokering

New Business Ownership Opportunities

- Number of successful matches with business opportunity | 0 | 0 | 0 | - |
- Number new businesses starts by category
  - New Starts | N/A | N/A | N/A | -
  - Buy-outs
  - Joint Ventures
  - Mergers/Acquisitions

*10 Profile applications have been initiated but not completed.*
### Statistical Summary Continued

<table>
<thead>
<tr>
<th>Market Opportunities</th>
<th>Proposed</th>
<th>Act'1</th>
<th>Year to Date</th>
<th>% of Coa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of matches in which the firm bids on the opportunity</td>
<td>N/A</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Number of contracts actually secured by firms assisted by awardee</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Dollar amount of contracts actually secured by firms assisted by awardee</td>
<td>N/A</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Opportunities</th>
<th>Proposed</th>
<th>Act'1</th>
<th>Year to Date</th>
<th>% of Coa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of successfully concluded matches in which a financial package was submitted</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Dollar amount of successfully concluded matches in which a financial package was submitted</td>
<td>N/A</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Number of capital applications actually approved and disbursed.</td>
<td>N/A</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dollar amount of capital applications actually approved and disbursed.</td>
<td>N/A</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Operation of the Rural Assistance Program during the second quarter emphasized program outreach and implementation of assistance to program clients. Over 50 minority businesses entrepreneurs, institutions and associations were targeted for program outreach during the quarter. Assistance provided to over 20 MBE's during the quarter included the full range of M&TA, brokering, general counsel and referral services.

The lack of client flow and base of program clients resulting from first quarter operations is reflected in the level of task orders submitted during the second quarter. Both lead time in getting a return for each outreach effort and the process of developing the most effective outreach approach were key factors in this regard. M&TA related experience was provided to 9 MBEs that involved either: 1) assistance in reviewing a potential client's business needs prior to submitting a task order proposal or 2) assistance provided following after task order approval.

Staff from the Engineering Experiment Station Economic Development Laboratory, Technical Applications Laboratory and Industrial Extension Divisions were utilized in providing the following program assistance:

- Business feasibility study,
- Market and product research,
- Merchandising,
- Sales support, and
- Engineering of plant and equipment.

Efforts at providing brokering assistance in the area of market opportunities mostly
involved authorized M&TA to individual program clients. Efforts at more fully developing a broad based matching service were limited by 1) the limited client base of the program to-date and 2) the unavailability of sufficient staff to both heavily emphasize program outreach and to fully implement the large task of developing a brokering network for a 5 state service area.

Year-to-date program expenditures at the end of the second quarter were approximately $64,000. Approximately $41,000 in program expenditures were incurred during the quarter.

PROGRAM OUTREACH AND MARKETING

Throughout the second quarter of program operation, emphasis was placed on making MBE's aware of the Rural Assistance Program through either direct contact or through institutions such as banks and business associations that are involved with and interested in MBE's. Sixteen minority-owned banks and minority business associations were contacted during the second quarter. Thirty seven MBE's were also contacted during the quarter. The state by state distribution of MBE's contacted was as follows:

RURAL ASSISTANCE PROGRAM
STATISTICAL SUMMARY OF SECOND QUARTER
PROGRAM OUTREACH

<table>
<thead>
<tr>
<th>Total MBE's</th>
<th>Associations &amp; Institutions</th>
<th>Distribution of MBE's Contacted by State</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contacted</td>
<td>Contacted</td>
</tr>
<tr>
<td>53</td>
<td>16</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MS  AL  GA  SC  NC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7  6  12  11  1</td>
</tr>
</tbody>
</table>

During the first half of the quarter, "cold calls" to potential program clients were utilized as the primary approach to program outreach. This method, however, has not
produced an adequate flow of program clients. Therefore, several other approaches to program outreach were also utilized during the quarter. Unsolicited mail-outs of program materials, presentations to MBE group meetings and feature newspaper articles were each implemented during the quarter to improve the effectiveness of program outreach.

In Beaufort, South Carolina, we were able to leverage our presence in an area through a local minority business association and newspaper. As a result, we anticipate that up to 6 task order proposals may be submitted for Beaufort area MBE's. In the appendix, we have included a copy of our presentation made to Limited Minority Businesses, Inc. of Beaufort, South Carolina, as well as a copy of a feature article about RAP that was published by The Beaufort Gazette.

During the third quarter of operation, we plan to utilize the approach used in Beaufort more often due to its obvious effectiveness in terms of cost and client flow. Other expected benefits from this approach include:

- A possible reduction in the average cost of assistance where work done for one client can be utilized to assist other clients,
- Increased effectiveness in responding to requests for assistance and scheduling of staff assignments and workload.

**MANAGEMENT AND TECHNICAL ASSISTANCE**

Assistance involved in delivering M&TA was provided to 9 program clients during the quarter. This included assistance authorized by a task order as well as assistance involved in preparing a task order proposal. In the latter case, only instances where a significant effort has been expended in reviewing a client's needs that will lead to a task order proposal are counted.
Six task order proposals were submitted and approved during the second quarter. The range of authorized expenditures was $1500 to $4920 with an average of $3550. The average breakdown of authorized expenditures was as follows:

- $3130 for direct salaries, fringe benefits and related overhead; and
- $420 for travel and other out-of-pocket expenditures.

The range of industries of authorized and projected program clients included:

- Retail grocery,
- Men's retail clothing,
- Women's retail hosiery,
- Meat processing,
- Retail liquor,
- Industrial power controllers,
- Pharmaceutical manufacturing,
- Retail gift shop,
- Electrical switches and relays, and
- Electrical cable testing equipment.
The state distribution of authorized and projected program clients is as follows:

**RURAL ASSISTANCE PROGRAM**
**STATE DISTRIBUTION OF AUTHORIZED PROGRAM CLIENTS AND PROJECTED NEW CLIENTS**

<table>
<thead>
<tr>
<th></th>
<th>Mississippi</th>
<th>Alabama</th>
<th>Georgia</th>
<th>North Carolina</th>
<th>South Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authorized</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clients</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td><strong>Projected</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Clients</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

Program clients approved for M&TA during the second quarter were as follows:

**RURAL ASSISTANCE PROGRAM**
**PROGRAM CLIENTS AND M&TA APPROVED DURING THE SECOND QUARTER**

<table>
<thead>
<tr>
<th>Client</th>
<th>Location</th>
<th>Industry</th>
<th>M&amp;TA Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Contract Packagers</td>
<td>Williamston, NC</td>
<td>Pharmaceutical Manufacturing</td>
<td>Market Research &amp; Sales Support</td>
</tr>
<tr>
<td>George Willis</td>
<td>Forsyth, GA</td>
<td>Retail Liquor</td>
<td>Business Feasibility Study</td>
</tr>
<tr>
<td>Camille Gardner</td>
<td>Beaufort, SC</td>
<td>Women's Hosiery</td>
<td>Site Location Merchandising</td>
</tr>
<tr>
<td>Nosebor Packing</td>
<td>Rowland, NC</td>
<td>Pork Processing</td>
<td>Engineering of Plant and Equipment</td>
</tr>
<tr>
<td>James Mays</td>
<td>DeSoto, GA</td>
<td>Retail Grocery</td>
<td>Business Plan Development</td>
</tr>
<tr>
<td>Hopkins International</td>
<td>Williamston, NC</td>
<td>Industrial Power Controllers</td>
<td>Market and Product Evaluation</td>
</tr>
</tbody>
</table>
The following briefly discusses actual assistance delivered during the quarter, successes, and problems encountered in delivering M&TA to each of these clients:

AMERICAN CONTRACT PACKAGERS CASE # N001

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inactive</td>
<td>74</td>
<td>$4036</td>
<td>$884</td>
</tr>
</tbody>
</table>

SUCCESES: The primary objective of the M&TA to be provided this client was to provide the firm with marketing and sales support that would lead to near term increases in sales above the firm's break even point. Current approaches were reviewed with firm management and a new strategy and approach was developed that would effectively integrate the efforts of the firm and the RAP. New markets were targeted that minimized the firm's weaknesses in the market and specific contacts identified that would be approached regarding possible interest in and future business with the client.

PROBLEMS: The firm's poor financial condition and its continuing deterioration necessarily dominated firm management's attention, and required more allocation of assistance towards reviewing the firm's efforts and status in this area than planned. A lack of available working capital financing effectively eliminated any prospect for increasing needed sales.

RECOMMENDATION: Due to the limit of assistance provided to clients with this program, we need to minimize as much as possible the possibility that other factors outside of the control of the assistance being provided will adversely impact the success of the proposed assistance.
SUCCESS: The objectives of the assistance provided has been successfully completed. Using industry, state and federal government data an effective evaluation of a retail liquor store located in Forsyth, Georgia, has been completed and recommendations made, in light of criteria outlined by Mr. Willis for the venture.

In conducting needed secondary research for this project, access to the Georgia Tech Library and assistance provided by the Tech Library staff proved to be invaluable to the project.

PROBLEMS: Data required that reflected the level of business of liquor stores in similar rural areas to Forsyth was difficult to obtain.

RECOMMENDATIONS: In proposing future program assistance, we need to seriously question whether or not data that is or should be collected at a local and county level is available, if needed.

CAMILLE GARDNER - CASE #S003

Status of Approved Assistance | YTD Hours of Assistance Delivered | YTD Cost of Authorized Assistance
---|---|---
Final Report Being Written | 48 | $2028 | $520
SUCCESS: The objectives of evaluating the proposed relocation of Mrs. Gardner's liquor and boutique businesses and providing the client with recommendations to improve store merchandising were accomplished.

In delivering services to Mrs. Gardner, we were also able to accomplish several other program objectives. First, we were able to reduce the cost of service delivered through use of staff serving multiple program efforts of EES in this area. In this instance, the cost of travel to the client location was reduced by our opportunity to share program costs. Secondly, we were able to leverage our presence in the Beaufort area through the Gardners that will lead to other task order proposals. The cost of services to these clients most likely will be reduced by the work already done on the Mrs. Gardner's behalf.

PROBLEMS: Proposed surveys of the client's customers and area customers proved to be impractical. Residents in rural areas are not accustomed to consumer surveys conducted by unfamiliar faces. Adequate space was not available for interviewing Mrs. Gardner's customers that would allow for needed privacy and not disrupt on-going business.

RECOMMENDATIONS: On future assistance projects where local consumer data could be useful or is needed, we need to carefully consider the logistics involved as well as problems likely in getting individuals to participate in a survey. One alternative would be to consider how local or client involvement in conducting the survey may be structured into the project.

<table>
<thead>
<tr>
<th>NOSEBAR PACKING, INC. - CASE #N002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status of Approved Assistance</td>
</tr>
<tr>
<td>Final Report Being Written</td>
</tr>
</tbody>
</table>
SUCCESS: The objective of providing the client with engineering input on plant and equipment needed for a pork processing plant was accomplished.

Program objectives accomplished included: 1) utilization of resources within other EES laboratories besides EDL (Technology Applications Laboratory) that could more effectively satisfy the client's needs and 2) implementation of a joint effort with a MBDC (Fayetteville, North Carolina) that resulted in more and better service to the client.

PROBLEMS: No significant problems occurred in providing the proposed assistance.

RECOMMENDATIONS: Attempt to create more joint projects assistance with MBDCs.

JAMES MAYS - CASE #G002

<table>
<thead>
<tr>
<th>Status of Approved Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Initiation</td>
<td>8</td>
<td>300</td>
<td>$3575</td>
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</table>

SUCCESS: We are able to match the client's need with available staff expertise in EDL's Albany Field Office. As a result, the cost of needed travel and out-of-pocket expenses has been minimized and the client and assigned project manager have greater access to each other.

PROBLEMS: None

RECOMMENDATIONS: Continue to use the EES field offices where practical to deliver program services to Georgia, South Carolina and Alabama clients.
HOPKINS INTERNATIONAL, INC. CASE - #N003

<table>
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<tr>
<th>Status of Approved Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Authorized Assistance</th>
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</thead>
<tbody>
<tr>
<td>Data Collection</td>
<td>23</td>
<td>640</td>
<td>$3,820</td>
</tr>
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</table>

SUCCESS: We were able to get needed up-front participation and input from the Tech TUCC and Mid-Atlantic TCC that provided needed focus for the assistance to be provided through the RAP.

PROBLEMS: None

RECOMMENDATIONS: Opportunities and the need for joint efforts between the RAP and TUCC programs will occur frequently and should be implemented, if practical. Specifically new product and product market evaluations are instances where the client can best be served by both of these programs.

PROGRAM EXPENDITURES AND COST SHARING

Year-to-date program expenditures at the end of the second quarter were approximately $64,000. Cost sharing cash contributions made by Tech were approximately $15,400 or a 24% rate of contribution in comparison with a proposed 13% rate. YTD travel expenses were approximately $3455. Most occurred during the second quarter as a result of increased efforts at program outreach and initiation of program assistance.

RURAL ASSISTANCE PROGRAM
SUMMARY OF YEAR-TO-DATE PROGRAM EXPENDITURES

<table>
<thead>
<tr>
<th>YTD Expenditures</th>
<th>YTD Cost Sharing</th>
<th>YTD Personal Services</th>
<th>YTD Materials and Supplies</th>
<th>Travel &amp; Out-of-Pocket</th>
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<tr>
<td>$63,923</td>
<td>$15,400</td>
<td>$60,105</td>
<td>$360</td>
<td>$3455</td>
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PROFILE INVENTORY

Ten profile applications were submitted during the second quarter.

NEW BUSINESS OPPORTUNITIES

Accomplishment of this objective is expected to be a by-product of our efforts at increasing the program customer base and level of M&TA provided. In this regard, assistance provided to George Willis and James Mays are examples of M&TA projects that could lead to the accomplishment of this goal. When, if ever, these projects will actually blossom into new businesses is not know at this time. This does raise a question, however, as to how much impact a maximum of $5,000 in assistance can have in addressing the multitude of factors that determines whether or not a new MBE will result from RAP assistance.

Clearly we should expect that where real opportunities exist, we will need to follow-up with multiple task orders in order to effectively enhance the prospect for new MBEs. In this regard, we need to carefully assess the likelihood of ultimate success prior to initiating any assistance involving a new venture.

NEW MARKET OPPORTUNITIES

Brokering of new market opportunities during the quarter mostly involved direct M&TA being provided to clients. In this respect, the low level of direct M&TA clients to-date has limited the possibilities for goal accomplishment.

Also contributing to a lack of results in this area is a limited total base of program clients to broker for regardless of whether M&TA is being provided. A lack of profile listings for our service area for most of the quarter contributed to our problem.
On the other side of the brokering coin, EDL management was not able to allocate full-time assistance needed to develop information linkages needed to identify market opportunities occurring throughout RAP's 5 state service area. At the end of the second quarter, resources were assigned to this task. However, development of a portfolio of clients for brokering and market information linkages for RAP is a major task that will be in a state of development for the remaining 2 quarters of program operation.

Requested access to the Control Data X/Market and American Profile systems was approved at the end of the quarter. This system will be used during the next 2 quarters which should aid in producing needed results. Access to the F.W. Dodge was not approved, however, which handicaps our ability to broker for construction clients. We will be looking at alternatives here during the third quarter.

NEW CAPITAL OPPORTUNITIES

Similar to new business opportunities, we expect our goal for new capital opportunities to be a by-product of accomplishment of M&TA goals. Several assistance projects already in progress may result in accomplishment of this goal. However, none are far enough along at this time and there are not enough projects that have this potential that have been initiated.

In an effort to enhance the likelihood of success in this area, we began contacting financial institutions within our area to make them aware of the RAP and specifically aware that we can assist their MBE clients in submitting loan applications and business plans. To-date, we have not had a response that has produced any potential new clients.
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<tr>
<th>PERFORMANCE INDICATORS</th>
<th>PROPOSED</th>
<th>ACT^L</th>
<th>YEAR TO DATE</th>
<th>% OF PROPOSED</th>
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<tr>
<td><strong>M &amp; TA</strong></td>
<td></td>
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<td></td>
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<tr>
<td>Number of clients assisted</td>
<td>12</td>
<td>6</td>
<td>6</td>
<td>50%</td>
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<tr>
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<tr>
<td>Cash contributions</td>
<td>13% rate</td>
<td>24% rate</td>
<td>24% rate</td>
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<tr>
<td>Matching funds</td>
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<tr>
<td>In-kind contributions</td>
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<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>User fees</td>
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<td>-</td>
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<tr>
<td><strong>PROFILE INVENTORY</strong></td>
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<tr>
<td>Number of firms in PROFILE system at the beginning of the award</td>
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<td>New Business Ownership Opportunities</td>
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<td>o Number of successful matches with business opportunity</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>o Number new business starts by category</td>
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</tr>
<tr>
<td>- New starts</td>
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<tr>
<td>- Buy-outs</td>
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<td></td>
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<tr>
<td>- Joint ventures</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>- Mergers/Acquisitions</td>
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### 2nd QUARTER

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<th>% OF PROPOSED</th>
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<td><strong>Market Opportunities</strong></td>
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<tr>
<td>o Number of matches in which the firm bids on the opportunity</td>
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<td>-</td>
<td>-</td>
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<tr>
<td>o Number of contracts actually secured by firms assisted by awardee</td>
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<td>0</td>
<td>0</td>
<td>-</td>
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<tr>
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<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>Capital Opportunities</strong></td>
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<td></td>
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<td>o Number of successfully concluded matches in which a financial package was submitted</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>o Dollar amount of successfully concluded matches in which a financial package was submitted</td>
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<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>o Dollar amount of capital applications actually approved and disbursed</td>
<td>N/A</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
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GEORGIA INSTITUTE OF TECHNOLOGY
RURAL ASSISTANCE PROGRAM FOR MINORITY BUSINESSES

A PROGRAM OF THE
MINORITY BUSINESS DEVELOPMENT AGENCY
DEPARTMENT OF COMMERCE
RURAL ASSISTANCE PROGRAM

U.S. DEPARTMENT OF COMMERCE
MINORITY BUSINESS DEVELOPMENT AGENCY

Operated by:
Georgia Institute of Technology Engineering Experiment Station
The Georgia Institute of Technology provides management and technical assistance and brokering services to minority-owned businesses and entrepreneurs in the rural areas of Alabama, Georgia, Mississippi, North Carolina and South Carolina. These services are available through the Rural Assistance Program (RAP) sponsored by the Minority Business Development Agency (MBDA).

**MANAGEMENT AND TECHNICAL ASSISTANCE**

Our staff of full-time management consultants can provide expert assistance in any of the following areas, among others:

- Loan Packaging
- Accounting System Development
- Marketing Strategy
- Market Penetration Strategy
- Business Planning
- Financial Forecasting
- Bid Preparation Aid
- Organizational Structure
- Personnel System Audit/Analysis
- Franchise Purchase and Development
- Business Computer Selection

**BROKERING SERVICES**

RAP also provides brokering services, with the objective of becoming a key element in clients' efforts to identify market, capital and new business opportunities.
ASSISTANCE AVAILABLE AT NO COST

All program services up to $5,000 are fully funded by MBDA at no cost to the client. Brokering services are not charged against this limit.

RAP is flexible; assistance is carefully tailored to each client's needs.

BECOMING A CLIENT

RAP services are available to businesses in many trade areas, including retail, wholesale, manufacturing and services. We especially encourage minority businesses participating in growth sectors of the economy to take advantage of this MBDA program.

Qualification for service is limited to rural businesses owned and operated by minorities or individuals who are socially and economically disadvantaged.

Applications and Inquiries should be addressed to:

Jim Thomas, Director
Rural Assistance Program
Georgia Institute of Technology
Hinman Building, Room 325
Atlanta, Georgia 30332
(404) 894-3843
RURAL ASSISTANCE PROGRAM
A PROGRAM OF THE
U.S. DEPARTMENT OF COMMERCE
MINORITY BUSINESS DEVELOPMENT AGENCY

MBDA AND PROGRAM GOALS

- ENCOURAGE AND PROMOTE BUSINESS FORMATION BY MINORITIES
- PROMOTE INCREASED GROWTH RATES AMONG NEW AND EXISTING MINORITIES
- REDUCE FAILURE RATES OF MINORITY BUSINESSES BY ASSISTING THEM IN PLANNING AND IMPLEMENTING SOUND COMPETITIVE STRATEGIES
PRESIDENT REAGAN'S DECEMBER 17, 1982
STATEMENT SUPPORTS MBDA AND PROGRAM GOALS

- Assist in the formation of 60,000 minority businesses over 10 years
- Assist in the expansion of 60,000 minority businesses over 10 years
- Provide $300 million in management and technical assistance over 3 years
- Procure $15 billion in goods and services from minority businesses over 3 years
- Award $6 to $7 billion in grants and cooperative agreements to minority businesses over 3 years
A KEY ELEMENT IN THE ADMINISTRATION AND MBDA COMMITMENT IS TO PROVIDE A BROAD RANGE OF ASSISTANCE MORE EFFECTIVELY AND EFFICIENTLY

- MBDA PROVIDES ASSISTANCE TO MINORITY BUSINESSES AND ENTREPRENEURS DIRECTLY AND THROUGH OVER 150 FUNDED ORGANIZATIONS

- ASSISTANCE PROVIDED INCLUDES:
  - MANAGEMENT AND TECHNICAL ASSISTANCE
  - BROKERING OF NEW MARKET, BUSINESS AND CAPITAL OPPORTUNITIES;
  AND SPECIALIZED ASSISTANCE IN:
  - ACQUISITIONS AND MERGERS
  - EXPORT DEVELOPMENT

- A RESULTS ORIENTATION IS BEING IMPLEMENTED BY THE MBDA DIRECTOR VICTOR RIVERIA
  - NON-PRODUCERS HAVE BEEN REPLACED
  - PROGRAM SPECIFIES REQUIRED RESULTS
THE GEORGIA TECH ECONOMIC DEVELOPMENT LABORATORY HAS BEEN AWARDED THE MBDA CONTRACT TO OPERATE A RURAL ASSISTANCE PROGRAM FOR MINORITY BUSINESSES AND ENTREPRENEURS

OBJECTIVES:

A. TO MAKE AVAILABLE TO QUALIFIED PROGRAM CLIENTS A BROAD RANGE OF BUSINESS RELATED ASSISTANCE INCLUDING:

- GENERAL BUSINESS INFORMATION AND REFERRAL SERVICES
  -- DATA ON GENERAL BUSINESS CONDITIONS FOR SPECIFIC INDUSTRIES AND MARKETS
  -- RESOURCES AVAILABLE IN FINANCE, TECHNICAL ASSISTANCE, EDUCATION AND BUSINESS OPPORTUNITIES
  -- "HOW TO" ADVICE AND INFORMATION

- GENERAL BUSINESS CONSULTING
  -- ADVICE ON BUSINESS FORMULATION, STRUCTURE RESOURCE REQUIREMENTS, AND BUSINESS STRATEGY
  -- ADVICE ON PROBLEMS OF DAY-TO-DAY MANAGEMENT SYSTEMS AND FINANCES
B. MANAGEMENT AND TECHNICAL ASSISTANCE
- MARKETING AND DISTRIBUTION STRATEGY
- CONSUMER AND INDUSTRIAL MARKET RESEARCH
- SITE LOCATION STUDIES
- PRODUCTION STRATEGY AND MANAGEMENT
- SYSTEMS ANALYSIS AND DESIGN
- ORGANIZATION ANALYSIS AND DESIGN
- FACILITIES LAYOUT
- PROCUREMENT PROGRAMS FOR PLANT AND EQUIPMENT
- LOAN PACKAGING
- ACCOUNTING SYSTEM CONTROLS
- MANAGEMENT REPORTING
- FINANCIAL ANALYSIS AND FORECASTING
C. BROKERING OF MARKET, NEW BUSINESS AND CAPITAL OPPORTUNITIES

- MARKET INFORMATION THAT CAN LEAD DIRECTLY TO SALES CONTRACTS

- IDENTIFICATION OF POTENTIAL FEDERAL, STATE AND PRIVATE SECTOR CUSTOMERS

- ANNOUNCEMENTS OF REQUEST FOR BID AND PRIME CONTRACT AWARDS

- INFORMATION ON BUSINESS FRANCHISE, ACQUISITION AND CONCESSION OPPORTUNITIES

- INFORMATION ON SOURCES OF FEDERAL, STATE AND LOCAL AID, e.g., INVESTMENT CAPITALIST AND BANKERS INTERESTED IN FINANCING MINORITY BUSINESSES
D. To provide direct and indirect program assistance to qualified minority businesses and entrepreneurs that are located in rural areas of Mississippi, Alabama, Georgia, North Carolina, and South Carolina

- Rural is defined as non-metropolitan areas not serviced by Business Development Centers of MBDA

- Qualified minorities include:
  -- Blacks
  -- American Indians
  -- Pacific Asian Americans
  -- Aleut and Native Hawaiian
  -- Hispanic Americans

- Minority businesses must be 51% minority owned and operated
E. TO FOLLOW MBDA POLICIES AND PROCEDURES IN DELIVERING PROGRAM SERVICES AND TO UTILIZE PROGRAM RESOURCES EFFECTIVELY

- SERVICES DELIVERED MUST BE DOCUMENTED AND APPROVED BY THE MBDA PROGRAM ADMINISTRATOR
- DIRECT SERVICES ARE LIMITED TO $5,000 PER CLIENT
- MINORITY CLIENTS WILL BE PLACED INTO TO MBDA'S PROFILE INVENTORY OF MINORITY BUSINESSES
- PROGRAM SERVICES WILL BE MARKETED IN A MANNER THAT CREATES AWARENESS OF AVAILABLE SERVICES WITHIN THE MINORITY BUSINESS COMMUNITY
- OTHER MBDA FUNDED ORGANIZATIONS AND PROGRAMS WILL BE UTILIZED WHERE NEEDED TO ASSIST CLIENTS
  - BUSINESS DEVELOPMENT CENTERS
  - PURCHASING COUNCILS
  - SUPPLIER DEVELOPMENT COUNCILS
  - STATE MBDA OFFICES
  - ACQUISITION AND EXPORT PROGRAMS
F. TO MAINTAIN A STAFF THAT WILL BE RESPONSIVE AND FLEXIBLE IN RESPONDING TO REQUESTS FOR PROGRAM SERVICES

- ALL PROGRAM SERVICES ARE PROVIDED DIRECTLY BY GEORGIA TECH

- OVER FIFTY FULL-TIME BUSINESS CONSULTANTS

- A FULL RANGE OF BUSINESS ASSISTANCE IS READILY AVAILABLE IN ALL THE FUNCTIONAL AREAS OF MANAGEMENT

- ENGINEERING ASSISTANCE IS AVAILABLE FOR INDUSTRIAL, MANUFACTURING AND RELATED TECHNOLOGIES

- SPECIFIC ENGINEERING ASSISTANCE WILL BE REVIEWED ON A CASE-BY-CASE BASIS

- STAFF ASSIGNMENTS ARE MADE BY MATCHING CLIENT NEEDS WITH THE STAFF MEMBERS WHO ARE BEST QUALIFIED TO RESPOND TO THE REQUEST FOR ASSISTANCE.
THE NEW EMPHASIS WITHIN
GOVERNMENT ON PERFORMANCE
IMPACTS MBDA, GEORGIA
TECH AND THE CLIENT

- MBDA AND GEORGIA TECH ARE INVOLVED IN A COOPERATIVE EFFORT TO IMPLEMENT THE OBJECTIVES ESTABLISHED FOR THE RURAL ASSISTANCE PROGRAM
  - COMMITTED TO EFFICIENT DELIVERY OF SERVICES
  - COMMITTED TO ACHIEVING MEASURABLE RESULTS
- THE SUCCESS OF THE PROGRAM IS HEAVILY DEPENDENT UPON CLIENT INVOLVEMENT:
  - WILLINGNESS TO PARTICIPATE AND COMMITTED TO THE ASSISTANCE PROVIDED
  - CAPABLE OF UTILIZING THE ASSISTANCE PROVIDED
MINORITY BUSINESS AND
ENTREPRENEURS ALREADY
BEING ASSISTED INVOLVES
A WIDE RANGE OF INDUSTRIES

EXAMPLES OF BUSINESSES ALREADY PARTICIPATING IN THIS PROGRAM:

- PHARMACEUTICAL MANUFACTURER:
  RECEIVING ASSISTANCE IN SALES AND MARKET DEVELOPMENT

- INDEPENDENT BUSINESSMAN:
  FEASIBILITY STUDY OF A RETAIL OUTLET STORE

- FARM CO-OP:
  PLANT AND EQUIPMENT SPECIFICATIONS FOR A PORK PROCESSING PLANT

- ELECTRICAL CABLE MANUFACTURER:
  IDENTIFICATION AND EVALUATION OF TARGET MARKETS

- INDEPENDENT BUSINESSMAN:
  FEASIBILITY STUDY OF A LOCAL RESTAURANT

- ELECTRONICS MANUFACTURER:
  IDENTIFICATION AND EVALUATION OF TARGET MARKET OPPORTUNITIES

- FARM CO-OP:
  PROJECTS FOR A FISH PROCESSING PLANT
Minority business program under way

BY RICHARD BROOKS  MAR 8 1983
Gazette staff writer

Consultants from Georgia Tech are available to minority businessmen through a recent program implemented by the Reagan administration.

The Rural Assistance Program, sponsored by the Minority Business Development Agency, is designed for businesses at least 51 percent owned, controlled and actively managed by a black, native American, Hispanic American or Asian-Pacific American.

"The program is to assist minorities in expanding or starting a business," said Steve Losser, of the Georgia Institute of Technology, which is providing direct management and technical assistance to the Rural Assistance Program.

The beginning or expanding businesses, in turn, will create jobs, he said.

"The service is available to anyone in a rural area — not a SMSA (Standard Metropolitan Statistical Area), which is already served by another government agency, the Minority Business Development Agency," Losser said.

Qualified businesses include those offering retail, wholesale, manufacturing and services — particularly businesses "participating in growth sectors of the economy."

Direct management and technical assistance includes, but isn't limited to: loan packaging, accounting system development, marketing strategy, market penetration strategy, business planning, financial forecasting, bid preparation aid, organizational structure, personnel system and audit analysis, franchise purchase and development and business computer selection.

All program services are fully funded by the Minority Business Development Agency at no cost to the client; however, the cost of services cannot exceed $5,000 in direct assistance.

"In working with people who want to start a business, we would conduct a survey to find out, for example, is there a need for an auto body shop. It's the old marketing adage: Find a need and fill it," Losser said.

"Under our brokerage service we find a bank or lending agent interested in funding minority businesses," he said. "It's one thing to find a need and do the planning for a new business and another thing to actually find the funding to make it go."

Also, Losser said, "it's equally important to tell them when not to start a business. Our third objective is to lower the failure rate. It doesn't do anybody any good to start a business and have it fold six months later."

The rural assistance program is "tailored" to the needs of the individual business.

Losser said he recently was in Beaufort to provide marketing research for a Beaufort couple, Camile and Leroy Gardner, who own three small retail stores.

"Marketing is my bag. I was called because the Gardners wanted marketing assistance. If they'd wanted to put together a loan package we'd have sent a person who specializes in that," Losser said.

Losser said the Gardners were the first rural assistance program clients in the Beaufort area, but while speaking to the Beaufort Minority Business Council, other local minority businessmen expressed interest in the program.

"About half were interested in starting a business and about half are already in business and want to expand," he said.

President Reagan announced the beginning of the Rural Assistance Program on Dec. 17, claiming it would assist in the creation of at least 60,000 minority businesses and the expansion of 60,000 more.

The program based at Georgia Tech is the third to be initiated, the other two are in California and the New Mexico-Texas area.
NARRATIVE REPORT OF THIRD QUARTER 
OPERATION OF THE 
MINORITY BUSINESS DEVELOPMENT AGENCY 
RURAL ASSISTANCE PROGRAM 
COOPERATIVE AGREEMENT #04-10-82032-01 

GEORGIA INSTITUTE OF TECHNOLOGY 
ENGINEERING EXPERIMENT STATION 
ECONOMIC DEVELOPMENT LABORATORY 
ATLANTA, GEORGIA
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## ATTACHMENTS

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THIRD QUARTER OF PROGRAM OPERATION

Operation of the Rural Assistance Program during the third quarter gave a top priority to achieving a rapid increase in the program client base. Over 60 minority businesses/entrepreneurs, economic development/assistance centers, institutions and business associations were presented the program during the quarter. The outreach effort was costly but achieved the desired result.

Twenty one task order proposals were submitted during the quarter and twenty were approved. The base of program clients at the end of the third quarter was twenty six not including seven potential clients. Twenty five authorized clients received M&TA during the quarter.

Total program expenditures during the quarter was approximately $104,000 which includes cost sharing. At the end of the third quarter all of Tech's proposed $30,000 in cost sharing had been expended. With the increase in client base experienced during the quarter, assistance related to program goals for new business, market and capital opportunities also increased.

Actual results of assistance related to these goals is expected during the nest three to six months.

PROGRAM OUTREACH AND MARKETING

During each of the first three quarters of program operation, the primary method of outreach has been significantly changed. With each change, the reason and major influencing factor has been the client flow into the program.
Cold calls were primarily used during the first quarter which was cost efficient but not effective. In the second quarter, cold calls and mail outs were used initially and then replaced with a targeted approach directed at specific local areas of MBE concentration. In the latter case, the approach proved both efficient and effective but involved lead times of 3 to 6 weeks before measurable results occurred.

At the beginning of the third quarter, the program received its first evaluation which criticized the lack of program clients. As a result, a major outreach effort was immediately undertaken involving professionals in presenting RAP to MBEs, associations, economic development, and assistance centers and institutions. Altogether, sixty six organizations were contacted and made aware of RAP. Forty six MBEs were contacted with a state-by-state distribution as follows:

**RURAL ASSISTANCE PROGRAM**
**STATISTICAL SUMMARY OF THIRD QUARTER**
**PROGRAM OUTREACH**

<table>
<thead>
<tr>
<th>Total MBEs</th>
<th>Associations</th>
<th>Institutions</th>
<th>MBEs</th>
<th>Contacted by State</th>
</tr>
</thead>
<tbody>
<tr>
<td>66</td>
<td>20</td>
<td>46</td>
<td>2 7 23 5 9</td>
<td>MS AL GA SC NC</td>
</tr>
</tbody>
</table>

Appendix A is a summary and status report of outreach contacts made during the quarter. EDL professional staff used in third quarter outreach is also included in Appendix A.

In terms of meeting the objective of increased program clients, the outreach approach used during the quarter was quite effective. The approach is extremely cost inefficient however, and should not be used as primary means for program outreach.
Other means for program outreach developed during the second quarter were also used during the third quarter. Targeted presentations for groups of MBE were scheduled for the early fourth quarter. Feature articles about the RAP appeared in the EES Station News (see Appendix B). Program brochures were printed and used in mailouts to MBEs as well as SBDCs, MBDCs, and APDCs located within the program service area. (Appendix C includes a copy of the brochure used for these purposes).

During the fourth quarter, program outreach will be minimized due to results of third quarter outreach efforts. The primary approach to be used will be targeted outreach.

**MANAGEMENT AND TECHNICAL ASSISTANCE**

As a direct result of the extensive program outreach initiated during the third quarter, the authorized program client base increased from nine to twenty six; assistance to two clients was inactive; assistance was completed for five program clients; more than one week of assistance was provided to six clients; and assistance to thirteen clients was initiated.

Twenty task order proposals were submitted and approved during the third quarter. The range of authorized expenditures was $3000 to $18,535. Excluding the Choctaw project proposed at $18,535, the average breakdown of authorized expenditures was as follows:

- $3920 for direct salaries, fringe benefits and related overhead; and
- $360 for travel and other out-of-pocket expenditures.
The range of industries and businesses of MBEs receiving authorized assistance is as follows:

**RURAL ASSISTANCE PROGRAM**
**INDUSTRIES/BUSINESSES OF MBEs**
**MANAGEMENT AND TECHNICAL ASSISTANCE**

<table>
<thead>
<tr>
<th>Industry/Business</th>
<th>RURAL ASSISTANCE PROGRAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td></td>
</tr>
<tr>
<td>Meat Processing</td>
<td>Wholesale/Retail</td>
</tr>
<tr>
<td>Food Processing</td>
<td>Men's Clothing</td>
</tr>
<tr>
<td>Fish Processing</td>
<td>Women's Hosiery</td>
</tr>
<tr>
<td>Food Distribution</td>
<td>Package Liquor</td>
</tr>
<tr>
<td></td>
<td>Gift and Novelty Resturant</td>
</tr>
<tr>
<td>Manufacturing</td>
<td></td>
</tr>
<tr>
<td>Industrial Power Controllers</td>
<td>Transportation</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>Commuter Airliner</td>
</tr>
<tr>
<td>Electric Switches and Relays</td>
<td>Construction</td>
</tr>
<tr>
<td>Electric Cable Testers</td>
<td>Remodeling</td>
</tr>
<tr>
<td>Printed Circuit Boards</td>
<td>Roofing</td>
</tr>
<tr>
<td>Wiring Harnesses</td>
<td>Surface Grading</td>
</tr>
<tr>
<td>Carpet</td>
<td>General Contracting</td>
</tr>
<tr>
<td></td>
<td>Service</td>
</tr>
<tr>
<td></td>
<td>Janitorial and Maid</td>
</tr>
<tr>
<td></td>
<td>Health Fitness</td>
</tr>
</tbody>
</table>

The state distribution of authorized and projected clients is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Mississippi</th>
<th>Alabama</th>
<th>Georgia</th>
<th>North Carolina</th>
<th>South Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized clients</td>
<td>2</td>
<td>5</td>
<td>12</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Projected New clients</td>
<td>2</td>
<td>6</td>
<td>15</td>
<td>4</td>
<td>7</td>
</tr>
</tbody>
</table>

Program clients approved for M&TA during the third quarter were as follows:

**RURAL ASSISTANCE PROGRAM**
**PROGRAM CLIENTS AND M&TA APPROVED DURING THE 3RD QUARTER**

<table>
<thead>
<tr>
<th>Client</th>
<th>Location</th>
<th>Industry</th>
<th>M&amp;TA Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Jones</td>
<td>Hilton, Head, SC</td>
<td>Fish Processing</td>
<td>Business Plan Development</td>
</tr>
<tr>
<td>MCCAC</td>
<td>Tuskegee, Ala</td>
<td>Food Processing</td>
<td>Engineering Specification for Plant &amp; Equipment</td>
</tr>
<tr>
<td>Client</td>
<td>Location</td>
<td>Industry</td>
<td>M&amp;TA Approved</td>
</tr>
<tr>
<td>-------------------------</td>
<td>------------------</td>
<td>-----------------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>Trianna Industries</td>
<td>Trianna, Ala</td>
<td>Electronic Components</td>
<td>Equipment Study</td>
</tr>
<tr>
<td>Delta National</td>
<td>Greenville, Miss</td>
<td>Electronic Components</td>
<td>Product Evaluation</td>
</tr>
<tr>
<td>Choctaw Tribal Council</td>
<td>Philadelphia, Miss</td>
<td>Economic Development</td>
<td>Shopping Center Feasibility Study</td>
</tr>
<tr>
<td>Georgia Air</td>
<td>Waycross, Ga</td>
<td>Commuter Airlines</td>
<td>Business Plan Development Site Relocation Study</td>
</tr>
<tr>
<td>E&amp;R Associates</td>
<td>Warner Robins, Ga</td>
<td>Construction</td>
<td>Marketing Research</td>
</tr>
<tr>
<td>O.V. Campbell</td>
<td>Warner Robins, Ga</td>
<td>Construction</td>
<td>Business Feasibility</td>
</tr>
<tr>
<td>Robert Poteete</td>
<td>Rome, Ga</td>
<td>Restaurant</td>
<td>Marketing</td>
</tr>
<tr>
<td>Richardson Grading</td>
<td>Rome, Ga</td>
<td>Construction</td>
<td>Marketing</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpets</td>
<td>Dalton, Ga</td>
<td>Carpet</td>
<td>Equipment Study</td>
</tr>
<tr>
<td>Jackson Metals</td>
<td>Douglas, Ga</td>
<td>Recycling</td>
<td>Marketing &amp; Merchandising</td>
</tr>
<tr>
<td>E's Fabric &amp; Novelty Shop</td>
<td>Beaufort, SC</td>
<td>Retail Apparel</td>
<td>Shopping Center Feasibility</td>
</tr>
<tr>
<td>Edwards &amp; Associates</td>
<td>Henrico, NC</td>
<td>Construction</td>
<td>Business Merger</td>
</tr>
<tr>
<td>Albany Lyons Janitorial &amp; Maid Service</td>
<td>Albany, Ga</td>
<td>Janitorial Service</td>
<td>Business Planning</td>
</tr>
<tr>
<td>Emerson &amp; Sons Electric Co.</td>
<td>Albany, Ga</td>
<td>Construction</td>
<td>Marketing</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>Huntsville, Ala</td>
<td>Electronic Components</td>
<td>Marketing</td>
</tr>
<tr>
<td>Equifund, Inc.</td>
<td>Whitehall, Ala</td>
<td>Food Processing &amp; Distribution</td>
<td>Engineering</td>
</tr>
<tr>
<td>Marlin Sims</td>
<td>Tuskegee, Ala</td>
<td>Health &amp; Fitness</td>
<td>Business Planning</td>
</tr>
<tr>
<td>MOP, Inc.</td>
<td>Dublin, Ga</td>
<td>Electronic Components</td>
<td>Business Planning</td>
</tr>
</tbody>
</table>
The following briefly discusses actual assistance delivered during the quarter, successes and problems encountered in delivering M&TA to each of these clients.

**AMERICAN CONTRACT PACKAGERS CASE #N001**

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>74</td>
<td>$4036</td>
<td>$884</td>
</tr>
<tr>
<td>Inactive</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Status of Assistance**
- Approved
- Inactive

**GEORGE WILLIS - CASE #G001**

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>40</td>
<td>$1281</td>
<td>$219</td>
</tr>
</tbody>
</table>

**Success:** The proposed assistance has been completed within the approved budget.

**Problems:** None

**Recommendations:** None

**CAMILLE GARDNER - CASE #S003**

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>48</td>
<td>$2028</td>
<td>$520</td>
</tr>
<tr>
<td>Project Completed</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Success:** The proposed assistance has been completed and within the approved budget. Expected leveraging of program efforts in the Beaufort, SC area that began with the Gardner engagement has occurred. To-date four other MBEs have been assisted since initiation of the Gardner assistance.

**Problems:** None

**Recommendations:** A targeted approach to program outreach and assistance has proven effective in Beaufort, SC and will be continued as part of future outreach strategies.
NOSEBOR PACKING, INC. - CASE #N002

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>88</td>
<td>$2836</td>
<td>$944</td>
</tr>
</tbody>
</table>

Success: The proposed assistance has been completed and within the approved budget.

Problems: None

Recommendations: None

JAMES MAYS - CASE #G002

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>80</td>
<td>$2616</td>
<td>$1259</td>
</tr>
</tbody>
</table>

Success: The assistance proposed for Mr. Mays has been successfully completed and within the budget.

Problems: Mr. Mays' intentions to follow through with the proposed venture is not clear at this time.

Recommendations: Greater client involvement will be required in the future to maintain client commitment to the project.

HOPKINS INTERNATIONAL - CASE #N003

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>169</td>
<td>$3989</td>
<td>$471</td>
</tr>
</tbody>
</table>

Success: The client has received a thorough analysis of the markets for power factor controllers involving an evaluation of available target markets and penetration strategies. The assistance was provided within the approved budget.

Problems: The client has and is pursuing a product and market strategy that research provided clearly indicates is questionable.

Recommendations: A potential client's interest and willingness to be flexible in considering alternatives will be a more important issue in the future in program outreach. Assistance involving primarily research will in the future require more project briefings for the client while assistance is being provided.
CONSOLIDATED INDUSTRIES - CASE #A001

Status of Assistance  | YTD Hours of Assistance Delivered | YTD Cost of Assistance  | Authorized Balance of Assistance
Approved Data Collection | 69 | $1724 | $3051

Success: This is the first client engagement involving a coordinated assistance effort by EES Atlanta and Field Office staffs to the same client. As a result, a blend of staff skills and experiences has been made available to the client that is not available completely in either EES office.

Problems: None

Recommendations: Where practical, coordinated efforts of program assistance between the EES Atlanta and Field Office staffs will be proposed for future clients where:
- The client's assistance needs requires a mix of skills and experiences not available completely in either office; and
- The assistance can be easily segmented and assigned to staff not located in the same office.

DELTA ENTERPRISES - CASE #M001

Status of Assistance  | YTD Hours of Assistance Delivered | YTD Cost of Assistance  | Authorized Balance of Assistance
Approved Project Initiation | 16 | 599 | 3941

Success: This is the first client engagement where staff from EES Electronic and Computer Systems Laboratory has been utilized in providing RAP assistance.

Problems: None

Recommendations: None

GEORGIA AIR - CASE #G003

Status of Assistance  | YTD Hours of Assistance Delivered | YTD Cost of Assistance  | Authorized Balance of Assistance
Approved Active | 29 | $1130 | $3820

Success: None

Problems: The client has not provided requested input needed to develop a business plan including resumes and letters of interest and/or intent to invest in the proposed venture.

Recommendations: Assistance will not be provided until the client demonstrates more willingness to assist in the project.
MOP, INC - CASE #G004

Status of Assistance
Approved
Data Collection

YTD Hours of Assistance Delivered 90
YTD Cost of Assistance $3370
Balance of Authorized Assistance $1210

Success: Assistance provided to-date has verified the viability of the proposed venture through market research and pro-forma projections. Development of the proposed business plan is proceeding as scheduled.

Problems: None

Recommendations: The assembly of printed circuit boards is a highly competitive business which also represents a good business opportunity for MBEs. Demand for PCBs is increasing, particularly the military. Start up cost are relatively low and a limited number of MBEs are currently in the business. MBEs considering alternative business opportunities will be made aware of opportunities in this industry. MBDA should regularly compile and distribute a list of good new business opportunities to all MBDA assistance centers.

MISSISSIPPI CHOCTAW INDIANS - CASE #M002

Status of Assistance
Approved
Project Initiation

YTD Hours of Assistance Delivered 8
YTD Cost of Assistance $272
Balance of Authorized Assistance $18,263

Success: A minority group not previously assisted by RAP will receive assistance that will have a considerable impact on the economy and business opportunities available to Choctaw Indians in Philadelphia, Mississippi.

Problems: RAP will receive credit for assisting only one client in this case when as many as 6 to 10 businesses will benefit from the assistance provided. In light of program budget constraints, opportunities for leveraging program funds in this manor may be given a lower priority in the future if credit is given for assisting only one client.

Recommendation: MBDA should establish new reporting guidelines that will allow for consideration of future business potential resulting from program assistance provided to clients involved in business and economic development.

TRIANNIA INDUSTRIES - CASE # A003

Status of Assistance
Approved

YTD Hours of Assistance Delivered
YTD Cost of Assistance
Balance of Authorized Assistance

10
Approved Assistance Delivered Assistance Assistance
Project Initiation $316 $4464
8

Success: The client is being provided engineering expertise in injection molding that was previously unavailable. The assistance being provided most likely will result in a major saving of jobs as well as business expansion.

Problems: None

Recommendations: None

RICHARDSON GRADING - CASE #G005

Status of Assistance Approved
YTD Hours of Assistance Delivered 8
YTD Cost of Assistance $278
Balance of Authorized Assistance $3472

Success: The client was identified and will be assisted by the EES Rome Field Office resulting in reduced cost of program outreach and assistance.

Problems: None

Recommendation: None

ROBERT POTEETE - CASE #G006

Success: The client was identified by the EES Rome Field Office resulting in a reduced cost of program outreach.

Problems: None

Recommendations: None

O.V. CAMPBELL & SONS - CASE #G007

Status of Assistance Approved
Data Collection
YTD Hours of Assistance Delivered 41
YTD Cost of Assistance $1526
Balance of Authorized Assistance $2744
Success: The client is receiving timely assistance. Research in Georgia Tech's library has identified several sources of market data that will be most effective in planning to clients proposed business expansion.

Problems: None

Recommendation: None

E&R ASSOCIATES - CASE #G008

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>8</td>
<td>$258</td>
<td>$3472</td>
</tr>
</tbody>
</table>

Success: The client was identified and will be assisted by the EES Macon Field Office resulting in a reduced cost of program outreach and assistance.

Problems: None

Recommendation: None

EDWARDS AND ASSOCIATES - CASE #N004

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projection Initiation</td>
<td>8</td>
<td>$267</td>
<td>$3833</td>
</tr>
</tbody>
</table>

Success: The client is the first referral received from the Raleigh/Durham MBDC. Mr. Larry Edens is the Project Manager and has provided the assistance needed to many developers of area shopping centers.

Problems: None

Recommendation: None

EMERSON AND SONS - CASE #G010

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>8</td>
<td>$257</td>
<td>$3943</td>
</tr>
</tbody>
</table>

Success: The client was identified and will be assisted by the EEs Albany Field Office resulting in a reduced cost of program outreach and assistance.
Problems: None
Recommendations: None

ALBANY LYONS JANITORIAL SERVICE - CASE #G011

<table>
<thead>
<tr>
<th>Status of Assistance Approved</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Initiation</td>
<td>8</td>
<td>$257</td>
<td>$3473</td>
</tr>
</tbody>
</table>

Success: The client was identified by the EES Albany Field Office resulting in a reduced cost of program outreach.

Problems: None
Recommendations: None

MCCAC - CASE #A004

<table>
<thead>
<tr>
<th>Status of Assistance Approved</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Initiation</td>
<td>8</td>
<td>$267</td>
<td>$3533</td>
</tr>
</tbody>
</table>

Success: The assistance needs of the client are ideally matched with the skills and experiences of the Project Manager, Phil Loveless. A similar project Equifund CDC, has also been assigned to Mr. Loveless that should result in a reduced cost of assistance to both clients.

Problems: None
Recommendations: None

EQUIFUND CDC - CASE #A005

<table>
<thead>
<tr>
<th>Status of Assistance Approved</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Collection</td>
<td>53</td>
<td>$1765</td>
<td>$2935</td>
</tr>
</tbody>
</table>

Success: The Project Manager, Phil Loveless, has skills and experiences ideally suited to the engineering needs of the client. A similar project with MCCAC in Tuskegee, Alabama, has also been assigned to Mr. Loveless that should result in a reduced cost of assistance to both clients.

Problems: None
Recommendations: None
MARLIN SIMS - CASE #A006

Status of Assistance Approved
Project Initiation

YTD Hours of Assistance Delivered 8
YTD Cost of Assistance $267
Authorized Assistance

Success: The client is one of two referred by the Montgomery MBDC.
Problems: None
Recommendations: None

E's FABRIC AND NOVELTY - CASE #5003

Status of Assistance Approved
Project Initiation

YTD Hours of Assistance Delivered 8
YTD Cost of Assistance $299
Authorized Assistance

Success: The client is one of several located in the Beaufort, South Carolina, area that resulted from a targeted outreach approach initiated with Camille Gardner.
Problems: None
Recommendations: None

JACKSON METALS CO.- CASE #G012

Status of Assistance Approved
Project Initiation

YTD Hours of Assistance Delivered 8
YTD Cost of Assistance $300
Authorized Assistance

Success: The client was identified and will be assisted by the Douglas Georgia, field office of EES resulting in a reduced cost of program outreach and assistance.
Problems: None
Recommendations: None

DAVID JONES - CASE #G012

Status of Assistance Approved
Project Initiation

YTD Hours of Assistance Delivered 8
YTD Cost of Assistance $316
Authorized Assistance

Balance of
Authorized Assistance

$4313

$3641

$2700

$4004
Success: The client is the first referral received from the State of South Carolina Office of Small and Disadvantaged Businesses.

Problems: None

Recommendations: None

SMITH AND SMITH CARPETS - CASE #S004

<table>
<thead>
<tr>
<th>Status of Assistance</th>
<th>YTD Hours of Assistance Delivered</th>
<th>YTD Cost of Assistance</th>
<th>Balance of Authorized Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>90</td>
<td>$3570</td>
<td>$830</td>
</tr>
<tr>
<td>Assistance Being Completed</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Success: Staff skills and experiences ideally suited to the client's needs have been provided to the client on a timely basis. Mr. Gerry Doubleday's experience in the carpet industry has resulted in a rapid integration of his and the client's efforts to identify new market opportunities and resolve problems in contract bidding.

Problems: None

Recommendations: None
PROGRAM EXPENDITURES AND COST SHARING

Year-to-date program expenditures at the end of the third quarter were approximately $168,000. Cost sharing cash contributions made by Tech were approximately $30,000 or a 17.9% rate in comparison with a proposed 13% rate. Increased expenditures for personnel services including indirect and overhead costs as well as for travel is attributable to a major outreach effort and inflow of program clients during the quarter. Increased expenditures for materials and supplies is attributable to the cost of printed program brochures, stationery and business cards.

Rural Assistance Program
Summary of Year-to-Date Program Expenditures

<table>
<thead>
<tr>
<th>YTD Expenditures</th>
<th>YTD Cost Sharing</th>
<th>YTD Personnel Services, Indirects &amp; Overhead</th>
<th>YTD Materials and Supplies</th>
<th>Travel &amp; YTD Out-of-of-Pocket</th>
</tr>
</thead>
<tbody>
<tr>
<td>$167,894</td>
<td>$30,000</td>
<td>$156,765</td>
<td>$1,262</td>
<td>$9,867</td>
</tr>
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</table>

PROFILE INVENTORY

No profile applications were submitted during the third quarter. Several applications were completed during the quarter that will be submitted in the fourth quarter. At least ten applications will be submitted in the next quarter which will achieve our goal of twenty for the program year.

With the increase in program client base that occurred during the third quarter, assistance involving potential new business starts increased from four client engagement to thirteen. Clients receiving assistance of this nature includes.

<table>
<thead>
<tr>
<th>Client</th>
<th>Potential New Business Venture</th>
</tr>
</thead>
<tbody>
<tr>
<td>George Willis</td>
<td>Retail Liquor</td>
</tr>
<tr>
<td>Nosebor Packing</td>
<td>Pork Processing</td>
</tr>
<tr>
<td>James Mays</td>
<td>Retail Grocery</td>
</tr>
<tr>
<td>Hopkins International</td>
<td>Electronics Manufacturing</td>
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</tbody>
</table>

16
**NEW MARKET OPPORTUNITIES**

Proposed and actual assistance that has the potential for new market opportunities involved eleven program clients. Several client engagements involves new business ventures and the remainder involves on-going MBE's. Clients receiving assistance of this nature includes:

<table>
<thead>
<tr>
<th>Client</th>
<th>Potential New Business Venture</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Jones</td>
<td>Fish Processing</td>
</tr>
<tr>
<td>Choctaw Indians</td>
<td>General Retail</td>
</tr>
<tr>
<td>Georgia Air</td>
<td>Commuter Airline</td>
</tr>
<tr>
<td>Robert Poteete</td>
<td>Restaurant</td>
</tr>
<tr>
<td>Edwards Association</td>
<td>General Retail</td>
</tr>
<tr>
<td>Albany Ryons</td>
<td>Construction and Building Maintenance/Service</td>
</tr>
<tr>
<td>Janitorial/Maid Service</td>
<td>Food Processing and Distribution</td>
</tr>
<tr>
<td>Equi-fund</td>
<td>Health Maintenance</td>
</tr>
<tr>
<td>Marlin Simms</td>
<td>Printed Circuit Board Production</td>
</tr>
<tr>
<td>MOP, Inc.</td>
<td></td>
</tr>
</tbody>
</table>

**Description of Market Opportunity**

- **Hopkins International**: New business penetration of existing market
- **Delta Enterprise**: New product introduction
- **E & R Associates**: Increased market share
- **O. V. Campbell**: Increased market share
- **Richardson Grading**: Penetration of public sector market
- **Smith & Smith Carpets**: Increased market share
- **E's Fabric & Novelty Shop**: Increased market share
- **Albany Ryons Janitorial Maid Service**: New business combination to penetrate and existing market
- **Emerson & Son Electric**: Penetration of public sector market
- **Consolidated Industries**: New product introduction to penetrate an existing market
- **Equi-fund, Inc.**: New business penetration of existing market
NEW CAPITAL OPPORTUNITIES

Proposed and actual assistance that has the potential for new capital opportunities involves all of the client engagements involving new business opportunities as well as several engagements involving market and other forms of assistance. Clients receiving assistance that are in this category includes:

<table>
<thead>
<tr>
<th>Client</th>
<th>Potential New Business Venture</th>
</tr>
</thead>
<tbody>
<tr>
<td>George Willis</td>
<td>New business venture</td>
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<tr>
<td>Hopkins International</td>
<td>New business venture</td>
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<tr>
<td>Nosebor Packing</td>
<td>New business venture</td>
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<tr>
<td>James Mays</td>
<td>New business venture</td>
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<tr>
<td>David Jones</td>
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</tr>
<tr>
<td>Choctaw Indians</td>
<td>New business venture</td>
</tr>
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<td>Georgia Air</td>
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<tr>
<td>E &amp; R Associates</td>
<td>New business venture</td>
</tr>
<tr>
<td>O. V. Campbell</td>
<td>Business expansion</td>
</tr>
<tr>
<td>Robert Poteete</td>
<td>New business venture</td>
</tr>
<tr>
<td>Jackson Metals</td>
<td>Business expansion</td>
</tr>
<tr>
<td>Edwards and Associates</td>
<td>New business venture</td>
</tr>
<tr>
<td>Albany Lyons Janitorial Maid Serv.</td>
<td>New business venture</td>
</tr>
<tr>
<td>Emerson &amp; Sons Electric</td>
<td>Business expansion</td>
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To enhance the opportunity to secure new capital for these and other MBDA clients, it is recommended that MBDA compile a list of sources for new equity and financing that are interested in MBE's and distribute this information to each MBDA funded organization.
# RURAL ASSISTANCE PROGRAM

## YEAR-TO-DATE PERFORMANCE GOALS

AND RELATED ASSISTANCE CATEGORIES

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>Proposed</th>
<th>3rd Qtr Related Goal Assistance</th>
<th>YTD GOAL Related Assistance</th>
<th>% of Proposed</th>
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<tr>
<td><strong>M &amp; TA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of clients assisted</td>
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<td>25</td>
<td>26</td>
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<tr>
<td><strong>Cost Sharing</strong></td>
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<td><strong>New Business Opportunities</strong></td>
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<td>New Business Starts</td>
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<tr>
<td>New Contracts</td>
<td>24</td>
<td>11</td>
<td>12</td>
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<td><strong>Capital Opportunities</strong></td>
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<tr>
<td>New Capital</td>
<td>5</td>
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APPENDIX A

SUMMARY OF 3RD QUARTER PROGRAM OUTREACH
## Rural Assistance Program

### Summary of 3rd Quarter Program Outreach

<table>
<thead>
<tr>
<th>Outreach Contact</th>
<th>Type Organization</th>
<th>Contacted by</th>
<th>Status</th>
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</thead>
<tbody>
<tr>
<td>North Carolina MBDA</td>
<td>State Agency</td>
<td>Ed Bethea</td>
<td>13 Referrals Received</td>
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<tr>
<td>Alabama SOMBE</td>
<td>State Agency</td>
<td>Ed Bethea</td>
<td>2 Referrals Received</td>
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<tr>
<td>Druid Economic Development Assoc.</td>
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<td>Ed Bethea</td>
<td>4 Referrals Received</td>
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<td>East Carolina Regional Development Center</td>
<td>University Based Business Assistance</td>
<td>Ed Lindsey</td>
<td>Referrals to be made</td>
</tr>
<tr>
<td>State of South Carolina Minority Business Assistance Center/SBDC</td>
<td>State Business Assistance</td>
<td>Ed Lindsey</td>
<td>Referrals to be made</td>
</tr>
<tr>
<td>State of South Carolina Office of Small &amp; Minority Businesses</td>
<td>State Agency</td>
<td>Ed Lindsey</td>
<td>2 Referrals Received</td>
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<tr>
<td>D &amp; D Specialty</td>
<td>MBE</td>
<td>Ed Lindsey</td>
<td>Task Order Approved</td>
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<tr>
<td>Beaufort Minority Business Association</td>
<td>Business Association</td>
<td>Steve Losser</td>
<td>6 Referrals Received</td>
</tr>
<tr>
<td>University of Georgia SBDC</td>
<td>University Based Business Assistance</td>
<td>Steve Losser</td>
<td>Referrals to be made</td>
</tr>
<tr>
<td>David Jones</td>
<td>MBE</td>
<td>Ed Lindsey</td>
<td>Task Order Approved</td>
</tr>
<tr>
<td>Choctaw Indian Tribal Council-McIntosh, Ala</td>
<td></td>
<td>Steve Losser</td>
<td>Task Order Approved</td>
</tr>
<tr>
<td>Owndes Wood</td>
<td>MBE</td>
<td>Jim Thomas</td>
<td>Task Order Pending</td>
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<tr>
<td>Alpha Trois Unlimited</td>
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<td>Not interested</td>
</tr>
<tr>
<td>L's Fabric &amp; Novelty Shop</td>
<td>MBE</td>
<td>Steve Losser</td>
<td>Task Order Submitted</td>
</tr>
<tr>
<td>rogmore Village Center Grocery</td>
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<td>Steve Losser</td>
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</tr>
<tr>
<td>South Wardrobe II</td>
<td>MBE</td>
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<td>Outreach Contact</td>
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<td>Contacted by</td>
<td>Status</td>
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<tr>
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<td>-------------------</td>
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<tr>
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<td>Ed Hardison</td>
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<td>Ed Hardison</td>
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<td>Ed Hardison</td>
<td>Not interested</td>
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<tr>
<td>Roderick Prints</td>
<td>MBE</td>
<td>Ed Hardison</td>
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<tr>
<td>Culpeppers Supermarket</td>
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<tr>
<td>Johnny Grant Meat Processing Plant</td>
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<td>Daid Poss</td>
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<td>Jenkins Screen Printing</td>
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<td>Trianna Industries</td>
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<td>beowulf, Inc.</td>
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<td>Jackson Metal Company</td>
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<td>V. Campbell &amp; Sons</td>
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<td>Not interested</td>
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<tr>
<td>Richardson Grading</td>
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<tr>
<td>G &amp; S Rebuilding Company</td>
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<td>Bill Darley</td>
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<td>Robert Poteete</td>
<td>MBE</td>
<td>Bill Darley</td>
<td>Task Order Approved</td>
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<td>Edwards &amp; Associates</td>
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<td>Georgia Air</td>
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<td>22</td>
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<td>Outreach Contact</td>
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<td>Status</td>
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<tr>
<td>------------------</td>
<td>-------------------</td>
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<td>Smith &amp; Smith Carpets</td>
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<tr>
<td>Dept. of Community Affairs</td>
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<td>Dept of Community Affairs</td>
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<td>J.S. Army Contracting Division Fort MacPherson 7/83</td>
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<td>BA-Missile Systems Division 7/83</td>
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<td>Georgia Pacific Corp. 7/83</td>
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<td>Augustine College DA Center</td>
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APPENDIX B

FEATURE ARTICLES ABOUT RAP

PUBLISHED DURING THE

3RD QUARTER
Economic Development Lab staff members working with the Rural Assistance Program (RAP) have been involved in a marketing effort that is bringing a wide variety of new firms into the program. RAP Director Jim Thomas has worked closely with Ed Bethea of EDL's Technology Utilization and Commercialization Center, directors of the EDL field offices, and Steve Losser of the Business Development Division outreach staff to identify potential client firms.

The minority-owned firms requesting assistance include not only those involved in technological applications, but also a grocery operation, a restaurant and convenience store, a retail liquor store, a pork processing plant, and even more novel, the Tribal Council of the Mississippi Band of Choctaw Indians.

Losser describes the situation as follows: "More than 2,000 people live in the Pearl River Indian Community on the Choctaw Indian Reservation. Pearl River is the second largest community in the county, and provides ample employment opportunities at the Bureau of Indian Affairs schools, at the reservation hospital, or in three local industries. However, the community's shopping facilities consist of one small convenience store. Therefore, most people shop 10 miles away at the county seat."

Losser noted that there has been a dramatic increase in disposable income for the average Choctaw since 1978. Most of these dollars, however, are spent at retail businesses located outside the reservation. A high priority for the Tribal Council is to reduce this drain of economic power. This is difficult, since most individual Choctaws lack the financial assets to develop a business.

To address both problems, the Tribal Council has proposed to develop a retail shopping mall on the reservation for occupation by Choctaw-owned retail businesses. The Council will provide funding for the project. RAP assistance will include a feasibility study to determine if a retail shopping center located on the reservation is a viable business venture.

Johanna Williams

GTIMS Starts With Time Sheets

The first module of a powerful management tool for EES project directors is at the starting gate and ready to go.

On June 1-2, laboratory secretaries and administrative coordinators participated in the first full-scale test of the Time Reporting module of the Georgia Tech Information Management System (GTIMS) which is currently being developed at EES. In a workshop setting, they learned how to put time sheet information on the computer. The data will be used to report to project directors on a timely basis actual versus budgeted personal services charges, in terms of man-hours as well as dollars.

At the end of June, another joint data-entry session will be held. Soon, each research laboratory and division will have its own interactive microcomputer terminal to enter time sheet and other project data on a regular basis. The microcomputers will communicate with the EES VAX minicomputer, which will aggregate the data to provide an overall EES project data base.

Fred Dyer, Dean Spencer, and Ed Anderson are directing the GTIMS development project, with overall guidance from EES Associate Directors Gerald Carey and Howard Dean. Michael Furman, Lindsay Morris, and Andy Cranfill are writing, testing, (Continued on page 3)
Bridge Paints Get EMSL Study

"London bridge is falling down"... and many more in the United States, too, according to the Federal Highway Administration. They estimate that 23% of U.S. bridges are structurally deficient. Corrosion is the main culprit.

A project in the Energy and Materials Sciences Lab (EMSL) holds promise for alleviating this problem in the future. EMSL researchers have investigated reasons for the failure of high-performance coatings or paints to last as long or protect as well as they are supposed to, and are in the process of developing criteria and procedures for increasing their reliability when used on highway bridges.

Under severe environmental conditions — salt spray, deicing chemicals, industrial air pollutants, etc. — traditional alkyd or oil-based paints last only three to four years. In recent years, the paint industry has come up with new high-performance coatings that should last at least ten years, a real boon in these days of high labor and maintenance costs. The best of these are the inorganic zinc-rich primers. They provide a galvanic protection system for steel surfaces because the zinc corrodes first.

These coatings are trickier to handle than the traditional barrier-protection type paints, however. Surface cleanliness is extremely important; rust must be sandblasted off to restore the metal to near white condition, and other contaminants must be removed before painting. Once applied, the primer must reach the proper state of cure before the topcoat is applied, or the topcoat will peel off. This type of coating reacts with the moisture in the air to cure, and one problem is, job inspectors don’t know how to determine when the proper cure has been reached. The time may vary from one day to three weeks, depending on environmental conditions.

Phase 1 of the $400,000 project, sponsored by the Federal Highway Administration, began in February 1981 with a review of state-of-the-art practices in the use of high-performance coatings on steel bridges. Led by Chuck Ray, who has since left EES, the EMSL researchers found that premature failures generally were due to deficiencies in the application of the paints, not the paint materials themselves.

Phase 2, which began last December, involves laboratory testing to come up with quantified acceptance criteria and specific procedures for inspection in the field to reduce the subjectivity in determining work quality. Project Director Tom Starr and team members Les Henton, Stan Lewis and Wayne Case will perform four principal tasks.

EDL Starts Rural Assistance Program

The Economic Development Lab (EDL) has started a second minority assistance program under sponsorship of the Minority Business Development Agency (MBDA) of the U.S. Department of Commerce. The program will help minority-owned businesses and minority entrepreneurs in the rural areas of five southeastern states: Alabama, Georgia, Mississippi, North Carolina and South Carolina. The new Rural Assistance Program (RAP) will provide direct management and technical assistance as well as brokering services to qualified firms and entrepreneurs.

“Our program includes such services as loan packaging, marketing assistance, sales strategies, and help in all areas of production,” explains RAP Director Jim Thomas. “RAP also can serve as a broker for its clients, linking them up with new market, business and financing opportunities.

“This represents a new thrust for MBDA,” Thomas states. “The idea is to bring the type of services to minority businesses in rural areas that MBDA’s Business Development Centers have been providing to firms in metropolitan areas.” The Georgia Tech RAP is one of three such centers established by MBDA. The other two are in Dallas and San Francisco.

Thomas and his staff are trained in solving the problems of small, disadvantaged businesses. They would especially like to work with firms involved or interested in growth areas such as high technology, ventures that will generate new jobs, or nontraditional industries for minorities. They also want to hear from majority organizations that would like to do business with minority firms.

(Continued on page 2)
The program complements EDL's technology Utilization and Commercialization Center (TUCC) program which has been ongoing under the direction of Ed Bethea since 1977. TUCC works primarily with inventors. Offices for RAP and TUCC personnel are located on the top floor of the Hispanic Building in the suite formerly occupied by ATDC.

Anthony DeCurtis

ES Schedules

Short Courses

Sheppard (VP-Research) and Jim Bitsie (OOD) are academic administrators of two continuing education courses in March:

March 9-11. Infrared Technology and Applications. Assistant administrator: Bob Shackelford (EML). Senior instructors will include Dave Schmieder and Don Blue (EML).

The Economic Development Lab is offering six continuing education courses over the next couple of months, four of them in the field of occupational safety and health. The courses and EDL instructors are:

March 22-24. Industrial Toxicology. One annual. Course directors: Jim Burnin and Phil Williams.
March 27-April 1. Basic Economic Development. One annual. Course directors: Bob Cassell (retired) and David Ifton. Faculty includes Bill Darley and III Howard (OOD).

April 12-13. Formaldehyde. Faculty includes Paul Middendorf and Phil Williams.
April 13-15. Industrial Noise Control. Faculty includes George Lee and Ike Luster.
April 19-20. Effective Technical and Professional Writing. Faculty includes Anthony DeCurtis.

For brochures or further information, contact Continuing Education, ext. 600.

STATION TO STATION

Recruiting: Who Is Responsible? You!

The acquisition of quality personnel is the single most important factor in EES's future. Certainly we must gain new sponsored work and we must perform on current contracts. However, the key to EES's future is people, the fine people who are already here and those who will enhance our existence by joining in our efforts.

ECONOMIC DEVELOPMENT LAB

The Trade Adjustment Assistance Center has hired Frank Newborn, research associate II, and William Plouffe, senior research associate; Verna Hankins has resigned as staff assistant.

Johanna Williams has been appointed associate branch head of management services in the Business Development Division. Melanie Meeker has joined the Division as a staff assistant.

Joan Meeks is the new vice-chairperson of the Georgia Tech Women's Forum.

ELECTRONICS & COMPUTER SYSTEMS LAB

The Command and Control Branch welcomes a new senior secretary, Diana ("Dede") Morgan.

RADAR & INSTRUMENTATION LAB

Congratulations to Tracy Wallace and Bruce Hultt, who recently graduated from Georgia Tech and are now working as full-time research engineer I's.

Helen Williams has replaced Sandra Cuttino as a senior secretary in the Modeling and Simulation Division.

Anthea Coster is a new research scientist II and Harry Haas is a new research engineer I at RAIL.

SERVICE GROUPS

Accounting: Kim Pierce has replaced Joy Lacy as accounting clerk.

Mechanical Services: Anthony Angerami is retiring February 23.

Personnel Services: Molly Bell is transferring to become administrative secretary to Gordon Harrison.

Supply Services: Welcome to Margaret Wentz, clerk IV, and Arlene Kupitz, clerk III.

SYSTEMS & TECHNIQUES LAB

Carrie Floyd is a new senior secretary in the administrative office.

Brian Keith Rainer is a new research engineer I in the Microwave Systems Division.

Barry Mitchell and his wife, Jana, are the parents of a baby girl, Ellen, born in January.

SYSTEMS ENGINEERING LAB

This month, SEL said good-bye to Andrew Lipscomb and Deborah Keais.

SEL has a raft of new employees. In the Defense Systems Division, they are John S. Gedymin, Chris B. Fowler and John B. Savage, all research engineer I's, and Edward L. Masters, research engineer II.

The Electronic Support Measures Division has gained two research engineer I's: John P. Couch and Joe Brooks. Michael D. Furman is a new research engineer I in the Advanced Programs Office. In the Concepts Analysis Division, there are four new research engineer I's: Ivan L. Howitt, Jane P. Batson, Gail E. White and Laura A. DiMillo. Bonnie J. Karr has joined the Eglin Field Office as a senior secretary.

Every member of EES must be constantly on the lookout for people that we might like to have on our team. You may know these people personally; you may read about them in magazines, alumni news publications, newspapers, etc.; you may hear them speak or read something they wrote; you may meet them at the church social or at a convention... the list is endless, but the point is you must be alert to your responsibility in helping EES grow.

What do you do if you think you know somebody we might want to know more about? Call your recruiting office... Pat O'Haire, ext. 3662.

Strictly Personal

Kim Pierce
APPENDIX C

PROGRAM BROCHURE USED IN PRESENTATIONS AND MAILOUTS
August 1, 1983

Mr. Stanley W. Tate
Regional Director
Atlanta Regional Office
Minority Business Development Agency
1371 Peachtree Street, NE, Suite 505
Atlanta, GA 30309

RE: MBDA I.D.# 04-82032-01

Dear Mr. Tate:

Attached you will find our response to the evaluation conducted by Mrs. Yvonne Conway, Business Development Specialist, of the Atlanta Regional Office MBDA. Mrs. Conway performed a quarterly evaluation on June 30-July 1, 1983. Our response to her written comments has been attached. If you have any questions concerning our response, please contact me at the Georgia Institute of Technology, 894-3843.

Sincerely,

James M. Thomas
Program director
Rural Assistance Program

JMT:ds
Enclosures
We are in concurrence with the following items which were reported correctly by Mrs. Conway: 1) previous report response, 2) quarterly narrative report, 3) quarterly evaluation, 4) staffing, 5) budget, 6) program identification, 7) program performance, 8) client files, 9) other activities, and 10) reports. Items reported in the comments and recommendations section are responded to on an item by item basis.

Item 1. It is requested that we immediately provide the regional MBDA office the names, addresses and phone numbers for all MS&TA clients. These names, addresses and phone numbers have been provided under Attachment I. Please refer to this attachment for the requested information on all M&TA clients. Clients are listed alphabetically in Attachment I.

Item 2. It is requested that we immediately provide the Atlanta Regional MBDA Office with the schedule for the provision of all task order services. As noted, this information should include the individuals who will be responsible for developing the reports, the date of initiation, and the expected completion date. Work to be completed by the Field Offices will be finished by September 1, 1983. Reports concerning this work will be presented to the Regional MBDA Office by September 30, 1983. Persons responsible for developing the reports, the date of initiation, and the expected completion date have been included in Attachment II. Please refer to this attachment for a complete listing of the requested information for all task order service.

Item 3. It is requested that we immediately provide the Regional MBDA Office with the names of all individuals whose personnel services have been charged to the award to date. A list of all individuals whose personnel services have been charged to the award to date has been included in an Attachment III. Please refer to this attachment for the list.
Item 4. It is requested that we immediately provide the Regional MBDA Office with a plan of action for achieving all other goals except clients. Please refer to Attachment IV for the plan of action for achieving all other goals. Included are plans for brokering; with the exclusion of client goals.

Item 5. It is requested that we immediately update all files to include at a minimum, the task order request, task order approval and a status sheet denoting what stage the task is currently in. That is, a status sheet will show if the task is currently in the data collection, report writing or completion stage. At the present time all files have been updated and do include at a minimum the required information. Files are, as always, opened to screening by representatives from the Regional MBDA Office. In addition, the current status of each case is reported in Attachment V.

It is our understanding that you are planning to visit an undetermined number of clients. Efforts will be made to visit as many of our clients as possible over the next 3 months. It will be essential that you have as much information as possible prior to these visits. Each Business Development Specialist will be given a copy of our original task request as well as a copy of the final report, if applicable. As per your request, additional information, that we think is useful for your conducting these client visits, will be forwarded to you when requested.
ATTACHMENT I
Client Listing: Company Name, Address and Telephone Number

Albany Lyons Janitorial Service
129 Flint Avenue
Albany, GA 31702
(912) 432-9418

American Contact Packagers
P. O. Box 790
Williamston, NC 27892
(919) 792-6511

Consolidated Industries, Inc.
4410-C Evangel Circle, NW
Huntsville, AL 35805
(205) 837-3732

Delta Enterprises
P. O. Box 588
Greenville, MS 38701
(601) 335-5291

Edwards and Associates
Star Route, Box 522A
Henrico, NC 27842
(919) 537-1138

Smith & Smith Carpets
1017 Hair Street
Dalton, GA 30721

Emerson and Sons Electric
821 Holley Drive
Albany, GA 31705
(912) 432-6626

Equi Fund CDC
25 Washington Street
Montgomery, AL 36104
(205) 262-0356

Jackson Metals Co.
P. O. Box 1224
Douglas, GA 31533

James Mays
Route 1, Box 196
DeSoto, GA 31764
(919) 268-4811

O.V. Campbell
P.O. Box 1988
Warner Robins, GA 31093
(912) 929-9312

Joyce Zimmerman
2005 Broadover Drive
Burton, SC 29929
(803) 524-2416

McAAC
312 East Northside Street
Tuskegee, AL 36083
(205) 727-6100

Mississippi Choctaw
Route 7, Box 21
Philadelphia, MS 39350
(601) 656-5251

Mop, Inc.
Box 340, Pine Hill Road
Dublin, GA 31021
(912) 272-8604

Nosebar Packing Co., Inc.
Rt. 1, Box 414
Rowland, NC 28383
(919) 521-8911
George Willis
P. O. Box 472
Forsyth, GA 31029
(912) 994-5140

Health Fitness Center
111 South Main Street
Tuskegee, AL
(205) 727-6100

Hopkins International Co., Inc.
P. O. Box 351
Williamston, NC 27892
(919) 792-3559

E&R Associates
P.O. Box 4621
Macon, Ga 31201
(912) 743-5248

Robert Poteete
103 East 22nd Street
Rome, GA 30161
(404) 234-9300

Trianna Industries
500 6th Street
Madison, AL 35758
(205) 292-3404

Richardson Grading
412 John Davenport Dr.
Rome, Ga 30161
## ATTACHMENT II
### RURAL ASSISTANCE PROGRAM
#### SCHEDULE OF PROVISION OF TASK ORDER SERVICES

<table>
<thead>
<tr>
<th>Clients</th>
<th>Location</th>
<th>Person Responsible for Report</th>
<th>Initiation Date</th>
<th>Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>George Willis</td>
<td>Forsyth, GA</td>
<td>Frank Mewborn</td>
<td></td>
<td>Project Completed</td>
</tr>
<tr>
<td>Camille Gardner</td>
<td>Beaufort, SC</td>
<td>Steve Losser</td>
<td></td>
<td>Project Completed</td>
</tr>
<tr>
<td>Nosebor Packing</td>
<td>Rowland, NC</td>
<td>Larry Moriarity - TAL</td>
<td></td>
<td>Project Completed</td>
</tr>
<tr>
<td>Hopkins International</td>
<td>Williamston, NC</td>
<td>Tom Parsons</td>
<td></td>
<td>Project Completed</td>
</tr>
<tr>
<td>James Mays</td>
<td>Desoto, GA</td>
<td>Ed Hardison</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>Huntsville, AL</td>
<td>Harris Johnson</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Electro National</td>
<td>Canton, MS</td>
<td>Harris Johnson</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Joyce Zimmerman</td>
<td>Hardeeville, SC</td>
<td>Larry Edens</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Marlin Sims, Health Fitness Center</td>
<td>Tuskegee, AL</td>
<td>Art Brown</td>
<td>July 1, 1983</td>
<td>August 31, 1983</td>
</tr>
<tr>
<td>Equi-Fund</td>
<td>Whitehall, AL</td>
<td>Phil Loveless</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Lowndes Wood Products</td>
<td>Letohatchee, AL</td>
<td>Grant Curtis</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>MCCA Wholesale Grocery</td>
<td>Tuskegee, AL</td>
<td>Phil Loveless</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Georgia Air</td>
<td>Waycross, GA</td>
<td>Gerry Doubleday</td>
<td>July 1, 1983</td>
<td>Inactive</td>
</tr>
<tr>
<td>MOP, Inc.</td>
<td>Dublin, GA</td>
<td>Gerry Doubleday</td>
<td>July 1, 1983</td>
<td>August 15, 1983</td>
</tr>
<tr>
<td>O. V. Campbell &amp; Sons</td>
<td>Warner Robins, GA</td>
<td>Bill Riall</td>
<td>July 1, 1983</td>
<td>August 15, 1983</td>
</tr>
<tr>
<td>Clients</td>
<td>Location</td>
<td>Person Responsible for Report</td>
<td>Initiation Date</td>
<td>Completion Date</td>
</tr>
<tr>
<td>----------------------</td>
<td>----------------</td>
<td>-------------------------------</td>
<td>-----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>D &amp; D Specialty</td>
<td>Lanier, SC</td>
<td>Bill Plouffe</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Choctaw Indians</td>
<td>Philadelphia, MS</td>
<td>Steve Losser</td>
<td>July 1, 1983</td>
<td>August 26, 1983</td>
</tr>
<tr>
<td>Beowulf, Inc.</td>
<td>Huntsville, AL</td>
<td>Harris Johnson</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Trianna Industries</td>
<td>Triana, AL</td>
<td>Grant Curtis</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>David Jones</td>
<td>Hilton Head, SC</td>
<td>Bill Riall</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
<tr>
<td>Richardson Grading, Inc.</td>
<td>Rome, GA</td>
<td>Bill Darley</td>
<td>July 1, 1983</td>
<td>Sept. 1, 1983</td>
</tr>
</tbody>
</table>
### ATTACHMENT III
#### INDIVIDUALS CHARGING TO THE AWARD TO DATE

<table>
<thead>
<tr>
<th>Professionals</th>
<th>Support &amp; Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Clifton</td>
<td>Renee Williams</td>
</tr>
<tr>
<td>Hardy Taylor</td>
<td>Pamela Esquival</td>
</tr>
<tr>
<td>Jim Thomas</td>
<td>Cal Schulz</td>
</tr>
<tr>
<td>Ed Bethea</td>
<td>Dave Devinney</td>
</tr>
<tr>
<td>Bob Collier</td>
<td>Jamie Merdzinsky</td>
</tr>
<tr>
<td>Bill Riall</td>
<td>Willie Coleman</td>
</tr>
<tr>
<td>Tom Parsons</td>
<td></td>
</tr>
<tr>
<td>Gerry Doubleday</td>
<td></td>
</tr>
<tr>
<td>Ed Hardison</td>
<td></td>
</tr>
<tr>
<td>David Poss</td>
<td></td>
</tr>
<tr>
<td>Harris Johnson</td>
<td></td>
</tr>
<tr>
<td>Sherman Dudley</td>
<td></td>
</tr>
<tr>
<td>Phil Loveless</td>
<td></td>
</tr>
<tr>
<td>George Lee</td>
<td></td>
</tr>
<tr>
<td>Bill Darley</td>
<td></td>
</tr>
<tr>
<td>Larry Edens</td>
<td></td>
</tr>
<tr>
<td>Grant Curtis</td>
<td></td>
</tr>
<tr>
<td>Larry Moriarty</td>
<td></td>
</tr>
</tbody>
</table>

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ATTACHMENT IV
PLAN OF ACTION
FOR GOAL ACHIEVEMENT

Plans for continued brokering activities are as follows:

1. Brokering activities will occur as they naturally fall out in terms of management and technical assistance.

2. There will be a continued on-going input, into MBDA's Profile system, as capable and interested minority businesses who were not in the system are identified by EDL personnel. The maintenance of an EDL file service area firms in the system will be a continued activity.

3. There will be a continued on-going interaction with the minority purchasing council and business opportunity committee to identify procurement and business opportunities. Such opportunities will be those flowing through these organizations as well as provisions for information of input into their system.

4. There will be a continued interaction with the appropriate contractors for the MBDA acquisition and franchise programs to identify new business opportunities to be added to the EDL files.

5. There will be a continued on-going input to an EDL file of minority firms. Entrepreneurs interested in new business ventures that are identified as EDL interacts with the minority business community will be added to this file.

6. There will be a continued on-going monitoring of new business opportunities as they occur and follow-up contracts with firms or entrepreneurs in EDL files. Such firms will include those which have expressed an interest in the type of opportunity available.

7. There will be a continued referral of minority businesses or entrepreneurs who are in need of capital without further assistance to the appropriate sources which will be included in EdL file of financial resources.
8. Efforts will be made to work with procurement specialists for identifying client opportunity. These procurements specialists will include state, local, federal, private and MBDC specialist.

9. There will be a continued use of the brokering package for review of client capabilities. The proposed package follows. This package has been used to determine a client's capability for bidding on procurement opportunities. The attached package will also be used to submit and review clients with procurement specialist.
<table>
<thead>
<tr>
<th>No.</th>
<th>Clients</th>
<th>Location</th>
<th>Program Assistance</th>
<th>Project Manager</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>George Willis</td>
<td>Forsyth, GA</td>
<td>Feasibility Study</td>
<td>Frank Mewborn</td>
<td>Complete</td>
</tr>
<tr>
<td>3.</td>
<td>Camille Gardner</td>
<td>Beaufort, SC</td>
<td>Site Location, Merchandising</td>
<td>Steve Losser</td>
<td>Complete</td>
</tr>
<tr>
<td>4.</td>
<td>Nosebor Packing</td>
<td>Rowland, NC</td>
<td>Engineering, Plant Equipment for a Pork Processing Plant</td>
<td>Larry Moriarity</td>
<td>Complete</td>
</tr>
<tr>
<td>5.</td>
<td>Hopkins International</td>
<td>Williamston, NC</td>
<td>Market Research</td>
<td>Tom Parsons</td>
<td>Complete</td>
</tr>
<tr>
<td>6.</td>
<td>James Mays</td>
<td>Desoto, GA</td>
<td>Feasibility Study</td>
<td>Ed Hardison</td>
<td>Complete</td>
</tr>
<tr>
<td>7.</td>
<td>Consolidated Ind.</td>
<td>Huntsville, AL</td>
<td>Market Research, Digital Engineering Design</td>
<td>Harris Johnson</td>
<td>Data Collection</td>
</tr>
<tr>
<td>8.</td>
<td>Electro National</td>
<td>Canton, MS</td>
<td>Market Research</td>
<td>Harris Johnson</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>9.</td>
<td>Joyce Zimmerman</td>
<td>Hardeeville, SC</td>
<td>Business Plan Development</td>
<td>Larry Edens</td>
<td>Project Initiation</td>
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<tr>
<td>10.</td>
<td>E's Fabric-Novelty Shop</td>
<td>Beaufort, SC</td>
<td>Marketing/Merchandising</td>
<td>Art Brown</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>11.</td>
<td>Marlin Sims, Health Fitness Center</td>
<td>Tuskegee, AL</td>
<td>Feasibility Study</td>
<td>Art Brown</td>
<td>Project Initiation</td>
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<tr>
<td>12.</td>
<td>Equi-Fund</td>
<td>Whitehall, AL</td>
<td>Business Plan Development</td>
<td>Phil Loveless</td>
<td>Data Collection</td>
</tr>
<tr>
<td>13.</td>
<td>Edwards &amp; Associates</td>
<td>Garsburg, NC</td>
<td>Shopping Center Feasibility Study</td>
<td>Larry Edens</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>14.</td>
<td>Lowndes Wood Products</td>
<td>Letohatchee, AL</td>
<td>Wood Pallet Production Engin.</td>
<td>Grant Curtis</td>
<td>Not Interested</td>
</tr>
<tr>
<td>No.</td>
<td>Clients</td>
<td>Location</td>
<td>Program Assistance</td>
<td>Project Manager</td>
<td>Status</td>
</tr>
<tr>
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<td>--------------------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>15</td>
<td>MCCA Wholesale Grocery</td>
<td>Tuskegee, AL</td>
<td>Wholesale Grocery Dist., Eng. of Plant &amp; Equipment for frozen food processing plant</td>
<td>Phil Loveless</td>
<td>Project Initiation</td>
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<tr>
<td>16</td>
<td>Willie Ray, Low Income Housing Development</td>
<td>Waycross, GA</td>
<td>(To be defined)</td>
<td>Not assigned</td>
<td>Not Interested</td>
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<tr>
<td>17</td>
<td>Georgia Air</td>
<td>Waycross, GA</td>
<td>Commuter Airline, business plan development, venture financing</td>
<td>Gerry Doubleday</td>
<td>Inactive</td>
</tr>
<tr>
<td>18</td>
<td>MOP, Inc.</td>
<td>Dublin, GA</td>
<td>PC Board Mfg., business plan development, venture financing</td>
<td>Gerry Doubleday</td>
<td>Data Collection</td>
</tr>
<tr>
<td>19</td>
<td>Ragland Brothers Company</td>
<td>Huntsville, AL</td>
<td>Chemical Mfg., immediate working capital financing for sales orders in hand</td>
<td>Not assigned</td>
<td>Not Interested</td>
</tr>
<tr>
<td>20</td>
<td>Cecil Kirksey</td>
<td>Huntsville, AL</td>
<td>Cable TV (To be defined)</td>
<td>Not assigned</td>
<td>Not Interested</td>
</tr>
<tr>
<td>21</td>
<td>Doyen Associates, Inc.</td>
<td>AL</td>
<td>Glass Test Tube Mfg., Eng. of Plant Equipment</td>
<td>Not assigned</td>
<td>Not Interested</td>
</tr>
<tr>
<td>22</td>
<td>Metro Pallet</td>
<td>Locus Grove, GA</td>
<td>Market Research &amp; Merchandising</td>
<td>Not assigned</td>
<td>Ineligible</td>
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<td>23</td>
<td>Alfa Trois Development Limited</td>
<td>Warner Robins, GA</td>
<td>(To be defined)</td>
<td>Not assigned</td>
<td>Not Interested</td>
</tr>
<tr>
<td>24</td>
<td>O. V. Campbell &amp; Sons</td>
<td>Warner Robins, GA</td>
<td>Market Research Business Planning</td>
<td>Bill Riall</td>
<td>Data Collection</td>
</tr>
<tr>
<td>25</td>
<td>E &amp; R Associates, Inc.</td>
<td>Warner Robins, GA</td>
<td>Site Location Business Planning</td>
<td>George Lee</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>26</td>
<td>Omni Quip</td>
<td>LaGrange, GA</td>
<td>Loan Assistance</td>
<td>Art Brown</td>
<td>Task Order Pending</td>
</tr>
<tr>
<td>27</td>
<td>D &amp; D Specialty</td>
<td>Lanier, SC</td>
<td>Engineering of Plant and Equipment Financial Management</td>
<td>Bill Plouffe</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>28</td>
<td>Choctaw Indians</td>
<td>Philadelphia, MS</td>
<td>Shopping Center Feasibility Study</td>
<td>Steve Losser</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>No.</td>
<td>Clients</td>
<td>Location</td>
<td>Program Assistance</td>
<td>Project Manager</td>
<td>Status</td>
</tr>
<tr>
<td>-----</td>
<td>----------------------------------</td>
<td>-----------------</td>
<td>------------------------------------------------</td>
<td>-----------------</td>
<td>----------------</td>
</tr>
<tr>
<td>29.</td>
<td>Sarah Jackson</td>
<td>North Carolina</td>
<td>Feasibility Study of Styrofoam Manufacturing</td>
<td>Not assigned</td>
<td>Not Interested</td>
</tr>
<tr>
<td>30.</td>
<td>Beowulf, Inc.</td>
<td>Huntsville, AL</td>
<td>Market Research &amp; Engineering</td>
<td>Harris Johnson</td>
<td>Proposal disapproved</td>
</tr>
<tr>
<td>31.</td>
<td>Trianna Industries</td>
<td>Trianna, AL</td>
<td>Engineering Feasibility Study</td>
<td>Grant Curtis</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>32.</td>
<td>David Jones</td>
<td>Hilton Head, SC</td>
<td>Acquisition and Financing</td>
<td>Bill Riall</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>33.</td>
<td>Modupi Adeyemi</td>
<td>Beaufort, SC</td>
<td>Feasibility Study of Apparel Manufacturer</td>
<td>Not assigned</td>
<td>Not Interested</td>
</tr>
<tr>
<td>34.</td>
<td>Walter Mungin, Frogmoor Village Center Grocery</td>
<td>Beaufort, SC</td>
<td>Merchandising</td>
<td>Art Brown</td>
<td>Task Order Pending</td>
</tr>
<tr>
<td>35.</td>
<td>Luke Smalls</td>
<td>Beaufort, SC</td>
<td>Business Feasibility Study</td>
<td>Not Assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>36.</td>
<td>Camille Gardner</td>
<td>Beaufort, SC</td>
<td>Store Merchandising</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>37.</td>
<td>Odessa Miles</td>
<td>Quitman, GA</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>38.</td>
<td>Foust Photo Graphics, Inc.</td>
<td>Asheboro, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Ineligible</td>
</tr>
<tr>
<td>39.</td>
<td>Eastern Delivery Service, Inc.</td>
<td>Wilmington, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>40.</td>
<td>Harteco Exterminating Co.</td>
<td>Rocky Mount, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>41.</td>
<td>United Maintenance Service</td>
<td>Goldsboro, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>42.</td>
<td>Unisol Chemical Corp.</td>
<td>Asheboro, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>43.</td>
<td>Workers Owned Sewing Company</td>
<td>Windsor, NC</td>
<td>Not defined</td>
<td>Art Brown</td>
<td>Task Order pending</td>
</tr>
<tr>
<td>44.</td>
<td>A &amp; B Consulting &amp; Contracting</td>
<td>Greenville, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>45.</td>
<td>Surti &amp; Associates</td>
<td>Jacksonville, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>No.</td>
<td>Clients</td>
<td>Location</td>
<td>Program Assistance</td>
<td>Project Manager</td>
<td>Status</td>
</tr>
<tr>
<td>-----</td>
<td>--------------------------------</td>
<td>---------------------</td>
<td>--------------------------------------</td>
<td>-----------------</td>
<td>------------------</td>
</tr>
<tr>
<td>46</td>
<td>East Coast Construction Co.</td>
<td>Jacksonville, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>47</td>
<td>Johnson Monroe Construction Company</td>
<td>Morehead City, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>48</td>
<td>Monk's Marine Bait &amp; Tackle</td>
<td>Holly Ridge, NC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>49</td>
<td>World Travel, Inc.</td>
<td>Eden, SC</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Inactive</td>
</tr>
<tr>
<td>50</td>
<td>Richardson Grading, Inc.</td>
<td>Rome, GA</td>
<td>Bonding Assistance</td>
<td>Bill Darley</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>51</td>
<td>Robert Poteete</td>
<td>Rome, GA</td>
<td>Restaurant Feasibility Study</td>
<td>Bill Darley</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>52</td>
<td>A-1 Construction</td>
<td>Valdosta, GA</td>
<td>Contract Bidding &amp; Accounting</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>53</td>
<td>Chavis Tool &amp; MFG.</td>
<td>Florence, SC</td>
<td>Marketing</td>
<td>Sherman Dudley</td>
<td>Task order pending</td>
</tr>
<tr>
<td>54</td>
<td>Culpepper's Supermarket</td>
<td>Thomson, GA</td>
<td>Marketing</td>
<td>David Poss</td>
<td>Task order pending</td>
</tr>
<tr>
<td>55</td>
<td>Gant Meat Processing</td>
<td>McDuffie County, GA</td>
<td>Plant Expansion Feasibility</td>
<td>Not assigned</td>
<td>Task order pending</td>
</tr>
<tr>
<td>56</td>
<td>O.C. Tyree</td>
<td>Tuscaloosa, AL</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>57</td>
<td>Bob's Service Center</td>
<td>Tuscaloosa, AL</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>58</td>
<td>Dr. B.B. Hardy</td>
<td>Tuscaloosa, AL</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>59</td>
<td>Metcalfe Enterprises</td>
<td>Tuscaloosa, AL</td>
<td>Not defined</td>
<td>Not assigned</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>60</td>
<td>Ruth Wardrobe II</td>
<td>Hampton, SC</td>
<td>Mktg/Merchandising</td>
<td>Art Brown</td>
<td>Task order pending</td>
</tr>
<tr>
<td>61</td>
<td>Waymon Moody</td>
<td>Dallas, GA</td>
<td>Bus. Feasibility</td>
<td>Harris Johnson</td>
<td>Follow-up needed</td>
</tr>
<tr>
<td>62</td>
<td>Albany Lyons Janitorial &amp; Maid Service</td>
<td>Albany, GA</td>
<td>Bus. Merger</td>
<td>Ed Hardison</td>
<td>Task order approved</td>
</tr>
<tr>
<td>63</td>
<td>Emerson &amp; Sons Electric</td>
<td>Albany, GA</td>
<td>Marketing</td>
<td>Ed Hardison</td>
<td>Task order approved</td>
</tr>
<tr>
<td>No.</td>
<td>Clients</td>
<td>Location</td>
<td>Program Assistance</td>
<td>Project Manager</td>
<td>Status</td>
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<td>-----------------</td>
<td>------------------</td>
</tr>
<tr>
<td>64.</td>
<td>Jackson Metal Co.</td>
<td>Douglas, GA</td>
<td>Equip. study</td>
<td>Sherman Dudley</td>
<td>Project Initiation</td>
</tr>
<tr>
<td>65.</td>
<td>Alternator, Generator &amp; Starter Rebuilding</td>
<td>Rome, GA</td>
<td></td>
<td>Bill Darley</td>
<td>Task order pending</td>
</tr>
<tr>
<td>66.</td>
<td>Allen Welding</td>
<td>Roanoke, AL</td>
<td>Financing</td>
<td>Art Brown</td>
<td>Task Order pending</td>
</tr>
</tbody>
</table>
History of the firm: Include date founded, ownership, product development, etc.

Management: Attach resumes of key managers.

ORGANIZATION CHART

Ownership:  OWNER  %  POSITION IN FIRM

Board of Directors:
Manufacturing: Include a discussion of each of the following if applicable.

Product description: ________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

Production process: ______________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

Plant capacity & utilization: _______________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

Condition of equipment, adaptability to new product specifications, R&D capabilities, etc.: ________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
Marketing:

Size of the market: ________________________________

Major Purchasers: ________________________________

Basis of competition: ________________________________

Major competitors: ________________________________

Marketing strategy: ________________________________
Capabilities statement:

Prior experience:

Previous government contracts:

References: Include name, address, phone number, and scope of work performed for the firm's major customers.

Credit history: Include name of bank, line of credit, ability to raise capital, etc.
## Financial Analysis

### NET PROFIT ON NET SALES

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NET PROFIT</th>
<th>MEAN</th>
<th>MEDIAN</th>
<th>HIGHER</th>
<th>LOWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SIGNIFICANCE:** Measures the efficiency of the business and of management.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NET SALES</th>
<th>PURCHASES</th>
<th>LABOR &amp; OVERHEAD</th>
<th>COST OF GOODS SOLD</th>
<th>GROSS PROFIT</th>
<th>OFFICER SALARY</th>
<th>EXPENSES</th>
<th>INTEREST</th>
<th>OTHER INCOME</th>
<th>PRE-TAX PROFIT</th>
<th>NET PROFIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>$</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>$</td>
<td></td>
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<td></td>
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<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>$</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CHANGE**

**COMMENT:**
### NET PROFIT ON TANGIBLE NET WORTH

<table>
<thead>
<tr>
<th>Year</th>
<th>( \frac{\text{Profit}}{\text{Net Worth}} \times 100 ) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year I</td>
<td>( \frac{\text{Profit}}{\text{Net Worth}} \times 100 ) %</td>
</tr>
<tr>
<td>Year II</td>
<td>( \frac{\text{Profit}}{\text{Net Worth}} \times 100 ) %</td>
</tr>
<tr>
<td>Year III</td>
<td>( \frac{\text{Profit}}{\text{Net Worth}} \times 100 ) %</td>
</tr>
</tbody>
</table>

**Significance:** Measures rate of return on owner's investment (ROI).

**Comment:**

---

### GROSS PROFIT ON NET SALES

<table>
<thead>
<tr>
<th>Year</th>
<th>( \frac{\text{Profit}}{\text{Sales}} \times 100 ) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year I</td>
<td>( \frac{\text{Profit}}{\text{Sales}} \times 100 ) %</td>
</tr>
<tr>
<td>Year II</td>
<td>( \frac{\text{Profit}}{\text{Sales}} \times 100 ) %</td>
</tr>
<tr>
<td>Year III</td>
<td>( \frac{\text{Profit}}{\text{Sales}} \times 100 ) %</td>
</tr>
</tbody>
</table>

**Significance:** Measures profitability of sales effort. (Is business cutting prices or paying too much for inventory?)

**Average for the Line**

**Comment:**

---
### NET SALES TO TANGIBLE NET WORTH

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Worth</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year I</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year II</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year III</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

LOWER 	 MEDIAN 	 HIGHER

**Significance:** Measures the turnover of invested capital.

**Comment:**

---

### NET SALES TO NET WORKING CAPITAL

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Working Capital</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year I</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year II</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year III</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

LOWER 	 MEDIAN 	 HIGHER

**Significance:** Measures adequacy of working capital to support scope of operations.

**Comment:**

---
### INVENTORY TO NET WORKING CAPITAL

<table>
<thead>
<tr>
<th>Year</th>
<th>Inventory</th>
<th>Net Working Capital</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year I</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year II</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year III</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

**Significance:** Measures the adequacy of working capital to support inventory.

**Comment:**

---

### CURRENT ASSETS TO CURRENT DEBT

<table>
<thead>
<tr>
<th>Year</th>
<th>Current Assets</th>
<th>Current Debt</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year I</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year II</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year III</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

**Significance:** General indication of protection afforded short term creditors by current assets.

**Comment:**

---
LIQUID RATIO
CURRENT ASSETS - (Inventory + Prepaid Assets) - Current Debt

YEAR I $ __________ $ __________ = __________ Times
YEAR II $ __________ $ __________ = __________ Times
YEAR III $ __________ $ __________ = __________ Times

HIGHER __________ MEDIAN __________ LOWER __________

SIGNIFICANCE: MEASURES PROTECTION AFFORDED SHORT TERM CREDITORS IN CASH OR NEAR CASH ASSETS.

COMMENT: ________________________________

________________________________________

________________________________________

COLLECTION PERIOD
(RECEIVABLES ÷ ANNUAL NET CREDIT SALES X 365)

YEAR I $ __________ $ __________ X 365 = ________ Days
YEAR II $ __________ $ __________ X 365 = ________ Days
YEAR III $ __________ $ __________ X 365 = ________ Days

LOWER __________ MEDIAN __________ HIGHER __________

SIGNIFICANCE (1): MEASURES THE COLLECTIBILITY OF RECEIVABLES.

COMMENT: ________________________________

________________________________________

________________________________________

SIGNIFICANCE (2): EFFECT ON FLOW OF FUNDS.

COMMENT: ________________________________

________________________________________
### Net Sales to Inventory

<table>
<thead>
<tr>
<th>Year</th>
<th>$</th>
<th>$</th>
<th>Times</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year 2</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year 3</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

**Higher** | **Median** | **Lower**

**Significance (1):** Measures the rate of inventory turnover.

**Comment:**

---

**Significance (2):** Effect on flow of funds.

**Comment:**

---

### Fixed Assets to Tangible Net Worth

<table>
<thead>
<tr>
<th>Year</th>
<th>$</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year 2</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year 3</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

**Lower** | **Median** | **Higher**

**Significance:** Reveals that portion of invested capital tied up in fixed assets -- dollars not available to support current operations.

**Comment:**

---

### Current Debt to Tangible Net Worth

<table>
<thead>
<tr>
<th>Year</th>
<th>$</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year 2</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Year 3</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

**Lower** | **Median** | **Higher**

**Significance:** Indicates the relationship between creditors' short term investment and owner's total investment.

**Comment:**

---
### TOTAL DEBT TO TANGIBLE NET WORTH

| Year | 
|------|----------------|
| I    | $   | $   | %   |
| II   | $   | $   | %   |
| III  | $   | $   | %   |

**Lower** | **Median** | **Higher**

**Significance:** Measures creditors total investment in the business as related to owner's investment.

**Comment:**

### LONG TERM DEBT PAYBACK

(Net profits plus depreciation minus current portion of long term debt)

<table>
<thead>
<tr>
<th>Year</th>
<th>Year I</th>
<th>Year II</th>
<th>Year III</th>
<th>Change</th>
</tr>
</thead>
</table>

**Net Profits**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
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</table>

**+ Depreciation**

<p>| | | | |</p>
<table>
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</thead>
</table>

**Cash Flow**

<p>| | | | |</p>
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**- C.P. of L.T.D.**

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**Margin**

<p>| | | | |</p>
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<th></th>
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</thead>
</table>

**Significance:** Measures the ability of the business to meet annual payback of long term debt without stripping working capital.

**Comment:**

<p>| | | | |</p>
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</tr>
</thead>
</table>
ACCOUNTS PAYABLE TURNOVER

(Accounts Payable ÷ Annual Purchases x 365)

AR I $ _______ ÷ $ _______ x 365 = _______ Days
AR II $ _______ ÷ $ _______ x 365 = _______ Days
AR III $ _______ ÷ $ _______ x 365 = _______ Days

Significance: Reveals the paying habits of the business.

Comment: _________________________________

______________________________

______________________________

SHORT TERM LOANS TURNOVER

(Short Term Loans ÷ Annual Purchases x 365)

EAR I $ _______ ÷ $ _______ x 365 = _______ Days
EAR II $ _______ ÷ $ _______ x 365 = _______ Days
EAR III $ _______ ÷ $ _______ x 365 = _______ Days

Significance: Measures the short term financing being used to maintain current trade payment pattern.

Comment: _________________________________

______________________________

______________________________
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GENERAL
Significant changes in Program Management occurred during the fourth quarter. Mr. Arthur L. Brown and Mr. Frank B. Brown were assigned as permanent professional staff members of the Rural Assistance Program. These additions were made to strengthen and further enhance the delivery of services to appropriate clients.

On September 1, Mr. Frank Brown assumed the responsibility for day-to-day operation of the Rural Assistance Program. He replaces Mr. James Thomas as Project Director.

The project continues to have access to a wide variety of expertise and resources to aid in the delivery of client services. In order to enhance this process, however, the overall focus of the program will center around a project team approach. The Project Director or the Associate Project Director will serve as Project Manager for all projects - with the possible exception of those that may require either a heavy use of engineering skills and backgrounds or a mixture of specialized expertise not commonly available within the EES/BDD. Each project is divided into sub-tasks (when necessary) and assigned to the individual specialist whose expertise is most compatible with the job requirement. All activities, including administering the Business Evaluation Summary (BES), are coordinated by the Project Director. This approach is intended to maintain a consistent approach to client servicing, monitoring and follow-up.

OUTREACH ACTIVITIES
The scope of outreach activities during the fourth quarter was directed towards more direct contact with and on behalf of actual and prospective clients of the Rural Assistance Program. Those organizations and/or agencies whose services could aid in meeting certain needs of minority-owned businesses were contacted. Objectives established for the outreach program include:

1) increased visibility of RAP in the five-state area. Methodology included direct contact with members of the local business communities within the project area. Contacts were also established with both non-profit and profit-oriented sources of assistance/advocacy for minority-owned businesses;
2) an expanded source of opportunities for brokering potential contracts for minority-owned firms. Sources included public, private and quasi-government entities; and

3) development of a compendium of sources to aid in the financing of new ventures, business acquisitions, re-structuring of existing businesses and for business expansions.

Persons and organizations contacted in efforts to meet the above objectives are as indicated in Exhibit 1. A number of client referrals have been received as a result of continued interaction with these groups. A summary of outreach contacts during the quarter included:

1) Business/Institutions
   - General Referrals 6
   - Financial Assistance 6
   - Procurement Opportunities 14

2) MBDCs Contacted 9

3) Requests for Assistance (Action Declined or Deferred) 25

TOTAL OUTREACH CONTACTS 60

Clients listed in the above categories were contacted during the quarter but not processed into the system. The expectation is, however, that task assignments will be generated for some of these clients in the upcoming quarter.

Examples of specific outreach contacts listed above include:

1) RAP served as a co-sponsor of the Atlanta Business League's Resource Availability Fair held in September at the Atlanta Civic Center. This activity was part of a planned drive to familiarize minority-owned businesses with the variety of resources, organizations and programs available to aid their development efforts. Frank Brown served on the
planning committee of this event. Georgia Tech was represented through participation of:

a) Rural Assistance Program  
b) Trade Adjustment Assistance Center  
c) Advanced Technology Development Center  
d) Technology Utilization and Commercialization Center

2) Art Brown served as a program participant at the North Carolina Association of Black Manufacturers conference held at St. Augustine College in Raleigh, North Carolina;

3) Frank Brown served as guest speaker at a meeting of black businesspersons and others who are members of Tuscaloosa, Alabama's Druid Economic Development Association (DEDA);

4) Art Brown and Frank Brown met with several of the Minority Business Development Centers in the project area;

5) Frank Brown met with a group of black farmers in Dublin, Georgia, to discuss assistance in developing a farm co-operative to aid local farmers in getting their products to market and to address other concerns;

6) Art Brown and Frank Brown attended the Minority Business Development Agency's Regional Conference in September. This conference presented an opportunity to meet representatives from other MBDA-funded organizations in Region Four.

7) Art Brown and Frank Brown met with HUD Regional Office Representatives to identify potential procurement opportunities as a follow-up to the MBDA/HUD Memorandum of Understanding (cooperative agreement).
EXHIBIT 1
OUTREACH ACTIVITIES

Business/Institutions Contacted
Coca-Cola Company
Columbia Bank for Co-Operatives
Cooperative Assistance Fund
Cummins Engine Company
F.W. Dodge Company
Garrett & Sullivan Program Management Center
Druid Economic Development Association
Georgia Pacific Company
Georgia Power Company
Institute for American Business
Life of Virginia Insurance
Lockheed
MARTA
National Alliance of Businesses
N.C. Association of Black Manufacturers
Prudential Life Insurance
Rockwell International
ST. Augustine College-EDA Center
SBA/Atlanta (Regional & District)
Small Business Development Centers (GA. & SC)
State of Georgia DOAS
Thacker Construction Company
U.S. Army Contracting Div. Ft. McPherson
U.S. Department of Housing & Urban Development
U.S. Department of Transportation

Assistance Sought
Procurement Opportunities
Co-Op Development/Financing
Financial Assistance
New Business Opportunities/Procurement
Procurement
Procurement
General/Referrals
Procurement
Procurement
Financial Assistance
Financial
Procurement
Procurement
General/Referral
General/Referral
Financial
Procurement
General/Referral
Financial/Procurement/Referrals
General/Referrals
Procurement
Procurement
Procurement
Procurement
Procurement
Procurement

MINORITY BUSINESS DEVELOPMENT CENTER CONTACTS
Atlanta MBDC
CSRA Business League
Fayetteville MBDC
Greenville MBDC
Jackson MBDC
Montgomery MBDC
Raleigh/Durham MBDC
Savannah MBDC
Tenn-Tom CCAC
Atlanta, GA
Augusta, GA
Fayetteville, NC
Greenville, SC
Jackson, MS
Montgomery, AL
Savannah, GA
Savannah, GA
Columbus, MS
INQUIRIES/REQUESTS FOR ASSISTANCE (ACTION DECLINED OR DEFERRED)

Rhodney Albert (South Carolina)
General Maintenance Company
Product: Janitorial Service

Bernard Bell (Georgia)
Utley Janitorial Service Supply
Product: Janitorial Service

Leon Blackstone (Georgia)
Universal Enterprises
Product: Painting

Warren S. Burke (Alabama)
END & Associates
Product: Auto-Truck Rest Facility

Richard Cosby (Alabama)
KC's Speedy Mart
Product: Convenience Store

Lula Mae Dunn (Alabama)
(Not yet established)
Product: Cosmetic Sales

Tyus & Gwendolyn Few (North Carolina)
Fabulous Creations from EF
Product: Garment Design

Dr. B.B. Hardy (Alabama)
(Various Stores)
Product: Strip Shopping Center

John Little (Alabama)
Old Memphis Development, Inc.
Product: Scrap Metal Recycling

Ed Scott (Mississippi)
LeFlore-Bolivar Processing Farm
Product: Catfish Processing

Rodney J. Sumpter (North Carolina)
Associate Consultants, Inc.
Product: Consulting Services

John Ziffert (Alabama)
Federation of Southern Cooperatives
Product: Agricultural Co-ops

Robert Anderson (Alabama)
Bob's Service Center
Product: Auto Repair Service

Alan Barkin (Alabama)
Legal Services Corp. of Alabama
Product: Consultant/Advisory

Henry J. Bennett (Georgia)
Facilities Maintenance
Product: Janitorial Service

D.L. Burcham (Mississippi)
Burcham & Sons Electrical Contractors
Product: Industrial/Commercial Wiring and Construction

Alvie Coes (Georgia)
Alvie Coes Funeral Home
Product: Mortuary

Dean Daryani (NC)
Unisol Chemical Corporation
Product: Chemical Supply

Clark Coggins (Georgia)
Inside & Out
Product: Janitorial Services

Joe George (Georgia)
(Not yet established)
Product: Poultry Farming

Dollie Horton (Georgia)
WXKO Radio Station
Product: Broadcast Media

Robert Plummer (Georgia)
Independent Farmer
Product: Farming Co-op

Edward L. Stover (Georgia)
Stover Industrial Supply
Product: Industrial Hardware Sales

Don Wilson (Georgia)
Point of Sale Merchandising Agency
Product: Houseware Merchandising

Bishop Edwards (Mississippi)
REACH, Inc.
Product: Meat Processing
MANAGEMENT AND TECHNICAL ASSISTANCE

The major emphasis for this quarter was on completing those task order assignments that were approved during earlier periods. As a result, program accomplishments showed a marked improvement over previous periods. The majority of outstanding task orders were brought to a conclusion.

Exhibit 2 shows the status of all task orders that have been approved through fourth quarter. A summary of M&TA statistics show:

<table>
<thead>
<tr>
<th>Business Name</th>
<th>Period Completed</th>
<th>Terminated</th>
<th>Open</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Contract Packagers</td>
<td>Prior</td>
<td>4th QTR.</td>
<td>X</td>
</tr>
<tr>
<td>George Willis</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Camille Gardner</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nosebor Packing</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hopkins International</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>James Mays</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electro National</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Joyce &amp; George Zimmerman</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Georgia Air</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>MOP, Incorporated</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Choctaw Tribal Council</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trianna Industries</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Richardson Grading</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Robert Poteete</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>O.V. Campbell</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>E&amp;R Associates</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Culpepper Supermarket</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Edwards &amp; Associates</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emerson &amp; Sons</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Albany Lyons</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>MCCAC Wholesale Grocery</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equifund CDC</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sims Health Fitness Center</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E's Fabric &amp; Novelty</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jackson Metals Company</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>David Jones</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpets</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D&amp;D Specialty</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chavis Tool &amp; Manufacturing</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allen Welding Company</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Omni Quip</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Frogmore Village</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ruth Wardrobe II</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
At the end of the third quarter, completed assignments totalled five. A total of 26 task orders had been submitted with only one disapproved client. Task order approvals and task assignment completions, thus, represented 83% and 17% respectively of RAP's goals thru third quarter. Completions fell far short of the objective, primarily as a result of earlier problems encountered in the outreach effort.

Fourth quarter results improved dramatically over earlier periods as more task assignments were completed. While the overall goal of 40 completed assignments was not met, significant progress was made. Task order approvals for the quarter reached 90% of the quarterly goal and increased the year-end total to 85% of target.

Task assignment completions for fourth quarter was 180% of the quarterly goal. However, at year-end, the actual completions total of 23 assignments equalled but 58% of the goal. Of the remaining 11 task orders that had been approved, two assignments had been terminated at the suggestion of program management, and one was halted at the client's request:

<table>
<thead>
<tr>
<th>Client Company</th>
<th>Contact</th>
<th>Reason for Termination</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Contract Packagers</td>
<td>Norman Horne</td>
<td>Current financial problems</td>
</tr>
<tr>
<td>P.O. Box 788, Williamston, NC 27892</td>
<td></td>
<td>Limit firm's ability to capitalize on program assistance at this time.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Infusion of equity and/or restructuring of indebtedness is required.</td>
</tr>
<tr>
<td>Georgia Air</td>
<td>A. Kenneth York</td>
<td>Assistance terminated because of unresponsive client. Data requested from client not received.</td>
</tr>
<tr>
<td>143 Engle Street, Englewood, NJ 07631</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Albany Lyons Janitorial</td>
<td>Richard Lyons</td>
<td>Client has decided to implement a change in plans. Requested deferment of assistance.</td>
</tr>
<tr>
<td>P.O. Box 1102, Albany, Georgia 31702</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The remaining uncompleted task assignments (8) are nearing completion. These assignments will be reported with program statistics in the upcoming quarter.

The distribution of clients, as approved to date, shows:

<table>
<thead>
<tr>
<th></th>
<th>AL</th>
<th>GA</th>
<th>MS</th>
<th>NC</th>
<th>SC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task Order Approvals</td>
<td>6</td>
<td>14</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Completed Assignments</td>
<td>6</td>
<td>8</td>
<td>1</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Open Assignments</td>
<td>-</td>
<td>4</td>
<td>1</td>
<td>-</td>
<td>3</td>
</tr>
</tbody>
</table>

Based upon an assessment of outreach applicants and the existing priority ranking, the projected distribution of clients (open assignments not included) shows:

- **Alabama**
  - END & Associates
  - Dr. B.B. Hardy
  - Old Memphis Development, Inc.
  - Bob's Service Center
  - A-1 Construction Co.

- **Georgia**
  - Universal Enterprises
  - Alvie Coes Funeral Home
  - WXKO Radio Station
  - Robert Plummer

- **Mississippi**
  - Burcham & Sons
  - LeFlore-Bolivar
  - REACH, Inc.

- **North Carolina**
  - Unisol Chemical Corporation
  - Fabulous Creations from EF
  - A&B Consulting & Contracting
  - Workers Owned Sewing Company

- **South Carolina**
  - General Maintenance

The above client prospects are included primarily on the basis of preliminary contact. Their inclusion herein is subject to change as new requests are received during the upcoming quarter. Final selection of clients receiving task order assistance will be determined on the basis of a priority ranking system (see section entitled "ACTION PLAN"). Final selection of new clients will also be impacted by any additional task order assistance approved for clients already in the system.

**TASK ASSIGNMENT COMPLETIONS**

Client assistance was completed, as summarized below for the following:

**NEW BUSINESS STARTS**

**MOP, Inc. (later changed to Laurens Electronics)**

A Dublin, Georgia, corporation seeking entry into the electronic manufacturing industry. Still in its conceptual stage, the principals of the firm requested assistance
in making a financial and market determination for printed circuit board manufacturing. RAP personnel conducted a market research, developed financial pro formas, provided general counseling and business referrals. A total of 90 man-hours of assistance provided.

CHOCTAW TRIBAL COUNCIL
The Philadelphia, Mississippi band of Choctaws was provided assistance in determining the feasibility of constructing a retail shopping center facility on the reservation. Establishment of this shopping center is being proposed to reduce the flow of the $24 million in annual revenue away from the reservation. The tribe (approximately 5000 members) is the only federally recognized Indian tribe within RAP’s operation region. The Choctaws have increased its economic self-help accomplishments from one employee (in the early sixties to a total of 954 jobs (80% Indian employment). While the tribe provides jobs through its own construction and manufacturing companies, (a third industrial facility is currently under construction), the lack of basic retail and service establishments results in a major outflow of economic net worth. To date, a total of 350 man-hours of assistance has been provided.

JAMES MAYS
Assistance to Mr. Mays was rendered to aid in determining the feasibility of establishing a grocery store in Desoto, Georgia. Still in its conceptual stage, the idea—if pursued—may generate a request for future assistance in the area(s) of financial planning, business plan development or other type assistance. Total assistance reached 80 man-hours of service.

GEORGE WILLIS
Mr. Willis requested assistance in determining the feasibility of opening a liquor store in Forsyth, Georgia. A total of 42 man-hours of assistance was rendered.

ROBERT POTEETE
Mr. Poteete, a Rome, Georgia businessman, sought RAP assistance in determining the feasibility of a restaurant with local satellite operations. His new venture would revolve around centrally-prepared food that would then support secondary locations. Total assistance reached 42 man-hours.
EQUIFUND CDC
This project requested an engineering feasibility study for setting up a vegetable/fruit canning plant to evaluate the project's success potential. This project will require additional assistance in subsequent periods. A total of 60 man-hours provided to-date.

EDWARDS & ASSOCIATES
This start-up project is still in the development stage. Assistance was requested to perform a feasibility study for a commercial shopping plaza. The company, in existence for 25 years, is proposing to develop an 18-acre tract of land located in Garysburg, North Carolina. This centrally located site is ideally suited for commercial development. Assistance totalled 90 hours.

ZIMMERMAN'S
Gilbert and Joyce Zimmerman requested aid in establishing a retail gift shop in rural Hardeeville, South Carolina. RAP personnel has expended 15 hours in assistance to-date. The Zimmermans continue to receive RAP assistance in the development of their business plan.

BUSINESS SAVES
CULPEPPER'S SUPERMARKET
Mr. Nathaniel Culpepper has operated this Thomson, Georgia supermarket since 1969. Over the past three years, however, Culpepper's has experienced undiagnosed problems that have resulted in a drop in gross revenues from an approximate $30,000 per week to slightly more than half this amount. Fearing the results of a continued decline, Mr. Culpepper requested assistance in determining the cause of the drop and recommendations to reverse the trend. A total of 60 hours of assistance was rendered. This client was classified as a "save" primarily because of the nature of his request. Whether this classification is appropriate or not will depend ultimately upon the implementation and success of recommendations.

ALLEN WELDING
Mr. Joe Allen operates a metal fabrication shop. A recent recipient of several metal fabrication contracts, Allen Welding is in danger of losing these contracts because of inadequate financing and operating inefficiencies. Client requested aid in reviewing, evaluating and revising a loan package for submission to Citibank of
Roanoke, Alabama. Also needed aid in developing a financial plan to show short-term and long-term financial needs. The need to increase operating efficiency required an equipment assessment. The client's ultimate survival depends largely upon the ability to adequately finance the operations and improve operating efficiency. Allen Welding has received 30 hours of assistance.

OTHER COMPLETED ASSIGNMENTS

CHAVIS TOOL AND MANUFACTURING
This company provides a range of precision machinery services that include tool and die-making, milling, drilling, tapping, punch press stampings, machine casting fabrications, welding, etc. Assistance totalling 46 hours provided in the design and preparation of a marketing brochure.

RUTH'S WARDROBE II
Assistance in developing a marketing and advertising strategy was provided to this retailer of women and children's clothing. This assignment consumed 26 hours of assistance.

TRIANNA INDUSTRIES
Located in Trianna, Alabama, this electronic assembly firm is currently involved primarily in the manufacture of electrical wiring harnesses. The major customers are located in the automotive industry. A trend in the industry is toward a more automated assembly process. Trianna requested assistance in determining the feasibility of incorporating a plastic injection molding process into its operation. The company's annual sales of approximately $2 million per year makes it an excellent target for concentrated development assistance. RAP's expenditure of 155 hours was designed to determine technical considerations pertinent to the selection of machinery, design and cost considerations, capacities/production rates and other ramifications of moving to an injection molding process.

EMERSON & SONS
Emerson and Sons Electric Company was established in 1963. This Albany, Georgia, electrical contracting firm concentrates primarily on new commercial and residential buildings. Assistance was provided in pinpointing elements necessary to develop an effective marketing strategy for the firm and in improving the company's building
procedures. A total of 48 hours of service was provided to Emerson and Sons Electric Company.

MCCAC
This Tuskegee, Alabama, operation has been in business for more than 15 years. MCCAC provides wholesale grocery services to an eight-county area around Tuskegee. Previously known as Tuskegee Wholesale Grocery, the firm was purchased and re-organized recently by the Macon County Community Action Committee, Incorporated. Primarily engaged in the distribution of dry goods, MCCAC requested an engineering study to evaluate the feasibility of expanding their warehouse facility to include frozen meats, dairy products and other refrigerated items. The firm has also requested assistance in preparing a marketing plan. A total of 30 man-hours has been provided to MCCAC to date. MCCAC is highlighted as an excellent target for concentrated development assistance.

D&D SPECIALTY
D&D Specialties is located in Union, South Carolina. Started in 1981, D&D manufactures custom steel frames for hollow metal doors used primarily in commercial and industrial facilities - i.e., office buildings, hospitals, factories, hotels, schools, etc. Its customers are primarily general contractors. The company requested RAP aid in restructuring its existing debt and securing an infusion of new capital. With success in this effort, D&D is a good candidate for concentrated development assistance. RAP assistance totalled 40 hours.

SIMS HEALTH FITNESS CENTER
Mr. Marlin Sims, owner of the Health Fitness Center, requested RAP’s aid in further developing his plans to upgrade and expand the existing facility. The limited facility and equipment are inadequate to properly service the market demand. The objective of the revised plan is to allow its usage in securing financing for the expanded venture. A total of 32 hours of assistance has been provided.

E’S FABRIC AND NOVELTY
This fabric and novelty gift shop received assistance in developing a marketing and
merchandising strategy. A competitive study of area economics was necessary to aid in re-structuring the firm's product lines and merchandising approach. E's received a total assistance of 26 man-hours.

JACKSON METALS COMPANY
Mr. Frank Jackson requested aid in analyzing equipment alternatives of baling equipment suitable to the company's requirements. The metal recycling company has been involved in the collection, sorting and compressing of scrap metal products, under the current owner, since 1977 (founded in 1966). Opportunities in the aluminum and paper recycling markets would require the acquisition of additional equipment. The largest of these is a baler. A total of 42 man-hours was spent identifying equipment needs, collecting and analyzing this information.

SMITH AND SMITH CARPETS
This company supplies and installs carpeting for new construction, additions and remodelings. Assistance was requested in improving its bid procedures and information systems. Contacts were made with a number of sources to aid in securing information on their respective qualifying procedures and receiving requests for bids.

ACTION PLAN FOR ACHIEVING PROGRAM GOALS
Amendment number two of the award to operate a Rural Assistance Program extends the project through 30 September 1984. The extended contract's Time Performance Plan (TPP) includes a goal of 54 client assignments to receive aid in business starts, expansions and saves.

In order to meet program objectives for the contract period, the following program will be instituted, followed and modified as needs arise:

A. PROGRAM OUTREACH
Outreach activities will continue to be used as a means of publicizing the program, securing a viable population of minority-owned clients and highlighting clients located in non-MBDC serviced SMSAs in the states of Alabama, Georgia, Mississippi, North Carolina, and South Carolina. Among these, we will:
1) expand efforts to work with funded organizations, local businesses, business associations and other referral sources for minority-owned businesses.
2) maintain and expand contact with public, private and quasi-government sources of financing, contracting opportunities, business/economic data and other assistance from which Rural Assistance Program clients may benefit;

3) participate in workshops, seminars and/or other program activities that may be of interest to the furtherance of program objectives;

4) utilize newsprint and/or other media sources (as opportunities permit) to publicize the Rural Assistance Program, its clients and client-related accomplishments.

B. CLIENT INTAKE AND SERVICING PROCESS
The combination of outreach activities, promoted over the 5-state area, creates a need for an intake process that will provide both proper documentation (for reporting purposes) and a method of prioritizing client acceptance and servicing.

1) The initial intake (see "Initial Client Assessment Report Form") categorizes requests as:
   a) information only;
   b) referrals;
   c) new business assistance (1 year or less); and
   d) mature business assistance.

2) Category (1) (c) and (1) (d) requests are further divided into:
   a) high priority requests - assistance to businesses within these areas may prove to be more beneficial (result-wise) than others;
   b) lower priority requests - alternate forms of assistance other than task order assignments may be provided. Smaller commitment of resources until client is better able to absorb such assistance.
3) Procurement brokering goals will be met through establishment of a matching system that will select a number of high potential clients for continued tracking of procurement opportunities. High potential clients may include both "high priority requests" and "lower priority requests." Procurement opportunities will be referred to these clients from:
   a) F.W. Dodge Scan system;
   b) Commerce Business Daily;
   c) Direct Agency/business contacts;
   d) Control Data system; and
   e) other sources.

4) The entire client intake, servicing and tracking system is documented via a decision tree scheme. This system is being implemented to track each task assignment and insure the timely servicing of clients.

5) Client prioritizing (item B.2.a.) will place increased emphasis on developing program applicants in the following areas:
   a) manufacturing/production-oriented companies;
   b) engineering/technically-oriented firms;
   c) construction-related businesses;
   d) farm (or other consumer) co-operatives;
   e) community based organizations that sponsor profit-oriented businesses; and
   f) other business opportunities with high potential, visibility, impact or economies of scale.

6) A compendium of sources for financial assistance is being developed to aid client financing. Additional effort will be made throughout the year to locate and develop other means of creatively meeting the financial needs of clients.

TASK ORDER FOLLOW-UP
The effectiveness of RAP assistance may be best measured with follow-up servicing of the client. To achieve this objective:

1) all business evaluation summaries (BES) are coordinated by the
Project Director. The use of a project team concept often requires interaction between several types of expertise to assist a single client. The proper identification and prioritization of client needs is the initial determinant of an effective assignment;

2) assistance tracked throughout the length of the assignment to identify potential problems and/or concerns;

3) post-assignment follow-up to determine effectiveness of assistance provided and/or whether additional assistance may be in order; and

4) close tracking of expenditures vs. preliminary results. Mis-diagnoses of client's ability to capitalize from RAP assistance, non-cooperation from the client, unresponsiveness or other indications that program resources can be better utilized elsewhere may result in a reduction in assistance provided.
INITIAL CLIENT ASSESSMENT REPORT

Client Name ____________________________

Address __________________________________________

____________________________________________________________________________________

Client/Title _________________________________________

Telephone _________________________________________

Client ID # _________________________________________

Fed. Tax ID # _________________________________________

CLIENT REQUEST IS FOR:

____ Information

____ Potential New Business

____ New Business (1 yr. or less)

____ Established Business (Beyond 1 year)

LEGAL STATUS:

____ Undecided

____ Sole Proprietorship

____ Partnership

____ Corporation

DATE BUSINESS ESTABLISHED ________

GROSS RECEIPTS LAST FISCAL YEAR:

____ Under $25,000 __ 100,000-500,000

____ 25,000-50,000 __ 500,000-1,000,000

____ 50,000-100,000 __ Above 1,000,000

BUSINESS IS:

____ Minority-owned

____ Woman-owned

____ Non-Minority Disadvantaged

BUSINESS ACQUISITION:

____ New Start ______ Joint Venture 1-5

____ Buyout/Acquisition ______ Spinoff 26 to 50

____ Merger/Combination ______ Other 6-10

____ 11 to 100

____ Above 100

# OF EMPLOYEES (EXCLUDING OWNERS)

BROAD INDUSTRY CLASSIFICATION:

____ Retail Trade ____________________________________________

____ Wholesale Distribution ____________________________

____ Services, Personal ________________________________

____ Business Services __________________________________

____ Agriculture _______________________________________

____ Communications/Utilities _________________________

Construction

Finance, Insurance and Real Estate

Forestry/Fishery

Manufacturing

Research/Development

Transportation

LISTED IN PROFILE:

____ YES ______ NO

DO YOU HAVE A BUSINESS PLAN _____ Yes ______ No

8 (a) certified? Yes ____ No ______
APPENDIX 1
DETERMINING FEASIBILITY OF A GROCERY STORE IN DESOTO, GEORGIA

Prepared for
Mr. James N. Mays
Leslie, Georgia

By
Edward H. Hardison III
Research Engineer

Conducted under Georgia Tech's Rural Assistance Program

Southwest Georgia Area Office
Industrial Extension Division
Engineering Experiment Station
GEORGIA INSTITUTE OF TECHNOLOGY

August 1983
INTRODUCTION

This report is designed to assist in determining the feasibility of locating a grocery store in DeSoto, Georgia. The sources of the data collected are indicated throughout the report. Data and insights have also been gathered from other sources involved in area development, including the Chamber of Commerce, the Area Planning Development Commission, and others. Other information is based on research from store location guides, analysis of the data collected, and visual observations of the area itself.

Very little data is available for DeSoto, Leslie and the surrounding area. Many avenues have been explored in an attempt to obtain as complete data as possible. Most data is available on a county-wide basis, and specific information concerning DeSoto, Leslie and the surrounding area is usually not separated. As Americus contains almost 2/3 of the population of the county, it would be reasonable to anticipate that the county data would more greatly reflect the characteristics of Americus, and would be altered very little by towns the size of Leslie and DeSoto. Where necessary, county data is used and proportioned appropriately for the Leslie and DeSoto area; however, results obtained based on this data must be used with caution.

This report does not attempt to recommend for or against the establishment of the store itself. Many factors must be considered in the establishment of the store, and all of these cannot be covered within the scope of this report. These factors are discussed in this report however, and should be investigated before the decision to establish the store or not is made.
STORE_SITE_EVALUATION

The areas which are the most important in evaluating the potential for a store site are provided below:

1. POPULATION CHARACTERISTICS

A. Leslie and DeSoto

One of the prime considerations in locating a store is the population and its characteristics and location. Tables 1 through 4 and Figures 1 through 4 provide information on the population in and around the area and where the population is located.

Figures 1 and 2 show the breakdown of the population within the city limits by census tracts. As discussed under "Trade Area" below, the population within the city limits can be expected to trade at stores within their respective areas.

The actual population for Leslie, DeSoto and Sumter County is shown at the bottom of Table 1. A comparison between 1970 and 1980 is shown, which indicates that, in regard to total population, the Leslie-DeSoto area is not doing well. The population in these two towns declined by 11.7% and 29%, respectively, while the county population climbed by 9%. As the projections at the top of the page show, the county population grew closely in accordance with what was planned. However, DeSoto and Leslie did not grow at all as expected, and in fact, declined considerably.

Population projections for small cities are an inexact science at best, and projections for the future, which would seem to indicate a downward trend, could be significantly improved by the addition or worsened by the loss of an industry. It is, therefore, necessary to have a knowledge of the city, its characteristics, its leaders and their responsibility, and the attractiveness of the city to industry and transients in order to project any growth in the area. This is difficult to assess, and the survival of a store should not be based on a requirement for the area to grow. The store should be able to be supported by the present population, and also be able to survive should the population continue to decline.

As the population decreases, so does the potential customer base. This is particularly a problem when competition exists in the area and the declining population must support two or more stores. Competition considerations are
discussed below.

Tables 2 and 3 show the breakdown of the population according to age, sex, and race, as provided by the U.S. Census. This information is useful in establishing a potential customer characteristic. It can be expected that the 0-14 age bracket will yield very few "heavy" shoppers, that is, shoppers buying a large amount of groceries on a regular basis. This age will mostly patronize a store for small items like milk or bread when sent by parents, or for snacks and drinks for themselves. Should some type of entertainment be provided at the store (video games or pinball, for example), they will also patronize the store for entertainment.

The heavy shoppers then can be expected to be in the 15-65+ age bracket. It would also be expected that females would do a large part of the heavy shopping, with the exception of some of the single males, who would also be shopping for regular groceries. (Marital status is shown in Table 4.) Single males would probably buy more ready-made type items, while housewives would probably buy more basic ingredients. This type of information is useful in helping to determine the types and amounts of products to provide.

Figures 3 and 4 show the use of the land within the city limits of Leslie and DeSoto. This is useful in pinpointing where potential customers are located within the limits of each town, and in identifying areas of advertising emphasis, planning traffic flows, and store set-up.

B. Rural Areas

Figure 5 shows the number of people located in each one of the census tracts around DeSoto and Leslie. Depending on the size of the market areas used, the number of potential customers for the store can be ascertained.

A word concerning population figures is appropriate at this point. The census bureau uses several population figures, two of which are used in and appropriate to this report. These are the total population and the 100 percent count.

The total population includes certain categories which are not included in the 100% count. The total population is used throughout this report, with the exception of Figure 5, which is the 100 percent count. The 100% count is the figure on which the population of census tracts is based. The numbers in census tracts, therefore, will not add up to the total population, but rather to the 100% count.
2. TRANSIENT TRAFFIC & ACCESSIBILITY

Another source of customers is transient traffic through the area on their way to other places. This includes both tourists on their way to or from attractions, friends or family in the area, and local people on their way to or from another store, a friend's home, work, etc. The proposed site for the store is a good location with regard to accessibility and exposure to maximum traffic flow. Traffic counts on the major roads into or through DeSoto and Leslie are shown on Figure 6. The U.S Highway #280 route through the area is by far the most heavily traveled. Comparison of the counts in between Leslie and DeSoto and that on the road to Americus would seem to indicate that much of the traffic travels through town and would be transient type as opposed to local folks. This being the case, the store should be established such that it can attract these transient customers and these customers should be able to easily access the store.

Discussion of the store set-up is provided below.

3. EMPLOYMENT CHARACTERISTICS:

The type and stability of employment is an indicator of the potential fluctuation in the customer base of a store in this area. Tables 5 and 6 provide data on the employed and unemployed. During a time when U.S. unemployment was very high, DeSoto and Leslie maintained relatively low unemployment rates. This is an indicator that the area is very stable and is supported by occupations which weather bad economic times relatively well. It would be reasonable to expect that a national economy downturn would not seriously affect the customer base, and consequently the source of store revenue. Economic recessions also generally tend to have less effect on food stores than on other groups such as department stores, homes, autos, etc.

4. INCOME ESTIMATES

Estimates of income are provided in Table 7. Two conclusions can be drawn from the data provided in this table:

a. The per capita income in Leslie is slightly more than Sumter County; however, the household average is less. It could be expected therefore, there are on the average, less people per household in Leslie than in Sumter County, and the main shopper in each house would be buying for fewer people, and consequently spending less
each shopping trip. The DeSoto purchases would be comparable to Leslie.

b. The net cash income table indicates a higher percentage of households in a lower income bracket in DeSoto and Leslie than in Sumter County. It would be expected, therefore, that more people in this area would buy cheaper products and would be less likely to purchase higher cost per unit or luxury type items.

In general, income estimates provide a feel for the income level of people who could patronize the store and the types of products they would be buying. Usually, it is most desirable to place the store in the center of, or near the area of highest average income, because it makes sense that more money is available to be spent in such locations. Average super market sales, as well as rate of profit, increase substantially with increasing annual income of households served. As DeSoto has the lowest average income per household in the area, placement of a store there is not the best alternative from the income standpoint.

5. RETAIL SALES

Retail sales for the Leslie-DeSoto area could not be located, and an estimate of the potential sales in the area cannot be determined based on area data. As stated above, it is not usually a good idea to make an area estimate based on larger area data. However, to obtain some order of magnitude of potential area sales, Sumter County data will be used for estimation. It must be remembered that this estimate is based on county data, and the question of accuracy of its reflection on the Leslie-DeSoto area must be considered.

Table B provides data on the retail sales in supermarkets in Georgia and Sumter County during 1981. The estimated population in 1981 is also provided in the table. From this, the per capita retail sales is obtained, as the table shows. This estimate indicates that retail sales for groceries in this area would be more than $650,000. (The method of obtaining this figure is discussed below.) If this is to be taken as an accurate approximation, this amount of sales would be divided among the stores in the area.

6. COMPETITION

Figure 7 provides the locations of the competitors around the proposed store site. All of the major stores identified in this area, with one exception, are very small in comparison to the proposed store. These stores handle a very limited range of grocery items, largely dealing in convenience and snack items, and some items of local interest.
The major competitor will be the store at location #4, which is located in Leslie on Hwy. #280. This store is a full-line grocery with grocery items, meats, household and convenience items. There are also 3 video games in the store, which attract young people and helps build the market for snacks and drinks. The store is very clean, with reasonable hours and prices. The store also has a gas island, one of few in the area. In considering competition, this store should play a large role in determining the set-up of a store which could compete for business in the area.

7. INTANGIBLES

Finally, intangible items can affect the performance of a store, and these cannot be quantified. Some of them will be discussed here:

a. Customer Habits, Attitudes and Desires -
One of the highest priorities in selecting a store at which to shop, particularly a supermarket, is ease of access. Most people will go to the closest store unless prices, merchandise, etc., are significantly better at a store further away. Some customers however, regardless of location, prices, merchandise, management, etc., will shop at one particular store. Whether it's habit, familiarity, or unwillingness, some consumers will not change. Depending on the extent of this "familiarity syndrome," some customers may not be wooed to another store no matter what. A bad attitude about the store location, the store personnel or management, or even something as remote as the name of the store could be good enough reason for some people not to patronize it. Any rivalry between the two towns could cause a "you shop at your store, I'll shop at mine" attitude, which would lower the number of potential customers.

b. Management Knowledge of Store Operation -
Effective management is crucial to the success of the store. An otherwise successful operation could be severely hurt or fail because of ineffective management. Many factors must be dealt with in the successful operation of a store. Some of these are pricing, operating expenses, employees, advertising, stocking, inventory, operating hours, services, financing, physical plant, and customer relations. The manager or staff has to have a very wide range of talents or access to the talent necessary to handle all the facets of running a successful business.
c. Area Growth and Development -

Area growth and development is difficult to predict, as can be witnessed by the discrepancy in projected growth for Leslie and DeSoto as opposed to the actual growth. A very active development organization, mayor, or even local citizen could substantially influence the attraction of people and business to the area and increase the potential customer base. The addition of one sizeable industry to the area could have a substantial effect on the entire town, as well as the store. By the same token, the downward population trend could continue or even increase for a number of reasons, including loss of jobs, natural or unnatural disaster, superior attraction to other areas, etc.
TRADE_AREA_BOUNDARY

To estimate the number of people that would patronize the store, an estimate of the store's trade area must be made. The trade area is the area within which customers could be expected to patronize this store, as opposed to some other, all factors being equal. This can be found in one of two ways: calculation or survey. A survey is outside the scope of this report, so, to obtain a feel for the size of the primary trade area, the following formula is used:

\[
\text{Miles between town } A \text{ and town } B = \frac{1}{1 + \frac{\text{Population of } A}{\text{Population of } B}}
\]

Where A is the larger town and B is the smaller town.

Substituting in appropriate values for Leslie and DeSoto:

\[
\text{Breaking Point } = \frac{1}{1 + \frac{1496}{1228}} = .4 \text{ miles}
\]

In other words, anyone living within .4 miles of the DeSoto store will go to the DeSoto store, all other factors being equal. This coincides approximately with the town city limits, and would therefore, be the primary trade area. The area is considered to be circular around the store.

The secondary trade area is the area outside the primary trade area, and for DeSoto, would encompass the primary trade area for Leslie and also the rural area outside DeSoto. Capturing trade from the Leslie area will require that the store in DeSoto be a good deal more attractive to shop at than the one in Leslie. If the stores are equal, the DeSoto store would probably attract the rural business outside DeSoto opposite the Leslie side, while the Leslie store would attract trade within the Leslie city limits and the rural area opposite DeSoto. In the secondary trade area, a good percentage of the residents would probably be attracted to the store for large grocery purchases; however, convenience items would probably be bought at a smaller local store if one is available.

The borderline trade area is outside the secondary trade area. It is not expected that many people from this location would be attracted to the store, due to distance.
An example of these trade areas are shown in Figure 9, and with the exception of the primary area, they are established purely by estimation. These areas do not have to be circular, and in fact, the secondary trade area probably would not be, due to the influence of the Leslie store. All the factors discussed up to now should be weighed in establishing these areas.
SALES ESTIMATES

All the information provided above, including the intangibles, must be weighed in order to estimate the number of customers who would patronize the store, and how much they would spend. Depending on the importance placed on the different factors, the number will vary. Once these numbers are determined, a sales estimate can be established. For example, assume that the store captures only the residences within the DeSoto city limits and they would spend the per capita equivalent to the Sumter County average. From Table 8, the expected retail sales would then be:

\[
\text{Retail Sales} = 248 \text{ people} \times \$911.55/\text{person/year} \\
= \$226,064.40/\text{year}
\]

The store could therefore be expected to gross $226,064.40/year. From this, all expenses, operating costs and note payments must be subtracted in order to obtain the profit. The amount of profit or return on investment desired must be determined, and if the estimates are equal to or greater than this, the store may be a viable undertaking. If not, then the desirability of establishing a store should be reconsidered. Of course, the profit or loss picture all hinges on the accuracy of the estimates.
MAXIMIZING THE STORE POTENTIAL

A store site evaluation is not complete without a detailed analysis covering estimated sales, operating expenses, profit from sales, capital investment requirements, and return on investment. This report has presented data to assist in estimating what the potential customer base would be for a store in DeSoto, and the amount of money available for buying groceries. However, it all boils down to how many people will shop at a store in DeSoto as opposed to any other store. Once the number of people is known, an estimate of sales can be established, which can be used with the operating expenses and capital investment to determine a potential profit and return on investment. The major factors which have proved to be important to customers in selecting a store, in approximate order, are:

1. Convenience and accessibility - Everything else being approximately equal, consumers will shop at the closest store they can get to most easily. However, this does not necessarily mean the closest store to the place of residence. If they are making a shopping trip to another store for other items, they will consider shopping at a grocery store nearby. Transient traffic must also be considered. The store should be well marked and advertised to attract patrons passing through the area. Its appearance, products, and advertising should be attractive enough to make them want to stop, whether only for a drink and to use the restroom, or to buy a bag of groceries. All considerations should be covered.

2. Store physical characteristics - Physical characteristics include store size, departments, cleanliness, decor, and parking. A store that looks nice will attract more customers than a store that doesn't. Generally, customers will also gravitate toward a larger store. A pleasant looking decor, convenient and plentiful parking, store cleanliness, all play a big part in attracting customers.

3. Merchandise - If customers can buy everything they need in the quantity and quality they desire in one place, that is the store at which they will choose to shop. Selecting the right merchandise will require a judgement concerning the type and income levels of people who will be shopping at the store. Too wide a variety will tie up capital and cause space problems. Too small a variety and customers will shop where there is greater selection.

4. Price - Price is generally fairly well down on the list of reasons for shopping a particular store. In the DeSoto area, price may be of a little greater consideration due to the lower average income level; however, it is usually not first
consideration. In a small area particularly, competition will require that prices at different stores be comparable.

5. Management and employee relations with customers — This, many times, may be more important than price. A pleasant shopping experience will make customers want to come back even if the price is slightly higher. By the same token, a bad shopping experience will make customers not want to return.

All these factors must be considered in setting up the store and in estimating the store's share of the market. An honest appraisal of the plans for this store concerning these points, as compared to the actual situation of existing competition, must be made in order to compare the relative attractiveness of the two stores.
AREA_PLANS_AND_GOALS

As stated above, the store should be established based on its ability to support itself in the current market, without relying on growth in the area as a requirement for success. However, the plans and goals of development groups and local organizations should be considered on the success of the store and the types of products and services offered. A brief overview of some the area development plans and goals is provided below.

I. Specific types of growth will be encouraged in the following specified areas:

A. Outside of incorporated communities, the following types of growth will be encouraged:

1. Agriculture and agriculture-related activities.
2. Residential development to support agriculture and agriculture-related activities.
3. Commercial development necessary to provide amenity and convenience in fulfilling the shopping needs of the population engaged in agriculture and agriculture-related activities.
4. The development of major recreation and tourism facilities that strengthen the economic base of the region.
5. Residential and commercial development as an accessory to recreation and tourism development, provided that such development is undertaken in a manner that preserves the environmental quality of the immediate and surrounding area.

B. Within incorporated communities, the following types of growth will be encouraged:

1. Residential development to support the expected population growth of the region.
2. Commercial development.
3. Industrial development within planned industrial parks.

Although some limited growth for the long- and short-term future should take place outside incorporated areas, the intent of the above mentioned long-term growth policy is that the incorporated communities of the area should be the places where the major portion of future growth should be accommodated.
The above-stated policy recognizes that the adoption of regulatory devices concerning land use, such as zoning ordinances and subdivision regulations, is purely a matter of local government choice. That is, the decision regarding the adoption of land use controls lies with each individual city or the county government.

II. Where growth is to be encouraged, the following policies refer to the type, intensity, and timing of such growth:

A. In unincorporated portions of the area:

1. All types of agricultural development of low density and with no restriction as to timing will be encouraged.

2. Residential development supporting agricultural land use should be single-family dwellings of very low density, sufficient to timing to support increases in agricultural development.

3. Commercial development to support the rural population should normally consist of single establishments or small groupings of establishments sufficient in timing to support the rural population.

4. Recreation and tourism facilities should be region-serving, of low to medium density development, timed to the approval of local, state, or federal construction grants.

5. Residential and commercial development accessory to recreation and tourism development should consist of low density single-family structures and establishments be of a type compatible with the proposed recreation development, and timed to meet the needs of the recreation development.

B. Within the incorporated communities of the region, areas where growth will be encouraged, the following policies refer to the types, intensity, and timing of growth:

1. Residential growth will be encouraged in existing residential areas or in areas compatible with residential living. The intensity of residential growth will be a mix of single-family and low rise multiple-family dwelling units. Efforts will be made to encourage the development of land currently served by public utilities, rather than development, which will require the installation of additional public utilities and facilities.
2. Commercial growth will be encouraged in existing commercial areas, especially in existing central business districts. Commercial growth will be discouraged in locations incompatible with the vehicular and pedestrian traffic generated by this land use. The intensity and timing of commercial growth encouraged will be compatible with the support of the prevailing population growth within the community.

3. New industrial firms will be encouraged to locate in existing industrial parks. Such a location will benefit the particular industry through the provision of suitable public utilities. It will also benefit the individual community by preventing the development of incompatible land uses. Low and medium density industrial plants will be encouraged, rather than so-called "heavy" industry. An attempt will be made to stimulate industrial growth within incorporated communities in order to broaden the economic base of the region and to prevent outmigration of population due to lack of job opportunity.

The uncertainty concerning the level of growth within small communities in a predominantly rural area precludes the adoption of definite policies concerning the timing of growth.

There are general conclusions which can be drawn from these plans and goals:

1. Agriculture-related activities will be heavily supported, particularly in the rural areas.

2. Commercial and residential development is to be low density to support this agricultural development.

3. Recreation and tourism development is to be low density in order to be region serving.

4. Residential growth will be encouraged in existing residential areas. Commercial and industrial growth will be encouraged in existing commercial areas and industrial parks.

According to the development plans and goals, growth will depend mainly on the development of the city proper. As agriculture-related activity is relatively low density development, it will have a far less impact
on the local store economy than, for example, acquisition of a large industry. Because DeSoto and Leslie are in the middle of a rather large rural area, proposed agricultural development around the towns will do little to boost activity for the store.
CONCLUSION

Some estimate regarding potential sales, profit and return on investment must be made to evaluate whether the store will be a viable, profitable business. This estimate will be a result of estimating the size of the potential trade area, the number of people who will trade at the store, and the amount of money they will spend. The data and comments provided in this report will assist in making these estimates.
## POPULATION TRENDS

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SOURCE: May 1975, Leslie Community Development Concept Plan and 1980 Census of Population & Housing.
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Source: 1980 Census of Population and Housing.
POPULATION ESTIMATES BY AGE, RACE AND SEX FOR LESLIE, GEORGIA

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<td>154</td>
<td>229</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Nonwhite Male</th>
<th>Nonwhite Female</th>
<th>White Male</th>
<th>White Female</th>
</tr>
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<tbody>
<tr>
<td>All</td>
<td>92</td>
<td>147</td>
<td>109</td>
<td>148</td>
</tr>
<tr>
<td>0-14</td>
<td>24</td>
<td>34</td>
<td>23</td>
<td>32</td>
</tr>
<tr>
<td>15-65+</td>
<td>68</td>
<td>113</td>
<td>86</td>
<td>116</td>
</tr>
</tbody>
</table>

Source: 1980 Census of Population and Housing.

TABLE 3
## MARITAL STATUS

### OF PERSONS 15 YEARS AND OVER

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>37</td>
<td>24</td>
</tr>
<tr>
<td>Married, Ex Separated</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Separated</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Widowed</td>
<td>4</td>
<td>38</td>
</tr>
<tr>
<td>Divorced</td>
<td>4</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>49</td>
<td>51</td>
</tr>
<tr>
<td>Married, Ex Separated</td>
<td>92</td>
<td>105</td>
</tr>
<tr>
<td>Separated</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Widowed</td>
<td>8</td>
<td>56</td>
</tr>
<tr>
<td>Divorced</td>
<td>0</td>
<td>6</td>
</tr>
</tbody>
</table>

**SOURCE:** 1980 Census of Population and Housing.

**TABLE 4**
**DESMOTO - Employed Persons 16 Years and Over by Occupation:**

Managerial and Professional Speciality:
- Executive, Administrative, Managerial: 3
- Professional Speciality: 0

Technical, Sales, Administrative Support:
- Technicians and Related Support: 3
- Sales: 3
- Administrative Support Including Clerical: 10

Service:
- Private Household: 2
- Protective Service: 0
- Service, Except Protective and Household: 12
- Farming, Forestry, and Fishing: 15
- Precision Production, Craft, and Repair: 13

Operators, Fabricators, and Laborers:
- Machine Operators, Assemblers, Inspectors: 20
- Transportation and Material Moving: 7
- Handlers, Equipment Cleaners, Helpers, Laborers: 15

---

**LESLE - Employed Persons 16 Years and Over by Occupation:**

Managerial and Professional Speciality:
- Executive, Administrative, Managerial: 20
- Professional Speciality: 20

Technical, Sales, Administrative Support:
- Technicians and Related Support: 4
- Sales: 8
- Administrative Support Including Clerical: 22

Service:
- Private Household: 14
- Protective Service: 0
- Service, Except Protective and Household: 29
- Farming, Forestry, and Fishing: 18
- Precision Production, Craft, and Repair: 18

Operators, Fabricators, and Laborers:
- Machine Operators, Assemblers, Inspectors: 27
- Transportation and Material Moving: 9
- Handlers, Equipment Cleaners, Helpers, Laborers: 22

**SOURCE:** 1980 Census of Population and Housing.
### LABOR FORCE STATUS
### OF PERSONS 16 & OVER

<table>
<thead>
<tr>
<th></th>
<th>DESOTO</th>
<th></th>
<th>LESTIE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Employed</td>
<td>59</td>
<td>44</td>
<td>Employed</td>
<td>98</td>
</tr>
<tr>
<td>Unemployed</td>
<td>5</td>
<td>3</td>
<td>Unemployed</td>
<td>8</td>
</tr>
<tr>
<td>Not in Labor Force</td>
<td>16</td>
<td>51</td>
<td>Not in Labor Force</td>
<td>44</td>
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</table>

**White:**

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed</td>
<td>16</td>
<td>12</td>
<td>Employed</td>
<td>53</td>
</tr>
<tr>
<td>Unemployed</td>
<td>0</td>
<td>1</td>
<td>Unemployed</td>
<td>3</td>
</tr>
<tr>
<td>Not in Labor Force</td>
<td>4</td>
<td>14</td>
<td>Not in Labor Force</td>
<td>28</td>
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</table>

**Black:**

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<th>Male</th>
<th>Female</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed</td>
<td>43</td>
<td>32</td>
<td>Employed</td>
<td>45</td>
</tr>
<tr>
<td>Unemployed</td>
<td>5</td>
<td>2</td>
<td>Unemployed</td>
<td>5</td>
</tr>
<tr>
<td>Not in Labor Force</td>
<td>12</td>
<td>37</td>
<td>Not in Labor Force</td>
<td>16</td>
</tr>
</tbody>
</table>

**SOURCE:** 1980 Census of Population and Housing.

**TABLE 6**
### INCOME ESTIMATES

<table>
<thead>
<tr>
<th></th>
<th>TOTAL ($000)</th>
<th>PER CAPITA</th>
<th>HOUSEHOLD MEDIAN</th>
<th>HOUSEHOLD AVERAGE</th>
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</thead>
<tbody>
<tr>
<td>DESOTO</td>
<td>$ 951,804</td>
<td>$4,175</td>
<td>$ 9,667</td>
<td>$11,331</td>
</tr>
<tr>
<td>LESLIE</td>
<td>2,441,425</td>
<td>4,922</td>
<td>10,437</td>
<td>13,951</td>
</tr>
<tr>
<td>SUMTER COUNTY</td>
<td>143,357,130</td>
<td>4,883</td>
<td>11,965</td>
<td>15,267</td>
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</table>

### NET CASH INCOME

<table>
<thead>
<tr>
<th></th>
<th>Under $5,000</th>
<th>$5-$7,499</th>
<th>$7,500-$9,999</th>
<th>$10-$14,499</th>
<th>$15-$19,999</th>
<th>$20-$22,499</th>
<th>$25,000 &amp; Over</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% Households</td>
<td>% Households</td>
<td>% Households</td>
<td>% Households</td>
<td>% Households</td>
<td>% Households</td>
<td>% Households</td>
</tr>
<tr>
<td>DESOTO</td>
<td>28.5</td>
<td>6</td>
<td>18</td>
<td>17.8</td>
<td>15.4</td>
<td>2.3</td>
<td>12</td>
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<tr>
<td>LESLIE</td>
<td>29.8</td>
<td>12</td>
<td>6.3</td>
<td>18.8</td>
<td>10.8</td>
<td>6.3</td>
<td>16</td>
</tr>
<tr>
<td>SUMTER COUNTY</td>
<td>21.8</td>
<td>9</td>
<td>10.6</td>
<td>18.4</td>
<td>14</td>
<td>9.2</td>
<td>17</td>
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</table>

SOURCE: 1980 Census of Population and Housing.

TABLE 7
### ESTIMATED RETAIL SALES

<table>
<thead>
<tr>
<th></th>
<th>1981 Retail Sales</th>
<th>Population</th>
<th>1981 Per Capita</th>
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</thead>
<tbody>
<tr>
<td>Grocery in Grocery Stores</td>
<td>$4,552,045,000</td>
<td>5,628,000</td>
<td>$808.82</td>
</tr>
<tr>
<td>SUMTER COUNTY</td>
<td>27,073,000</td>
<td>29,700</td>
<td>911.55</td>
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</table>

#### Sumter Co. Per Capita

<table>
<thead>
<tr>
<th></th>
<th>Population</th>
<th>Retail Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>LESLIE</td>
<td>496</td>
<td>$452,128.80/yr.</td>
</tr>
<tr>
<td>DESOTO</td>
<td>228</td>
<td>226,064.40/yr.</td>
</tr>
</tbody>
</table>

**TABLE 8**
FIGURE 7
OPERATION OF THE MINORITY BUSINESS DEVELOPMENT AGENCY RURAL ASSISTANCE PROGRAM

By
Frank B. Brown
Program Director

Arthur L. Brown
Project Manager

Under
Grant #04-10-82032-01

FEBRUARY 1984

GEORGIA INSTITUTE OF TECHNOLOGY
A Unit of the University System of Georgia
Engineering Experiment Station
Atlanta, Georgia 30332

1984
RURAL ASSISTANCE PROGRAM
QUARTERLY NARRATIVE

Submitted To

Minority Business Development Agency
Cooperative Agreement
#04-10-82032-01

This report was submitted under terms, conditions, and requirements of a cooperative agreement with the U.S. Department of Commerce, Minority Business Development Agency. Material included herein is the result of tax-supported assistance and is not protected by copyright laws.
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1. Exhibits 1 through 10
2. Project Highlight
This report describes activities and accomplishments of the Rural Assistance Program during the first quarter of the 1984 fiscal year. The report covers the period from October 1, 1983 to December 31, 1983, and is the fifth such report generated since the program's inception.

One of four such programs operated in the United States, the Georgia Institute of Technology's Rural Assistance Program provides management, technical, developmental, and brokering (financial and procurement) assistance to minority-owned businesses in the Southeastern states of Alabama, Georgia, Mississippi, North Carolina, and South Carolina. In servicing non-metropolitan areas not covered by a Minority Business Development Center, Georgia Tech has contracted with the U.S. Department of Commerce, Minority Business Development Agency to:

"aid in the creation, development, promotion, and stabilization of businesses that are owned, controlled, and operated by minority persons."

Because of the predominance of rural areas in MBDA's Atlanta Region, the geographical territory included in the scope of work and the limited budget, the Program Director has elected to develop a client priority ranking system to generate the best results possible. This policy is reflected in the types of firms currently being recruited and accepted for assistance. Simultaneously, the system has been developed such that other, less attractive, businesses are not excluded from receiving assistance. Consequently, this report reflects some of the steps taken to ensure delivery of a quality service and assistance to clients within MBDA's Atlanta Region.
PROGRAM ACTIVITIES

General

During the first quarter of 1984, the Rural Assistance Program (RAP) continued to strengthen its outreach efforts in order to highlight programs and activities of the Minority Business Development Agency. Activities focused on attracting clients and projects with greater success potential. The Program has implemented management control systems to ensure that high performance standards are maintained. The process requires that RAP:

- review, revise, and update internal systems for client selection, servicing, administrative tracking, reporting, and follow-up;
- complete task assignments generated during prior reporting periods;
- initiate actions on behalf of new entrants into the program; and
- extend its efforts in securing financial and/or procurement opportunities for client firms.

Program "definition" and "focus" became more substantive during the quarter as earlier outreach activities took effect. This fact was evidenced by:

- the attraction of better quality clients during the quarter, which resulted from the ability to be more selective in the acceptance of clients during the intake process;
- refinements in the client recruitment process and the intake system itself;
- the ability to target industries in which to recruit clients with higher success potential; and
- less "explorative" marketing and outreach efforts and more direct marketing to clients referred by other sources or whose awareness came through earlier outreach efforts.
First quarter activities were also oriented towards establishing the direction for subsequent quarters of this fiscal year. As a result, several high potential projects have been identified for continued assistance, tracking and development in the next operating quarter.

**Outreach Activities**

RAP developed and expanded its outreach efforts by participating in various activities, including the Minority Enterprise Development (MED) Week, October 2-8, sponsored by MBDA (see Exhibits 1, 2, and 3). RAP demonstrated its support by:

- Submitting Mr. Columbus Sanders, President of Consolidated Industries, Inc., as Minority Businessman of the Year in Manufacturing. Mr. Sanders was ultimately selected by MBDA as the Atlanta regional representative in this category.
- Sponsoring a workshop in conjunction with Georgia Tech's Advanced Technology Development Center (ATDC), an incubator facility created to aid in the spawning of new businesses involved in high technology industries. The workshop was designed to create dialogue with business development specialists, interested minority persons, and new start-up minority-owned businesses.
- Conducting a panel discussion on business and career opportunities for black engineers. The discussion was attended by almost 200 student members of the Georgia Tech Society of Black Engineers as part of the observance of MED Week. The panel participants included Frank Brown, RAP Director; Arthur Brown, RAP Project Manager; Edwin Bethea, Director of the Technology Utilization and Commercialization Center; Calvin Espy, an engineer/inventor with Hayes Micro Computer Products, Inc.; and Mr. Columbus Sanders, President of Consolidated Industries, Inc.
Co-sponsoring a seminar on marketing opportunities in conjunction with the National Association of Market Developers.

Interacting directly with other MBDA-funded organizations through participation in MBDA's National Conference (November) and follow-up contact with Atlanta Regional organizations. These contacts have resulted in greater interaction and more two-way referrals for the program.

In addition to these activities, RAP also increased its direct interaction with clients. The Program received more client requests for assistance as a result of referrals from other clients, businesses and local organizations who had knowledge of and direct contact with RAP and its personnel. So that potential clients are better informed about the Program, the RAP brochure and petition for information were revised (see Exhibit 4). In an effort to develop and expand the Program, RAP personnel met with agencies that work directly with minority-owned businesses, including the Small Business Administration, and the Tennessee Valley Authority. Included among those organizations contacted as part of RAP's outreach activities are:

- Burger King Corporation -- in an effort to interest this operation in establishing a franchise opportunity to be included in the Choctaw Indian shopping facility project;
- Tennessee Valley Authority -- potential procurement opportunities and greater interaction of TVA's minority assistance project with RAP;
- Small Business Administration's district offices in Atlanta, Charlotte, and Columbia;
- Lucky Food Stores -- a grocery chain contacted for potential location interest in the Choctaw project;
- TUCC Advisory Board Meeting -- participated on program to familiarize Board members with the RAP project, how it interfaces with the TUCC and how their corporate
participation can aid the development of rural-based businesses;

- Auburn University Small Business Development Center and School of Business Administration -- worked to secure assistance of this group in working with various minority-owned businesses located in the State of Alabama;
- Atlanta Regional Minority Purchasing Council -- attended trade fair to arrange contacts on behalf of various RAP clients with capability to aid corporate customers;
- Alabama Community Development Corporation, an SBA Certified Development Corporation to provide financing for Alabama-based firms; and
- Business development centers in Atlanta, Greenville-Spartanburg (S.C.), Jackson (MS), and Montgomery (AL).

Inquiries/Requests for Assistance

The Georgia Tech Rural Assistance Program received the following requests during the quarter (except where indicated, no direct actions were taken during the first quarter):

Margaret Black
MCB & Associates
Decatur, GA
Product: Distributorship

James C. Eddins
Perdido Vineyards, Inc.
Perdido, ALA
Product: Wine Farm & Winery

Carol Mathewson
Collected Guild
Wilmington, NC
Product: Art Distributorship

Warren McClendon
Dublin, GA
Product: not identified

William Parnell, Jr.
Goldust Communications, Inc.
Southfield, MI
Product: Broadcast Media

Bettye Randall
Georgia
Product: Night Club

Rev. Ray Ransom
Blakely, GA
Product: Grocery Store Outlet

Mr. Walthour
I.J.W. Manufacturing Company
Dublin, GA
Product: Garment Manufacturing

Peter Stanford
Waraw, NC
Product: Grocery Store
Inquiries/Requests Referred to Other Sources

The following inquiries/requests were referred to other sources of assistance for the reasons indicated:

Bruce A. Coleman
Seneca National Economic & Indian Development Agency
Erving, NY
Product: Economic Development Services
Action: Referred to New York MBDC due to geographic territory

Jeffrey A. Doose
Delta Enterprise/Electro National
Greenville, Mississippi
Product: Electronic Manufacturer
Action: Referred to Georgia Tech TUCC, request involves new technology product

Mitchell Nye
Nye's Gift Shop
Stockton, AL
Product: Boutique/Gift Shop
Action: Referred to Mobile MBDC due to geographic territory

Theodore Fowler
Tuscaloosa, AL
Product: New Invention
Action: Referred to Georgia Tech TUCC

Tom Parker
South Atlanta Transportation Service
Atlanta, GA
Product: Transportation, Passenger
Action: Referred to Atlanta MBDC
Virgil Walker  
Protective Officers' Training School  
Atlanta, GA  
Product: Security Services  
Action: Referred to Atlanta MBDC

Kenneth York  
Georgia Air  
Englewood, NJ  
Product: Airline (transportation)  
Action: Referred to New York-New Jersey MBDC because of changes in client's plans

The two referrals submitted to the Technology Utilization and Commercialization Center (TUCC) were originally taken on as RAP clients. However, subsequent review of the requests indicated that their interests could probably be better served by that program initially.

Electro National's Relay, Voltage Surge Protection Device represented a proposed application of a new technically-oriented product. Prior to undertaking efforts to research the market and developing a marketing strategy, RAP felt the need to document the product's claims, specifications, and technical applicability. The subsequent referral to TUCC, however, indicated technical problems that would make the device unacceptable to the design criteria established by the Federal Communications Commission. Market appeal also appeared limited and questionable. As a result of TUCC's recommendation, RAP's efforts were curtailed. Without this evaluation, valuable time and effort could have been expended working on a project with virtually no chance of success.

The second referral, Theodore Fowler, requested assistance in developing and marketing an idea for a new invention. The "Tube-Mate" was conceived by Mr. Fowler as an automatic toothpaste dispenser. Because the product was not in production at the time of the request
for assistance, RAP secured the assistance of TUCC in determining the "soundness" of the concept. However, the lack of drawings, specifications and/or a prototype or reasonable facsimile prevented an in-depth review of the product's commercial potential. Consequently, Mr. Fowler's material was released to him for further documentation and resubmission once a valid basis could be established for a technical review.

Program Administration

A prime objective for program management involves the improvement of RAP's client intake system, the client selection process, tracking, and monitoring of RAP projects, documentation of the administrative system, and delivery of service to clients. In an effort to improve these areas, RAP implemented procedures to reduce the response time between initial client inquiry and follow-on contact; provide better internal control; and prioritize each client's management and/or technical assistance needs (discovered when performing the Business Evaluation Summary). The new procedure will decrease the incidence of multi-task submissions (on the same request) and provide for task order assistance in a manner considered most critical to the business' success. This approach will also:

- allow more concentrated assistance in one area of need (as opposed to less intensive assistance in several areas);
- allow clients to implement and absorb recommended assistance and subsequently, request assistance in follow-on areas;
- prove more cost-effective while increasing the number of recipients; and
- reduce travel (and time) required to deliver BES by allowing telephone interviews and in-house elimination of inappropriate clients without having to make on-site visits.

RAP has also implemented a system which:

- improves coordination, control, and monitoring of work flow when field office and/or other Georgia Tech personnel are assigned to tasks;
provides standardized procedures for handling, administering, and reporting requirements of the Rural Assistance Program; and

creates a mechanism for training and familiarizing new personnel with the flow of the program.

In order to maintain high standards and to ensure the effectiveness of Program efforts, RAP performs the following tasks (see Exhibits 5-10):

- Sends Letter 1 (Exhibit 5) which acknowledges receipt of the prospective client's "petition for assistance." A checklist* enables RAP to:
  -- measure a client's interest (checklist is easy to answer and complete);
  -- determine the amount of information available for assessing the business' current and historical position;
  -- gain an initial impression of the business, its management, and potential to absorb any assistance provided; and
  -- make an unsubstantiated assessment of the level of effort necessary to result in a reasonably successful task order assignment.

- Calls the potential client, upon receipt of Letter 1, to secure information listed on the Initial Client Assessment Report (Exhibit 6). This information allows for further familiarization with the potential client and provides the basis for creating a file and data for the Business Development Report (BDR) required by MBDA. Further prioritizing of the request may occur at this stage also.

*NOTE: While the availability of checklist items does not guarantee a prospect's acceptance into the program, the prospect receives a higher priority if such items are available for review during a visit to the business' location.
Sends letter expressing regret that RAP cannot provide assistance (Exhibit 7). This letter is sent because the prospective client has a low ranking on the priority list. In alternate situations, a referral letter (Exhibit 8) may be sent to clients who rank low on priority, do not qualify because of geographical reasons, may be better assisted by other resource providers identified by RAP, or whose situation requires more immediacy than can be provided at that time.**

Sends letter 4 (Exhibit 9), accepting a client for task assistance (once appropriate approvals are gained from MBDA Regional). This letter indicates the assistance to be provided. It also specifies the conditions and requirements for continued participation in the program. Clients failing to comply with the terms of letter 4 will receive a letter requesting they contact RAP within 10 working days. Anytime thereafter, assistance may be automatically terminated.

Uses a Potential Client Log (Exhibit 10) to record all prospective client inquiries, whether by mail, telephone, or personal visit. Subsequent action on the request is also entered into the log.

Program Accomplishments

In compliance with the terms and requirements of the agreement between the Georgia Tech Engineering Experiment Station and the Minority Business Development Agency, management and technical assistance efforts were conducted throughout the five-state territory. RAP continued to focus on such distinct areas of concentration as:

- completion of and/or follow-up on task assignments undertaken during the last contract period;

**NOTE: Receipt of either letter DOES NOT disqualify or prejudice a prospect's ability to reapply for assistance in the future, if they meet MBDA guidelines.
• gathering and submission of PROFILE forms to enlist territorial firms in the MBDA system;
• addition of efforts to successfully broker contract opportunities for minority-owned firms;
• continued to search for and cultivate viable financing mechanisms for client firms; and
• task order assistance to aid in meeting management, technical assistance and other developmental needs of new recipient firms.

The status of task orders and other assistance rendered to clients during the quarter are listed below:

<table>
<thead>
<tr>
<th>Business Name</th>
<th>State</th>
<th>Type Assistance</th>
<th>TOP Issued</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A&amp;B Consulting &amp; Contracting Company</td>
<td>NC</td>
<td>Management System</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>A-1 Construction Company</td>
<td>GA</td>
<td>Management System</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Allen Welding</td>
<td>AL</td>
<td>Follow-up Work</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Alvie Coes Funeral Home</td>
<td>GA</td>
<td>Financial</td>
<td>No</td>
<td>WIP</td>
</tr>
<tr>
<td>B.B. Hardy</td>
<td>AL</td>
<td>Feasibility</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Bob's Service Center</td>
<td>AL</td>
<td>Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Chavis Tool &amp; Mfging.</td>
<td>NC</td>
<td>Procurement/follow-up</td>
<td>No new TOP issued</td>
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<tr>
<td>Choctaw Meat Processing Plant</td>
<td>MS</td>
<td>Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Culpepper's Supermarket</td>
<td>GA</td>
<td>Follow-up Assistance</td>
<td>Implementation of completed TOP</td>
<td></td>
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<tr>
<td>D&amp;D Specialty</td>
<td>NC</td>
<td>Procurement/Follow-up</td>
<td>No new TOP issued</td>
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</tr>
<tr>
<td>E's Fabric &amp; Novelty</td>
<td>SC</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
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<tr>
<td>E&amp;R Associates</td>
<td>GA</td>
<td>Marketing</td>
<td>Yes</td>
<td>Open</td>
</tr>
<tr>
<td>Edwards &amp; Associates</td>
<td>NC</td>
<td>Financial</td>
<td>Based on previous TOP</td>
<td></td>
</tr>
<tr>
<td>Electro National</td>
<td>MS</td>
<td>Marketing</td>
<td>Yes</td>
<td>Completed</td>
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<td>Business Name</td>
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<td>Assistance</td>
<td>Issued</td>
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<td>-------</td>
<td>-----------------------------</td>
<td>---------------------------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>Emerson &amp; Sons Electric</td>
<td>GA</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Fine Vines, Inc.</td>
<td>MS</td>
<td>Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Ted Fowler</td>
<td>AL</td>
<td>Marketing</td>
<td>No</td>
<td>Completed</td>
</tr>
<tr>
<td>Frogmore Village</td>
<td>SC</td>
<td>Business Plan/Marketing</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Georgia Air</td>
<td>GA</td>
<td>Business Plan</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Hilton Head Fishing Co-op</td>
<td>SC</td>
<td>Business Plan/Finance</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Jackson Metals Company</td>
<td>GA</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Le-Flore Bolivar Catfish Processing Plant, Inc.</td>
<td>MS</td>
<td>Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>MCAC</td>
<td>AL</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Metcalfe Enterprises</td>
<td>AL</td>
<td>Management Consultation</td>
<td>No</td>
<td>Closed</td>
</tr>
<tr>
<td>MOP, Inc.</td>
<td>GA</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Nosebor Packing</td>
<td>NC</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>O.V. Campbell</td>
<td>GA</td>
<td>Procurement/Marketing</td>
<td>Yes</td>
<td>Open</td>
</tr>
<tr>
<td>Omni Quip</td>
<td>GA</td>
<td>8(a) Business Plan</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Richardson Grading</td>
<td>GA</td>
<td>Marketing</td>
<td>Yes</td>
<td>Open</td>
</tr>
<tr>
<td>Rivers Carpet Mills, Inc.</td>
<td>GA</td>
<td>8(a) Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Ruth Wardrobe II</td>
<td>SC</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Smith &amp; Smith Carpets</td>
<td>GA</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Stover Industrial Supply</td>
<td>GA</td>
<td>Procurement</td>
<td>No</td>
<td>Open</td>
</tr>
<tr>
<td>Trianna Industries</td>
<td>AL</td>
<td>Referral</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Triple D Agribusiness Center</td>
<td>AL</td>
<td>Feasibility/Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Troy Young Realty</td>
<td>GA</td>
<td>Management System</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Universal Enterprises</td>
<td>GA</td>
<td>Procurement</td>
<td>No</td>
<td>Open</td>
</tr>
<tr>
<td>Workers Owned Sewing Co.</td>
<td>NC</td>
<td>8(a) Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Zimmerman</td>
<td>SC</td>
<td>Marketing Study</td>
<td>Yes</td>
<td>Completed</td>
</tr>
</tbody>
</table>

NOTE: TOP = Task Order Proposal
WIP = Work In Process
### Program Statistics

<table>
<thead>
<tr>
<th>Category</th>
<th>Projected</th>
<th>Actual</th>
<th>% Goal</th>
<th>% Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. TOPs submitted during Qtr.</td>
<td>-</td>
<td>11</td>
<td>-</td>
<td>26</td>
</tr>
<tr>
<td>2. Assignments with BDRs but no TOPs</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3. Assignments completed during Quarter*</td>
<td>-</td>
<td>10</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>4. Number WIP Cases</td>
<td>-</td>
<td>12</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>5. Number Business Expansions</td>
<td>4</td>
<td>7</td>
<td>175</td>
<td>39</td>
</tr>
<tr>
<td>6. Number Business Saves</td>
<td>4</td>
<td>2</td>
<td>50</td>
<td>11</td>
</tr>
<tr>
<td>7. Number New Business Starts</td>
<td>4</td>
<td>4</td>
<td>100</td>
<td>22</td>
</tr>
<tr>
<td>8. Number Profiles Submitted</td>
<td>-</td>
<td>11</td>
<td>-</td>
<td>55</td>
</tr>
<tr>
<td>9. Number Financial Packages Approved</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10. Dollars in Approved Packages</td>
<td>$ 446,250</td>
<td>$ 150,000</td>
<td>34</td>
<td>8</td>
</tr>
<tr>
<td>11. Number Approved Procurements</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>12. Dollars in Approved Contracts</td>
<td>$1,338,750</td>
<td>$ 10,000</td>
<td>1</td>
<td>0.2</td>
</tr>
<tr>
<td>13. Number Direct Hours MSTA</td>
<td>-</td>
<td>529</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>14. Gross Sales of Firms in Categories 1 and 2</td>
<td>-</td>
<td>$6,004,079</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>15. No. Paid Employees of Firms in 1 and 2</td>
<td>-</td>
<td>236</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*NOTE: Assignments completed refers to all tasks where a finite conclusion was reached. These tasks may or may not be included in TOPs submitted during the present quarter.*
Task Order Submissions

Program efforts during the quarter included follow-up assistance to 13 clients whose task order assistance expired during the previous quarter. This assistance included attempts to secure procurement opportunities, provide additional help in implementing earlier recommendations and referrals for assistance from other providers.

Eleven new task order proposals were submitted, approved, and assigned for consultant assistance. Three clients, Alvie Coes Funeral Home, Ted Fowler, and Universal Enterprises, were provided assistance without the benefit of a task order proposal. Of the three, Alvie Coes appears most likely to result in a TOP submission. Assistance to Universal Enterprises in the area of procurement continues. New clients provided service were:

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Type Business</th>
<th>Gross Sales</th>
<th>No. Paid Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Triple D AgriBusiness</td>
<td>Farm Co-op</td>
<td>New Start</td>
<td>0</td>
</tr>
<tr>
<td>Universal Enterprises</td>
<td>Painting</td>
<td>$ 53,000</td>
<td>3</td>
</tr>
<tr>
<td>LeFlore-Bolivar</td>
<td>Catfish Farming</td>
<td>New Start</td>
<td>27</td>
</tr>
<tr>
<td>Choctaw Meats</td>
<td>Meat Processing</td>
<td>New Start</td>
<td>4</td>
</tr>
<tr>
<td>Rivers Carpet Mill</td>
<td>Carpet Manufacturing</td>
<td>12,000</td>
<td>12</td>
</tr>
<tr>
<td>Fine Vines</td>
<td>Garment Manufacturing</td>
<td>3,248,278</td>
<td>123</td>
</tr>
<tr>
<td>Troy Young Realty</td>
<td>Real Estate</td>
<td>2,000,000</td>
<td>10</td>
</tr>
<tr>
<td>A&amp;B Contracting</td>
<td>Construction</td>
<td>100,000</td>
<td>9</td>
</tr>
<tr>
<td>A-1 Construction</td>
<td>Construction</td>
<td>220,629</td>
<td>6</td>
</tr>
<tr>
<td>Bob's Service Center</td>
<td>Auto Repair</td>
<td>52,114</td>
<td>4</td>
</tr>
<tr>
<td>Dr. B.B. Hardy</td>
<td>Property Development</td>
<td>N/A</td>
<td>0</td>
</tr>
<tr>
<td>Workers' Owned</td>
<td>Garment Manufacturing</td>
<td>318,058</td>
<td>35</td>
</tr>
<tr>
<td>Ted Fowler</td>
<td>Inventor</td>
<td>N/A</td>
<td>0</td>
</tr>
<tr>
<td>Alvie Coes</td>
<td>Mortuary</td>
<td>New Start</td>
<td>3</td>
</tr>
</tbody>
</table>

Business Starts

Triple D Agribusiness Center became a RAP client in late December. Mr. Reginald Dozier, the main force behind this effort to develop a cooperative marketing and distribution vehicle for Alabama
vegetable growers, is seeking assistance in determining the feasibility of this venture.

LeFlore-Bolivar Catfish Farm was started in early 1983 by Mr. Ed Scott who has requested assistance in locating and securing financing and contract support in various private and public markets.

Choctaw Meat Processing Plant was started in mid-1983 by REACH, Inc. This self-help group, led by Bishop Luke Edwards, also raises some of its own animals to supply the processing plant.

Alvie Coes opened his funeral home in early 1983. Since that time, he has struggled to secure financing and to keep the operation alive. (This business was submitted as a save.)

Also, Edwards & Associates, an established business, was able to secure financing (as a result of work done by RAP) for a new shopping center in Garysburg, North Carolina. While the groundbreaking has only recently occurred, this operation is being submitted as a new start also.

Business Expansions

A total of seven expansions were included in program efforts during the quarter. Task order and/or other assistance was provided to aid the efforts of:

- Universal Enterprises
- Bob's Service Center
- Rivers Carpet Mill
- Workers' Owned Sewing Company
- Fine Vines
- A&B Construction
- A-1 Construction

Profile Submissions

Although this category is not included as a Time Phase objective, the Rural Assistance Program submitted a total of 11 new PROFILEs into the system during the quarter. Those submitted were:

- Allen Welding Company
- A&B Consulting and Contracting Company
- Burcham & Sons Electrical Contractors, Inc.
Approved Financings

One loan was approved for $150,000 to Edwards & Associates, a North Carolina contractor who requested RAP assistance in determining the overall market potential for a shopping plaza in Garysburg, North Carolina.

Edwards & Associates is involved primarily in residential construction and earth moving. Started approximately 25 years ago, the firm is also involved in real estate development. The company's business plan currently centers around an option to develop land located in Garysburg.

The market assessment prepared by RAP was used as part of the financing package approved by People's Bank of North Carolina. The loan was approved on December 13, 1983. Additional follow-up will be maintained with this client to assist in final development of the project.

Procurement Actions

Efforts were expended to secure procurement/contract opportunities for the following client operations:

- Leon Blackstone, Universal Enterprises
- Charles Smith, Smith & Smith Carpeting
- Owen V. Campbell, O.V. Campbell & Sons
- Jacob Richardson, Richardson Grading
- Willie Emerson, Emerson & Sons Electric
- Ennis Murray, E&R Associates
Of the above, RAP secured one contract by Universal Enterprises for $10,000, as a result of a contact through the Dodge Report system. RAP's "Procurement Brokering System" utilizes the Dodge Scan equipment provided by McGraw Hill under contract to the Minority Business Development Agency.

Under the Procurement Brokering System, RAP works with clients whose primary need is for assistance in locating contract opportunities. Since this effort is a continuous one, task order proposals are not required. A limited number of new clients (plus others that received task order assistance at an earlier date) are listed as Phase I clients. Unlike Phase II clients, task orders are not normally generated. Search is restricted to contract opportunities that are of specific interest to these client areas.

Client Terminations

Assistance was terminated to the following clients because they did not respond to requests for information:

Warren Minniefield  
Omni Quip  
134 Commerce Avenue  
LaGrange, GA 30240

Walter Mungin  
Frogmore Village Center Grocery  
Highway 21  
St. Helena Island, SC 29920

As a follow-up to repeated requests for information, clients were notified, in writing, that they needed to respond within 10 working days. In both cases, clients refused to answer both telephone and written requests.

Other Statistics

Overall, a total of 529 man-hours of management services and/or
technical assistance were provided to minority-owned firms within the 5-state territory. The geographic distribution of clients showed:

<table>
<thead>
<tr>
<th></th>
<th>AL</th>
<th>GA</th>
<th>MS</th>
<th>NC</th>
<th>SC</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Task Orders</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>All Clients Assisted</td>
<td>8</td>
<td>16</td>
<td>4</td>
<td>6</td>
<td>5</td>
</tr>
</tbody>
</table>

In order to effectively service the entire geographic territory, outreach efforts will focus on North Carolina and South Carolina during the next quarter.

The 14 new clients provided a collective total of $6,004,079 in gross revenue and 236 employment opportunities. Excluding the two individual clients who were seeking to establish businesses, average sales totaled $500,340 and average employment was 20 persons. To the extent that the averages included four new starts, the types of businesses being assisted represent quality operations with good employment potential.

Efforts to aid in the development of viable new businesses with good economic potential will continue during the next quarter.
PROJECT HIGHLIGHTS

Client Successes

RAP completed a feasibility study (see Appendix 2) for Mr. Grover Edwards of Edwards and Associates. The feasibility study addressed the potential success of a shopping center to be located in Garysburg, N.C. The site consists of 5.4 acres and is located at the junctions of U.S. Highway 301 and N.C. Highway #46.

The feasibility study showed that a shopping center located at this site would have a high probability of success. This information was utilized in a loan package proposal by Mr. Edwards, who subsequently secured a $150,000 loan and has already initiated the project by clearing the site for construction.

RAP is proposing to continue assisting Mr. Edwards. It is our opinion that an anchor tenant and additional financing need to be identified to finalize project development. We are in the process of identifying a potential anchor tenant for the proposed shopping center. Mr. Edwards has been in contact with the local HUD area representative to determine the possibilities of an Urban Development Action Grant (UDAG). Private sector support for the shopping center will strengthen the application process.

Director's Comments/Recommendations

The assistance provided to rural-based businesses through the Rural Assistance Program offers a tremendous potential for developing more nontraditional businesses owned by minority persons.

In December 1982, President Reagan called for a concerted effort to develop 60,000 new minority-owned businesses over a period of years. While the Rural Assistance Program has operated for less than two years, it offers one of the greatest potentials for generating new business opportunities in the Southeastern United States. More than
any other region, MBDA's Atlanta Region is best suited for a specific program of rural assistance. This is due to:

- the predominance of rural areas in the region;
- the long-standing concern over the loss of land among minority land-owners;
- the existence of a larger population of rural residents; and
- the lack of sufficient job opportunities and the subsequent migration to larger urbanized areas.

Rural areas also offer other positive potentials for generating additional business opportunities. For example, the development of food processing plants (meat, vegetable, poultry, fish, etc.) may encourage the following:

- Warehousing, storage, and refrigeration businesses to collect, store, and distribute products produced by farm and production-oriented operations. Less expensive land, available in larger quantities, gives the advantage to rural areas over urban areas.
- Opportunities for minority-owned trucking companies because urban areas utilize the greater portion of rural production, and the need for transportation cannot be overlooked.
- Businesses using waste by-products of production, such as hides and waste material from livestock.
- Seed and feed production operations which create alternative markets for farmers with excess production.

Alternatively, increased competition for traditional suppliers of community stores may result in lower prices and greater profits for urban businesses. Conceivably, more such retail operations may be required to meet the increased demand that often accompanies lower prices.

For these reasons, we recognize the need to:

- Explore more deeply the business development potentials of an interactive strategy utilizing the advantages of both rural and urban environments. This strategy would use:
the "feeder" potential of rural-based minority-owned businesses to supply, market demands of urban markets, and export-oriented companies (generally located in urban communication centers).

Expand the existing Rural Assistance Program to improve and increase the delivery of service to these clients. The present funding level does not allow adequate penetration of the five-state geographic area. As a region-wide program, the Rural Assistance Program is one of the few existing programs that:
-- concentrates its efforts on a rural solution to problems that ultimately have an urban impact, and
-- promotes interaction among rural and urban businesses. This interaction presently occurs through the network activities of RAP and the urban-based MBDA-funded business development centers.

Identify the established industries within each state serviced by RAP and assist minority-owned firms in complementing these businesses. For example, significant procurement opportunities may exist within North Carolina's furniture manufacturing or South Carolina's chemical processing industries.

Extend RAP funding to allow continued development of Program activities. Additional support from MBDA will ensure the inclusion of larger, more viable minority-owned firms operating in traditional and nontraditional businesses in the Atlanta Region.

Once these goals are achieved, RAP can provide better service, increase existing benefits, develop more business opportunities, and expand employment potentials, to name only a few. Also, with the resources available at the Georgia Institute of Technology, RAP can continue delivering quality service and direction to those clients seeking assistance in such areas as productivity, production, technological innovations, and engineering.
APPENDIX I

Exhibits
EXHIBIT 1

Minority Enterprise Development (MED) Week Activities
EES helped Atlanta observe national Minority Enterprise Development Week in October. Among several activities at Georgia Tech was this panel discussion conducted for the student chapter of the Society of Black Engineers. Participants (L-R) were Ed Bethea, director of EDL's Technology Utilization and Commercialization Center (TUCC); Frank Brown, director of EDL's Rural Assistance Program (RAP); Calvin Espy, a Tech graduate and president of an Atlanta company that manufactures a plant-care product which he invented; and Columbus Sanders, president of a small engineering design and electronics manufacturing firm in Huntsville, Alabama. The U.S. Minority Business Development Agency has named Mr. Sanders the Minority Businessman of the Year for Manufacturing in the Southeast. Both men are clients of TUCC and RAP.

Strictly Personal

ECONOMIC DEVELOPMENT LAB
John Warden joined the Business Development Division in October as a senior research associate to work in the Trade Adjustment Assistance Program.

ELECTROMAGNETICS LAB
Huntsville Operations: Tom McFadden, research engineer II, has a new daughter, Courtney, born October 18.

SUSAN ELM and Keith Blanton are new research scientists I in the Electro-Optics Division.

OFFICE OF THE DIRECTOR
Fred Dyer has been assigned to OOD as a senior staff member, although he will maintain his office in the Electronics Research Building.

RADAR & INSTRUMENTATION LAB
RAIL held its annual "Pig Out" by the lake at the Cobb County Research Facility in October. Sam Thomas camped out overnight to roast a pig for the get-together the following day by RAIL employees and their families. Special thanks also are due Bob Trebits and Joe Lindsey for their contributions to a successful event.

Melanie Luke is the new word processor operator in the Analysis Division, replacing Sandra Saxon, who was promoted to administrative secretary.

New employees in the Instrumentation & Measurements Division are Donna Puckett, word processor operator, and Scott Wearn, research engineer I.

The Development Division has gained James Sanders, research engineer II, and Lamar Gostin, research technologist I.

Joining the Modeling & Simulation Division were Bruce Brownlee and Allen Cochran, senior research engineers; Roland Stubbins, research engineer II; and Pamela Blalock and Julie Hultt, research scientists I.

Elaine Martin, Jim Ussalis, and Eric Sjoberg have resigned.

Other promotions include Bruce Lavers, electronics technician III; Beverly Hutchinson, research associate I; and Mike Baden, research engineer I.

SYSTEMS & TECHNIQUES LAB
Four employees received promotions in October: Kevin Thomas, electronic technician; Frank Lee, mechanical designer; Tana Gurley, administrative secretary; and Teresa Brown, word processor operator.

Consuela and Alex Morrison have a new son, David Michael, born October 20, and Annette and Rickey Cotton have a new daughter, Jenny Elizabeth, born October 15.

S&TL said good-bye to Gary Simpion, Robin Parks, and Lawrence Call.

Lee Edwards has been appointed head of the Advanced Programs Office and Tom Miller has been named chief engineer for SEL.

Welcome to Patricia Page, senior secretary, and Mark Linebarger, programmer II. Gary Sanders has resigned.

Fred Cox is the proud father of a new baby girl—Emily.
EXHIBIT 2

MED Week Activities
October 14, 1983

Mr. Calvin Espy  
Hayes Micro Computer Products, Inc.  
5923 Peachtree Industrial Boulevard  
Norcross, Georgia 30092

Dear Mr. Espy:

Frank Brown and I wish to thank you very much for taking the time to come to the campus to participate in the Minority Business Enterprise Development Week. From all indications, the students enjoyed the exchange of ideas, and we hope it began a thinking process about alternatives for employment.

Again thank you very much.

Sincerely,

Edwin A. Bethea  
Senior Research Associate & TUCC Director

Frank B. Brown  
Research Associate & RAP Director

EXHIBIT 2(a)
October 14, 1983

Mr. Columbus Sanders
Consolidated Industries, Inc.
4410-C Evangel Circle
Huntsville, Alabama 35805

Dear Mr. Sanders:

Frank Brown and I wish to thank you very much for taking the time to come to the campus to participate in the Minority Business Enterprise Development Week. From all indications, the students enjoyed the exchange of ideas, and we hope it began a thinking process about alternatives for employment.

Again thank you very much.

Sincerely,

Edwin A. Bethea
Senior Research Associate &
TUCC Director

Frank B. Brown
Research Associate &
RAP Director

EXHIBIT 2(b)
October 14, 1983

Miss Sherry Johnson, President
Georgia Tech Society of Black Engineers
Georgia Institute of Technology
P.O. Box 30435
Atlanta, Georgia 30332

Dear Miss Johnson:

The Technology Utilization and Commercialization Center and the Rural Assistance Program Directors thank you very much for your Society's efforts and involvement in making the Minority Enterprise Development Week activities a success. We deeply appreciate the interest shown by your members in attendance. Their actions made our guest speakers feel very welcome.

Should you feel that our programs can be of service, please do not hesitate to contact either of us at extension 3833.

Sincerely,

Edwin A. Bethea
Senior Research Associate & TUCC Director

Frank B. Brown
Research Associate & RAP Director
October 14, 1983

Dr. William J. Gamble, Jr.
Director
Office of Minority Education Development
Georgia Institute of Technology
Atlanta, Georgia 30332

Dear Bill:

Thank you very much for your assistance with helping the Technology Utilization and Commercialization Center and the Rural Assistance Program achieve its objectives during the National Minority Enterprise Development Week.

Should you need the assistance of either of our programs, please feel free to contact us. Both Directors can be reached at extension 3833.

Sincerely,

Edwin A. Bethea
Senior Research Associate &
TUCC Director

Frank B. Brown
Research Associate &
RAP Director

EXHIBIT 2(d)
EXHIBIT 3

MED Week Activities
AGENDA:
MINORITY ENTERPRISE DEVELOPMENT WEEK
ADVANCED TECHNOLOGY DEVELOPMENT CENTER

THURSDAY, OCTOBER 6, 1983
3 P.M., ROOM 040 O'KEEFE BUILDING
GEORGIA INSTITUTE OF TECHNOLOGY

3:00 p.m. Welcome and Overview of ATDC
Jerry L. Birchfield, Director

Jerry L. Birchfield has served as director of the ATDC since July of 1982. An electrical engineer by education, he has served the Georgia Institute of Technology since 1967. Prior to joining ATDC, he directed Tech's Technology Applications Lab.

3:15 p.m. Technology-Based Business Development
Ken Perry, Research Engineer, Georgia Institute of Technology

Ken Perry is a research engineer and president of Microtech Industries, Ltd. He holds masters and doctorate degrees from Stanford University in electrical engineering. His area of specific interest is medical electronics.

3:30 p.m. Funding Sources for Small Businesses
Ronald W. White, consultant to ATDC and president, Ronald W. White, Incorporated/Investors Equity, Inc.

Ronald W. White has extensive experience with venture capital in the technology area, including monitoring of several companies as manager of a venture capital SBIC. An electrical engineer with an MBA from Harvard, he has experience with founding and managing small businesses.
AGENDA, Continued

3:45 p.m. One Company's Experience with ATDC
Juan Silva, Farescan, Inc.

Juan Silva is co-owner of Farescan, Inc., an ATDC member company that has developed an automatic electronic system designed to aid corporate travel departments by giving them access to unbiased, published and unpublished airline fare information.

4:00 p.m. Questions and Follow-Up

THE ADVANCED TECHNOLOGY DEVELOPMENT CENTER

The Advanced Technology Development Center (ATDC) was formed in 1980 to serve as a catalyst for high technology growth in Georgia. The Center attempts to bridge the gap between high technology industries and Georgia's resources, offering information about available state resources, access to University System engineers, scientists and research facilities, and office space on the Georgia Tech campus. This "incubator" space is available to start-up companies as well as to research and development or new product development groups of established high technology companies.
EXHIBIT 4

Revised Rural Assistance Brochure
The Georgia Institute of Technology provides management and technical assistance and brokering services to minority-owned businesses and entrepreneurs in the rural areas of Alabama, Georgia, Mississippi, North Carolina and South Carolina. These services are available through the Rural Assistance Program (RAP) sponsored by the Minority Business Development Agency (MBDA).

MANAGEMENT AND TECHNICAL ASSISTANCE

Our staff of full-time management consultants can provide expert assistance in any of the following areas, among others:

- Loan Packaging
- Accounting System Development
- Marketing Strategy
- Market Penetration Strategy
- Business Planning
- Financial Forecasting
- Bid Preparation Aid
- Organizational Structure
- Personnel System Audit/Analysis
- Franchise Purchase and Development
- Business Computer Selection

BROKERING SERVICES

RAP also provides brokering services, with the objective of becoming a key element in clients' efforts to identify market, capital and new business opportunities.

ASSISTANCE AVAILABLE AT NO COST

All program services are fully funded by MBDA at no cost to the client. Brokering services are also provided at no charge.

RAP is flexible; assistance is carefully tailored to each client's needs.

BECOMING A CLIENT

RAP services are available to businesses in many trade areas, including retail, wholesale, manufacturing and services. We especially encourage minority-owned businesses participating in growth sectors of the economy to take advantage of this MBDA program.

Qualification for service is limited to rural businesses owned and operated by minorities or individuals who are socially and economically disadvantaged.

Applications and Inquiries should be addressed to:

Frank B. Brown, Director
Rural Assistance Program
Georgia Institute of Technology
Hinman Building, Room 325
Atlanta, Georgia 30332
(404) 894-3843
EXHIBIT 5

Receipt of Petition for Assistance
Dear [Name],

We are in receipt of your request for consultative aid from the Rural Assistance Program (RAP). In order to better service your request, we will need to secure and establish an accurate understanding of your business:

a) background and/or history;
b) resources, capabilities and competitive strengths;
c) major problems, needs and shortcomings; and
d) priority needs.

The RAP has a 5-state area of responsibility that includes all cities and towns not currently serviced by a Minority Business Development Center. Eligible clients are located in the Southeastern States of Alabama, Georgia, Mississippi, North Carolina, and South Carolina.

Thus, the wide area of responsibility and the demand for assistance requires an active client involvement to allow the maximum benefit from program services. As such, your cooperation is extremely necessary to make this program work for you and your business.

Before we can properly process your request, your immediate response to the attached checklist is required. Upon receipt of this information, we will immediately begin to process your request. Your early response is necessary insofar as all applications are processed on a first-come first-served basis.

Sincerely,

Program Management
Rural Assistance Program

Enclosure
EXHIBIT #5 (Cont.)

PLEASE COMPLETE BY INSERTING (✓) BESIDE PERTINENT RESPONSES. INFORMATION WILL BE HELPFUL IN DEVELOPING THE MOST EFFECTIVE PLAN OF ASSISTANCE FOR YOUR BUSINESS.

1. Information concerning historical background on the business will be available to personnel of the Rural Assistance Program: □ yes □ no

2. Subject business is legally established as a:
   □ sole proprietorship
   □ partnership
   □ corporation
   □ undecided

3. Assistance is requested for a business broadly classified as:
   □ agriculture
   □ business services
   □ construction
   □ communications/utilities
   □ fishery/forestry
   □ wholesale distribution
   □ manufacturing
   □ personal services
   □ research/development
   □ retail trade
   □ transportation
   □ finance/insurance/real estate

4a. Financial operating statements are available for the business (check all that apply):
   □ current period (90 days or less)
   □ 1983 fiscal year
   □ 1982 fiscal year
   □ earlier periods

b. No statements available because business is:
   □ less than 6 months old
   □ a buy-out, none are transferrable
   □ not able to afford bookkeeping aid
   □ other reasons

5. The following elements of a business plan are available:
   □ financial plan
   □ marketing plan
   □ technical/operating plan
   □ promotional brochure/advertising
   □ material

6. Professional assistance is rendered to the business by:
   □ legal counsel
   □ bookkeeper/accountant
   □ management consultant
   □ marketing consultant
   □ technical advisors
   □ other outside consultant

7. Does the business have paid employees other than the principal owners?
   □ yes □ no

8. Are earnings projections available for the business?
   □ yes □ no
EXHIBIT 6

Initial Client Assessment Report
INITIAL CLIENT ASSESSMENT REPORT

Business Name ____________________________
Address ______________________________________
Contact Date __________________________

Contact/Title _______________________________
Telephone ______________________________
Client ID # ______________________________
Fed. Tax ID # ____________________________

CLIENT REQUEST IS FOR:
___ Information
___ Potential New Business
___ New Business (1 yr. or less)
___ Established Business (Beyond 1 year)

LEGAL STATUSES:
___ Undecided
___ Sole Proprietorship
___ Partnership
___ Corporation

DATE BUSINESS ESTABLISHED _____________

GROSS RECEIPTS LAST FISCAL YEAR:
___ Under $25,000  100,000-500,000
___ 25,000-50,000  500,000-1,000,000
___ 50,000-100,000  Above 1,000,000

NO. OF PRINCIPALS ________________

BUSINESS IS:
___ Minority-owned
___ Woman-owned
___ Non-Minority Disadvantaged

BUSINESS ACQUISITION:
___ New Start
___ Buyout/Acquisition
___ Merger/Combination

# OF EMPLOYEES (EXCLUDING OWNERS)
___ Joint Venture  1-5  26 to 50
___ Spinoff  6-10  51 to 100
___ Other  11-25  Above 100

BROAD INDUSTRY CLASSIFICATION:
___ Retail Trade
___ Wholesale Distribution
___ Services, Personal
___ Business Services
___ Agriculture
___ Communications/Utilities

Construction
Finance, Insurance and Real Estate
Forestry/Fishery
Manufacturing
Research/Development
Transportation

LISTED IN PROFILE:
___ YES ___ NO

DO YOU HAVE A BUSINESS PLAN ___ Yes ___ No

8 (a) certified? Yes ___ No ______

BUSINESS TYPE ____________________________
___ Independent
___ Franchise
___ Dealership
___ Distributorship
___ Licensee

Action Taken:
___ Brochure Sent
___ Application Sent
___ Referred to (See Below)
___ Need Additional Information
___ Accept As Client
___ Recommend Field Visit

Referral Information

Client Referred to RAP by ____________________________

RAP Recommended Client to ____________________________
EXHIBIT 7

Denial Letter
Date

Dear: ____________________

Thank you for your interest in and recent application to the Rural Assistance Program (RAP).

As you may know, the RAP provides business development services to rural-based minority-owned firms and individuals located in Alabama, Georgia, North Carolina, Mississippi, and South Carolina. Unfortunately, the large number of program applicants and the rather limited number of staff requires a ranking and prioritizing of requests as they are received. As such, we are unable to accept your request for assistance at this time.

Please feel free to contact us at any time in the future if we can be of help. Best wishes and good luck in your endeavors.

Sincerely,

Rural Assistance Program
EXHIBIT 8

Referral Letter
Date

Dear ____________________:

We are in receipt of your request for consultative aid through the Rural Assistance Program (RAP). After a careful review of the assistance requested, a brief analysis of your business' current position, consideration of the various types of resources and other considerations, we are referring your request to the following:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

We are most appreciative of the opportunity to be of service in promoting the continued development of your business. This referral is intended to support any other assistance for which your business may qualify. Wherever possible, we will continue to make referrals and/or provide assistance to help achieve your ultimate objective - a strong, viable, prospering business operation.

Sincerely,

Program Management
Rural Assistance Program
EXHIBIT 9

Client Acceptance Letter
December 21, 1983

Dear ____________:

Your petition for assistance through the Rural Assistance Program has been reviewed and accepted. Assistance will be provided in the following area(s):

____________________________________________________________________________________

____________________________________________________________________________________

____________________________________________________________________________________

____________________________________________________________________________________

Please sign and return one copy of this letter indicating your acceptance of the following terms, conditions and requirements for continued participation in the program:

1) recipient business is a small business concern at least 51% owned, operated and controlled by a minority person(s);

2) owners agree to provide full cooperation, support, disclosure and documentation of information (i.e. current financial statements/records, contract information, etc.) necessary to complete the assigned work. Only information pertinent to the work at hand shall be requested. All such information will be considered proprietary and confidential;

3) the company's management commits to participate in the compilation of data, follow-up business referrals/contacts provided by RAP personnel, complete all assigned tasks and other reasonable requests for the company's participation;

4) management will keep RAP informed, on a timely basis, of any changes or factors that may have a direct effect - either positive or negative - on the final outcome of the assistance provided. These factors will be used to determine whether or not the proper course of action is being pursued or if changes in strategies/priorities are necessary.
All services provided under the conditions listed herein are provided at no cost to the recipient. The recipient, therefore, recognizes the need for prudent use of program time, funds and other resource allocations.

In recognition of these conditions, the affixed signatures do agree that non-compliance shall be considered ample cause for termination from the program.

Program Director
Rural Assistance Program

(Date)

(Title of Authorized Representative)
Recipient Company

(Date)
EXHIBIT 10

Potential Client Log
## EXHIBIT #10

### RURAL ASSISTANCE PROGRAM

#### POTENTIAL CLIENT LOG

<table>
<thead>
<tr>
<th>From:</th>
<th>To:</th>
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<table>
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<th>Company/Contact</th>
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<th>Type of Intake (Check)</th>
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<th>Mail</th>
<th>Visit</th>
<th>Other</th>
<th>Declined</th>
<th>Referred</th>
<th>Bes</th>
<th>Contact Date</th>
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APPENDIX II

Project Highlight

Edwards & Associates - Graysburg Shopping Area
A MARKET ASSESSMENT
FOR THE
GARYSBURG PLAZA SITE

Prepared for
Edwards and Associates
Henrico, North Carolina

by
Larry R. Edens
Project Director

Savannah Area Office
Economic Development Laboratory
Engineering Experiment Station
GEORGIA INSTITUTE OF TECHNOLOGY
November 1983
INTRODUCTION

Background

The firm of Edwards and Associates is a family-owned business involved primarily in residential construction as a general contractor and in the operation of heavy equipment for earth-moving projects. The company, which has been in operation for almost 25 years, maintains an office at Henrico, North Carolina. Mr. Grover Edwards has been president of the firm since 1978.

The firm's current business plans center around its option to purchase 18 acres of land located in nearby Gaysburg (Northampton County), North Carolina. Mr. Edwards has a preliminary concept for the development of a 30,000 square foot commercial shopping plaza on 5.4 acres of this site. The site is centrally located at the juncture of U.S. Highway 301 and N.C. Highway 46 and is perhaps the most suitable property in Gaysburg for commercial development. Mr. Edwards believes that a large food store can be located as the major tenant along with several smaller specialty shops.

Objectives of Project

The objectives of this research project are to investigate the overall market potential for the proposed commercial development in Gaysburg and to provide guidelines for targeting tenants. This market assessment provides essential information on the Gaysburg market area which may be utilized by any private and public organizations interested in the viability of the proposed project.

Approach and Methodology

This market assessment study utilizes basic demographic information to define the characteristics of the general market area which consists of Northampton County and the nearby regional commercial center of Roanoke Rapids/Weldon (Halifax County). An evaluation is made of the proposed site based on its location in the general market area and the suitability of the property for development. Central Place Theory is used to determine the geographic limits of the primary market area and the sales potential of the area is estimated.
The targeting of potential tenants is achieved by investigating competitive businesses inside and immediately outside the perimeter of the primary market area. The population of the primary market area is used in a threshold analysis to determine which new types of retail and service businesses the community may be able to support.

Findings from the above investigations and analyses are used to provide an overall evaluation of the potential for the proposed shopping plaza and a project development strategy.
AREA CHARACTERISTICS

General Description of Northampton County and Garysburg

Northampton County is located in the northeast quarter of North Carolina on the edge of the Coastal Plain approximately 100 miles from the Atlantic Ocean. The County is bounded on the north by the State of Virginia and on the west and south by the Roanoke River. Northampton County is equidistant (approximately 100 miles) from three major metropolitan areas -- Raleigh, North Carolina, and Richmond and Norfolk, Virginia. The City of Roanoke Rapids (located to the south in adjacent Halifax County) serves as the regional commercial center for most of Northampton County. The basically rural population of Northampton County is widely dispersed. The limited business development in the County is centered in nine small rural towns, one of which is Garysburg.

Garysburg is located in the west-central section of the County about five miles northeast of Roanoke Rapids. Garysburg is served by a mainline of Seaboard Coastline Railroad and is at the juncture of highways U.S. 301, U.S. 158, N.C. 46, and N.C. 186. Refer to Figure I, location map.

The adjacent towns which compete with Garysburg for the local retail market are Jackson (Northampton County Seat - 10 miles east); Seaboard (8 miles northeast); Emporia, Virginia (16 miles north); Gaston (6 miles west); Weldon (4 miles south); and Roanoke Rapids (5 miles southwest). Garysburg has less commercial development than any of the above listed towns.

Population

Population data relevant to this study are presented in Table 1. Between 1960 and 1980 most towns and townships in the market area declined in population, as the overall Northampton County population fell by about 16 percent to 22,584. Exceptions to this trend have been (1) Garysburg -- which increased in population by 700 percent to 1,434, partially due to annexation; (2) Gaston Township -- which increased in population by 21 percent between 1970 and 1980 largely due to residential development on Lake Gaston; and (3) Roanoke Rapids (Halifax County) -- where both the city and township have experienced steady population gains.
Table 1

POPULATION STATISTICS FOR SELECTED TOWNS AND TOWNSHIPS IN THE GARYSBURG MARKET AREA

<table>
<thead>
<tr>
<th>Township/Location</th>
<th>1980</th>
<th>1970</th>
<th>1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northampton County</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occoneechee Township</td>
<td>2,531</td>
<td>3,168</td>
<td>3,145</td>
</tr>
<tr>
<td>Gastysburg</td>
<td>1,434</td>
<td>231</td>
<td>181</td>
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<tr>
<td>Gaston Township</td>
<td>4,261</td>
<td>3,509</td>
<td>4,223</td>
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<tr>
<td>Gaston</td>
<td>883</td>
<td>1,105</td>
<td>1,214</td>
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<tr>
<td>Seaboard Township</td>
<td>1,904</td>
<td>1,892</td>
<td>2,736</td>
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<tr>
<td>Seaboard</td>
<td>687</td>
<td>611</td>
<td>624</td>
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<tr>
<td>Jackson Township</td>
<td>1,131</td>
<td>1,224</td>
<td>1,630</td>
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<tr>
<td>Jackson</td>
<td>720</td>
<td>762</td>
<td>765</td>
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<tr>
<td>Pleasant Hill Township</td>
<td>610</td>
<td>630</td>
<td>831</td>
</tr>
<tr>
<td>Halifax County</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roanoke Rapids Township</td>
<td>20,340</td>
<td>18,505</td>
<td>17,664</td>
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<tr>
<td>Roanoke Rapids</td>
<td>14,594</td>
<td>13,508</td>
<td>13,320</td>
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<tr>
<td>Weldon Township</td>
<td>5,995</td>
<td>6,268</td>
<td>6,741</td>
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<tr>
<td>Weldon</td>
<td>1,844</td>
<td>2,304</td>
<td>2,165</td>
</tr>
<tr>
<td>Emporia (Virginia)</td>
<td>4,840</td>
<td>5,300</td>
<td>5,535</td>
</tr>
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</table>


Source: U.S. Bureau of the Census
By year 2000, the population of Northampton is expected to decrease another 9 percent.\textsuperscript{1/} The only areas of new development are expected to be around Garysburg and Gaston. This growth will be due to overflow from the expansion of Roanoke Rapids, development along I-95, and the anticipated establishment of an industrial park near Garysburg.

Income and Retail Sales Analysis

Effective Buying Income (EBI) and Retail Sales (RS) data for Northampton County are presented in Table 2. In 1982, the total EBI was $124,666,000 which gave a per capita EBI of $5,590. Northampton County's per capita EBI is only 74 percent of the statewide average of $7,603. This low ratio is not surprising in view of the facts, that (1) sixty-one percent (61\%) of the population is of a minority race, (2) most industrial jobs are in lower paid industries such as wood products and apparel, and (3) the County has very limited business development and infrastructure.

Total Retail Sales for Northampton in 1982 was $30,930,000 for a per capita sales of only $1,387. Per capita retail sales for the State of North Carolina was $4,096. Thus, Northampton County, which has a per capita EBI equal to 74 percent of the state average, has a per capita retail sales equal to only 34 percent of the statewide figure. Stated in another manner, this means that only 25 percent of the County's EBI is reflected in local retail sales, while 54 percent of the state's EBI is reflected in statewide retail sales. The enormous economic leakage of buying power from Northampton County becomes apparent. If this gap between the County's RS/EBI ratio and the statewide ratio was cut only in half, approximately $36 million annually in additional retail sales could be retained in the County.

Table 3 provides a further breakdown of retail sales into several categories. The RS/EBI ratio for Northampton County is significantly less than the state average in all categories. The greatest gaps exist in expenditures at general merchandise, furniture and appliances, automotive products and services, and restaurant businesses. Also, the comparison of RS/EBI ratios for food store purchases indicates that as much as $5 million per year in retail sales for this category may be spent by Northampton residents outside of their County.

\textsuperscript{1/} Regional Land Use Plan 1977-2000, Region L Council of Governments, North Carolina Department of Natural Resources and Community Development.
<table>
<thead>
<tr>
<th>Table 2</th>
<th>INCOME AND RETAIL SALES FOR NORTHAMPTON COUNTY</th>
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<tbody>
<tr>
<td></td>
<td>1982</td>
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<tr>
<td>Effective Buying Income (EBI)</td>
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<tr>
<td>Northampton County</td>
<td>$124,666,000</td>
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<td>Total Retail Sales (RS)</td>
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<tr>
<td>Northampton County</td>
<td>$ 30,930,000</td>
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<td>Per Capita EBI</td>
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<td>Northampton County</td>
<td>$5,590</td>
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<td>State of North Carolina</td>
<td>$7,603</td>
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<td>Per Capita Retail Sales (RS)</td>
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<td>Northampton County</td>
<td>$1,387</td>
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<td>$4,096</td>
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<td>RS/EBI</td>
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<tr>
<td>Northampton County</td>
<td>.248</td>
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<tr>
<td>State of North Carolina</td>
<td>.539</td>
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### Table 3

**TYPES OF RETAIL SALES FOR NORTHAMPTON COUNTY**

<table>
<thead>
<tr>
<th>Retail Sales (x $1,000)</th>
<th>Food</th>
<th>Eating and Drinking Places</th>
<th>General Merchandise</th>
<th>Furniture and Appliances</th>
<th>Automotive</th>
<th>Drugs</th>
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<tr>
<td>1982</td>
<td>10,282</td>
<td>1,587</td>
<td>575</td>
<td>270</td>
<td>3,664</td>
<td>1,682</td>
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<td>1981</td>
<td>9,996</td>
<td>1,611</td>
<td>623</td>
<td>287</td>
<td>4,075</td>
<td>1,621</td>
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<tr>
<th>Retail Sales - Per Capita</th>
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<tr>
<td>1982</td>
<td>461</td>
<td>71</td>
<td>26</td>
<td>12</td>
<td>164</td>
<td>75</td>
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<tr>
<td>1981</td>
<td>446</td>
<td>72</td>
<td>28</td>
<td>13</td>
<td>182</td>
<td>72</td>
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| **State of North Carolina** |      |                             |                     |                         |            |       |
| 1982                      | 955  | 336                         | 465                 | 200                     | 789        | 160   |
| 1981                      | 930  | 293                         | 449                 | 184                     | 814        | 142   |

<table>
<thead>
<tr>
<th>RS/EBI*</th>
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<td>1982</td>
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<td>.002</td>
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<td>.014</td>
<td>.005</td>
<td>.003</td>
<td>.035</td>
<td>.014</td>
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| **State of North Carolina** |      |                             |                     |                         |            |       |
| 1982                      | .126 | .044                        | .061                | .026                    | .104       | .021  |
| 1981                      | .130 | .041                        | .063                | .026                    | .113       | .020  |

* Retail Sales/Effective Buying Income

CHARACTERISTICS OF THE PROPOSED SITE

Location

The site of the proposed commercial development is shown in Figure II. It is centrally located in Garysburg at the juncture of N.C. Hwy 46 and U.S. Hwy 301. Also N.C. Hwy 186 and U.S. Hwy 158 juncture with U.S. Hwy 301 only 0.2 and 0.5 miles from the site, respectively. Facilities near the site include the Garysburg Elementary School (0.2 miles), Garysburg City Hall (0.2 miles) and the proposed Northampton County Industrial Park (0.5 miles). The N.C. Hwy 46/I-95 interchange is located approximately 3 miles west of the proposed site. The site has excellent accessibility.

Services

Full services are available at the proposed site. Water and sewer capacity is available through contracts with the Progressive Water Association and the Town of Weldon. Electric power is available at the site from the Virginia Electric Power Company. Pipeline gas is provided by the North Carolina Natural Gas Company. The area has nine certified motor freight carriers.
Figure II
SITE LOCATION

IND. PARK (Proposed)

PLAZA SITE

ROANOKE
Determination of Market Area Boundaries

To determine the geographic boundaries of the primary market area, an analysis was made using the Central Place Theory methods. The primary market area is the area within which residents would be expected to patronize businesses at the proposed project, as opposed to competitive businesses located elsewhere. The Central Place Theory considers only the factors of distance and community size. Other factors are considered equal. Central Place Theory has been used for retail store location research for 50 years.

The following formula is used to determine the breaking point between two competing trade centers:

\[
\text{Breaking Point (miles from town B) = } \frac{\text{Distance between Towns A and B}}{1 + \sqrt{\frac{\text{Population of A}}{\text{Population of B}}}}
\]

The breaking points from the proposed Garysburg Plaza site and competitive trade centers are shown in Table 4.

Table 4

<table>
<thead>
<tr>
<th>Competitive Trade Center</th>
<th>Distance from Garysburg (miles)</th>
<th>Breaking Points (miles from Garysburg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gaston</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Emporia, Va.</td>
<td>16</td>
<td>6</td>
</tr>
<tr>
<td>Seaboard</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>Jackson</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Weldon</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Roanoke Rapids</td>
<td>5</td>
<td>1</td>
</tr>
</tbody>
</table>
It is apparent from this analysis that the primary market area for Garysburg lies mostly to the north and east of town. Few customers who reside west of I-95 or south of the Roanoke River could be expected to shop at the proposed plaza. The primary market area is outlined in Figure III.

Sales Potential of the Primary Market Area

The population of the Garysburg primary market area is estimated at 3,102. The basis of this estimate is presented in Table 5.

Table 5
ESTIMATED POPULATION OF GARYSBURG MARKET AREA

<table>
<thead>
<tr>
<th>Township</th>
<th>Population (1980)</th>
<th>Percent (%) of Township in Market Area (est.)</th>
<th>Population in Market Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occoneechee</td>
<td>2,531</td>
<td>90%</td>
<td>2,278</td>
</tr>
<tr>
<td>Seaboard</td>
<td>1,904</td>
<td>10%</td>
<td>190</td>
</tr>
<tr>
<td>Pleasant Hill</td>
<td>610</td>
<td>90%</td>
<td>549</td>
</tr>
<tr>
<td>Gaston</td>
<td>4,261</td>
<td>2%</td>
<td>85</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,102</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Effective Buying Income and Retail Sales data are not available on a township basis. However, an estimate of the EBI for the Garysburg market area can be made by assuming that the per capita EBIs for the County and the market area are approximately the same. In this manner, the Garysburg Plaza's market area has an indicated buying power of $17.3 million annually. Based on the RS/EBI ratios presented in Table 2, it is indicated that about $4.3 million of this EBI is being used for retail purchases in Northampton County and about $5.0 million is being spent for retail purchases outside the County. Because of the market area's proximity to the Roanoke Rapids trading center, it is likely that the out-of-county sales exceeds in-county sales by an even greater margin than is indicated above.
Using the RS/EBI ratios from Table 3 as a guide for various segments of retail sales, the scenarios shown in Table 6 can be depicted for the Garysburg market area. The selected RS/EBI ratios are in the realistic range between the Northampton County and State of North Carolina averages.

Table 6

RETAIL SALES SCENARIOS FOR THE GARYSBURG MARKET AREA

<table>
<thead>
<tr>
<th>Retail Sales Sector</th>
<th>Assumed RS/EBI</th>
<th>Projected Market Area Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Stores</td>
<td>.080</td>
<td>$1,380,000</td>
</tr>
<tr>
<td></td>
<td>.100</td>
<td>1,730,000</td>
</tr>
<tr>
<td></td>
<td>.125</td>
<td>2,160,000</td>
</tr>
<tr>
<td>Eating and Drinking Places</td>
<td>.010</td>
<td>170,000</td>
</tr>
<tr>
<td></td>
<td>.020</td>
<td>350,000</td>
</tr>
<tr>
<td></td>
<td>.030</td>
<td>520,000</td>
</tr>
<tr>
<td>Automotive</td>
<td>.030</td>
<td>520,000</td>
</tr>
<tr>
<td></td>
<td>.040</td>
<td>690,000</td>
</tr>
<tr>
<td></td>
<td>.050</td>
<td>860,000</td>
</tr>
<tr>
<td>Drugs</td>
<td>.010</td>
<td>170,000</td>
</tr>
<tr>
<td></td>
<td>.015</td>
<td>260,000</td>
</tr>
<tr>
<td></td>
<td>.020</td>
<td>350,000</td>
</tr>
</tbody>
</table>

It is expected that the location of modern retail businesses in Garysburg would increase the RS/EBI ratios for the market area.

Analysis of the Secondary Market

Average daily traffic counts for highways in the Garysburg area indicate a high level of transient traffic. At the proposed site, N.C. Hwy 86 carries 3,400 vehicles per day and U.S. Hwy 301 carries 5,800.

The counts show that traffic from outside the primary market area join in Garysburg for movement to the south and west towards Roanoke Rapids. The heaviest traffic flow in the Garysburg area is on the combined U.S. Hwys 301/158 south of town which carries 10,400 vehicles per day. Refer to Figure IV.
Figure IV
AVERAGE DAILY TRAFFIC COUNTS
GARYSBURG AREA

To Emporia, Va.

[2000]

GARYSBURG

[3400]

To Gaston

[5600]

Project Site

[3900]

S.R. 1207

[10400]

U.S. 301/158

[2500]

N.C. 186

[2500]

Seaboard

[3700]

U.S. 158

To Jackson

[3900]

To Weldon and Roanoke Rapids

[ ] = Average Daily Traffic Counts
The traffic flows suggest that businesses located in the proposed Garysburg Plaza would have the potential for attracting customers from a large secondary market. These customers may be residents of adjacent towns or through travelers. The magnitude of the potential sales to this secondary market cannot be determined within the scope of this study, however, it could be significant if the proposed businesses could successfully intercept customers who traditionally travel to the Roanoke Rapids trade area.
TARGETING OF POTENTIAL TENANTS

Analysis of Competition

In 1981, Northampton County had a total of 75 retail businesses, of which 32 were food stores. Most retail businesses located in the County are very small. The average retail establishment employed 5.6 persons and the average employment at a food store was 5.1 persons. Only four food stores in the County employed over 10 persons. The average employment at food stores for the State of North Carolina was 11.1.

A list of selected retail businesses in the Garysburg market areas is presented in Table 7. All food stores in the primary market area are small, convenience-type operations. Major competition to the proposed food market at Garysburg Plaza would be from (1) Roanoke Rapids/Weldon (considered outside the primary and secondary market areas) where several large, modern food markets are located and (2) Jackson and Gaston, each with one modern food store. The modern food stores in Jackson and Gaston were recently opened and appear to be replacing several older grocery stores in their market areas. A comparable operation appears feasible for Garysburg.

In addition to the food stores, the data in Table 7 suggest other business sectors which may have potential tenants for the proposed plaza. These include: a branch bank, a laundromat or cleaners, a drug store, and a fast food restaurant.

Threshold Analysis

A threshold analysis provides guidelines for the types of retail and service businesses which a typical town of a given population could normally support. A shortcoming of this approach to business locations is the failure of the procedure to consider the size and quality of business establishments.

Table 7

APPROXIMATE NUMBER OF SELECTED RETAIL BUSINESSES
IN GARYSBURG MARKET AREAS¹/

<table>
<thead>
<tr>
<th>PRIMARY MARKET AREA</th>
<th>Food Stores ²/</th>
<th>Automotive</th>
<th>Gen. Mdse/ Hardware</th>
<th>Restaurants</th>
<th>Liquor Stores</th>
<th>Banks ³/</th>
<th>Laundries/Laundromats</th>
<th>Florists</th>
<th>Drugs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garysburg</td>
<td>5</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pleasant Hill</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>N.C. 46/1-95</td>
<td>1</td>
<td>2</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gumberry</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SECONDARY MARKET AREA</th>
<th>Food Stores ²/</th>
<th>Automotive</th>
<th>Gen. Mdse/ Hardware</th>
<th>Restaurants</th>
<th>Liquor Stores</th>
<th>Banks ³/</th>
<th>Laundries/Laundromats</th>
<th>Florists</th>
<th>Drugs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gaston</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Seaboard</td>
<td>3</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Jackson</td>
<td>5</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

¹/ Determined by Survey by Project Director in October 1983. List may include businesses which are marginal operations.

²/ Gaston and Jackson have one modern supermarket each included in the total shown. All other food stores are small.

³/ All banks shown are branch operations.
In the preceding section, the presented data indicated that Garysburg (when compared with adjacent towns of less population) is capable of supporting several types of retail businesses. It is assumed that new businesses locating in the proposed Garysburg Plaza would have advantages of size and quality over existing competition in the primary market area.

Threshold data presented in Table 8 resulted from a comprehensive study of 35 Tennessee communities which ranged in population of 130 to 13,600 persons. Fifty-two types of businesses are shown with their threshold populations as determined by regression analysis. Although the study is somewhat dated, the results are still accepted as valid. This list confirms the potential opportunities for several types of businesses which were shown lacking in the Garysburg area by data in Table 7.
### Table 8

**EXPECTED AND ACTUAL NUMBERS OF BUSINESSES OR SERVICES FOR TOWNS OF FOUR DIFFERENT POPULATION SIZES**

(By Threshold Population Rank)

<table>
<thead>
<tr>
<th>Business or Service</th>
<th>Threshold Population</th>
<th>Town A (Population Size 1,150) Expected Number</th>
<th>Town A (Population Size 1,150) Actual Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline service station</td>
<td>465</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Grocery store</td>
<td>490</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Beauty salon</td>
<td>541</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>General store</td>
<td>593</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Bank</td>
<td>744</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Eating place</td>
<td>745</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Drug and proprietary store</td>
<td>858</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Insurance agency</td>
<td>906</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Physician</td>
<td>909</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Mortuary and crematorium</td>
<td>920</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Auto parts dealer</td>
<td>965</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Furniture store</td>
<td>976</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Hay, grain and feed store</td>
<td>1,175</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Freight line and storage</td>
<td>1,291</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Building materials dealer</td>
<td>1,314</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Women's ready-to-wear clothing store</td>
<td>1,393</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>General auto repair shop</td>
<td>1,419</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Real estate agency</td>
<td>1,450</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Dry goods and general merchandise store</td>
<td>1,460</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Radio and television store</td>
<td>1,470</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Dry cleaner</td>
<td>1,521</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Lawyer</td>
<td>1,544</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Farm equipment dealer</td>
<td>1,695</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Hardware store</td>
<td>1,963</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Tourist court and motel</td>
<td>2,014</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Dentist</td>
<td>2,100</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Electric repair shop</td>
<td>2,121</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Florist</td>
<td>2,158</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Lumber and construction materials dealer (wholesale)</td>
<td>2,303</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Motor vehicle dealer (used)</td>
<td>2,337</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Motor vehicle dealer (new and used)</td>
<td>2,386</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Optometrist</td>
<td>2,600</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Barber shop</td>
<td>2,574</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Veterinarian</td>
<td>2,928</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Laundromat</td>
<td>2,933</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Family clothing store</td>
<td>2,996</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Family shoe store</td>
<td>3,006</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Accountant, certified public and public</td>
<td>3,103</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Clerks agency</td>
<td>3,148</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Hospital</td>
<td>3,685</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Household appliance store</td>
<td>3,811</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Jewelry store</td>
<td>3,998</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Radio station</td>
<td>4,975</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Power laundry (family and commercial)</td>
<td>5,552</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Department store</td>
<td>5,843</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Tire repair shop</td>
<td>5,893</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Paint, glass, and wallpaper store</td>
<td>5,917</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Photostudio (including commercial photography)</td>
<td>6,046</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Stationery store</td>
<td>6,843</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Billiard hall and bowling alley</td>
<td>7,075</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Savings and loan association</td>
<td>7,493</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Local tax service</td>
<td>8,071</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*Threshold population of this and all succeeding business or service activities exceeds population size.


-20-
SUMMARY

The findings of this study support the conclusion that the development of Garysburg Plaza has a high probability of financial success. The site is ideally located to draw customers from the primary market area defined by this study and to intercept Northampton County residents who are shopping in Halifax County.

The following general recommendations are made in regard to the feasibility of businesses locating at the proposed site:

1. Retail operations should be those frequently visited by consumers. This factor increases the chances of successfully competing with larger out-of-county trade centers.

2. Retail operations should either provide products or services not presently available in Northampton County or offer shopping advantages (larger selection, lower prices, higher quality, etc.) over the existing competition in the market area.

An analysis of the competition and threshold levels has shown that several types of businesses, in addition to a food store, may be feasible for the plaza location. This report does not attempt to recommend any particular business venture because there are many factors to be considered in the establishment of an operation which could not be evaluated within the scope of this study. However, the data presented should be of use to potential tenants of Garysburg Plaza in evaluating their own projects.
OPERATION OF THE
MINORITY BUSINESS DEVELOPMENT AGENCY
RURAL ASSISTANCE PROGRAM

By
Frank B. Brown
Program Director

Arthur L. Brown
Project Manager

Under
Grant #04-10-82032-01

May 1984

GEORGIA INSTITUTE OF TECHNOLOGY
A Unit of the University System of Georgia
Engineering Experiment Station
Atlanta, Georgia 30332
QUARTERLY NARRATIVE REPORT

OPERATION OF THE
MINORITY BUSINESS DEVELOPMENT AGENCY
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COOPERATIVE AGREEMENT #04-10-82032-01

Frank B. Brown
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Engineering Experiment Station
Economic Development Laboratory
Atlanta, Georgia

A-3360-000
April, 1984
This report was submitted under terms, conditions, and requirements of a cooperative agreement with the U.S. Department of Commerce, Minority Business Development Agency. Material included herein is the result of tax-supported assistance and is not protected by copyright laws.
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Client Report Highlight

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INTRODUCTION

This report describes activities and accomplishments of the Georgia Tech Rural Assistance Program during the second quarter of the 1984 fiscal year. The report covers the calendar period January 1, 1984 through March 31, 1984. The program provides for the delivery of management and technical assistance to minority-owned businesses and individuals in the Southeastern states of Alabama, Georgia, Mississippi, North Carolina, and South Carolina.

This narrative reviews program accomplishments during the quarter, highlights activities of staff and indicates the direction of the program.

Due to the increased demand for engineering and specialized technical assistance, most of the client task order assignments have been directed towards increasing productivity. This change in client composition reflects:

- the needs of minority-owned businesses in the project area;
- priorities established by program management consistent with MBDA's "new" directions.
- a more sophisticated, better prepared pool of minority entrepreneurs;
- society's transition to a computer-oriented, technology-based economy;
PROGRAM ACTIVITIES

General

The following items are highlighted as a result of changes implemented during the first quarter of 1984:

- more viable RAP candidates are being accepted into the program;
- increased emphasis on assisting clients in need of engineering or specialized technical assistance;
- program efforts directed toward assignments that could benefit several clients within the same industry;
- joint project efforts completed with the Georgia Tech Southeastern Trade Adjustment Assistance Center (SETAAC);

Outreach efforts conducted by Georgia Tech continue to be the major source of new clients. However, the number of referrals from other sources has increased significantly. As the program gains increased exposure, the amount of direct effort in client solicitation is expected to abate.

In an effort to leverage Program resources, RAP has referred several clients to the Southeastern Trade Adjustment Assistance Center. Clients that are in industries affected by a heavy flow of import products and who initially received assistance through RAP will receive follow-on assistance of a more specialized nature. This is an effort to further assist clients whose requirements may exceed MBDA's $5,000 limit. Leveraging of this type is expected to aid the development of MBDA client "success stories".
Outreach Activities

RAP continued to expand outreach efforts through direct contact with organizations receptive to our program objective. As a result of these activities, clients are identified who qualify for assistance in accordance with MBDA guidelines.

Second quarter outreach activities include:

- Frank Brown attended a Small Business Innovation Workshop at Atlanta University. The workshop was conducted by the National Aeronautics and Space Administration (NASA) in cooperation with Atlanta University. Its purpose was to introduce the Small Business Innovation Research Program to minority-owned businesses and to encourage more minority persons to take advantage of unsolicited research opportunities offered by NASA.

- Frank Brown and Art Brown met with Regional Administrators of the Small Business Administration (SBA). This meeting was held to introduce services of the Rural Assistance Program and to offer assistance in servicing the SBA's portfolio of section 8(a) clients. Subsequent discussions were held with officials at the Atlanta, Columbia, Charlotte and Jackson offices. This activity was initiated in accordance with the recent MBDA/SBA agreement to offer assistance to graduating 8(a) firms.

- Art Brown served as guest speaker to the United Minority Businesses (UMB) Association of Beaufort, S.C. UMB is a coalition of minority-owned businesses located in the Beaufort area. The presentation was given on new marketing strategies and techniques and effective business planning. The event was advertised in the Beaufort Gazette (see Exhibit I in Appendix I).

- Frank Brown and Art Brown met with officials of Georgia Power to discuss RAP's involvement in that company's minority business
program. In one such activity Georgia Power is assisting the efforts of several Georgia cities to bring additional business to the state. RAP was solicited to help identify and provide a variety of management and technical assistance services to minority owned firms that may choose to locate in targeted cities.

- Frank Brown was invited to participate in a prayer breakfast held by Georgia Governor Joe Frank Harris. A subsequent meeting was held at Georgia Tech with Dr. Jackie Beavers, Executive Assistant to the Governor to brief the governor's office on the MBDA program and resources available to assist the state's minority owned businesses.

Several other outreach activities took place during the quarter. These activities involved presentations at:

- The Small Business Development Center, Athens, Georgia
- Hotel Restaurant and Management Institute
  Morris Brown College, Atlanta, Georgia
- Appreciation Day Program Ceremonies held in Cartersville, Georgia in honor of Jackie Beavers

A host of other organizations were contacted for the purpose of creating an awareness of the program. These include:

- South Carolina Wildlife and Marine Resources Department, Charleston, S.C.
- Agricultural Cooperative Service, Washington, D.C.
- Hampton County Guardian, Hampton, S.C.
- Congressman J. Roy Rowland, U.S. House of Representatives, Macon, Georgia
The Georgia Tech Rural Assistance Program received the following requests for assistance during the quarter:

- Franklin Williams
  Institutional Food Service Group, Inc.
  of Greenville
  Raleigh, North Carolina
  Product: Frozen food/vegetable co-op feasibility study for Warren County, N.C.

- W.M. Brayboy
  B&J Precision Machine Shop, Inc.
  Cheraw, S.C.
  Product: Machine tools manufacturing

- Oscar Kaiser
  Atlanta, Georgia
  Product: Start-up of a retail operation (to be determined) in Uniontown, Alabama.

- Isaac Stovall
  BEDCO, Inc.
  Valdosta, Georgia
  Product: Feasibility of a lumbering operation
Cora Campbell
Beaufort, S.C.
Product: Business plan for a new start (to be determined).

Samuel W. Dickerson
Olar, S.C.
Product: Proposed equipment rental shop

Franklin C. Bart-Addison
International Plastics Manufacturing, Inc.
Anniston, Alabama
Product: Plastic containers manufacturer

Leon Dixon
Multi-State Contracting
Rose Hill, N.C.
Product: Building contractor

David Wu
Albany, Georgia
Product: Proposed Chinese fast food restaurant

Dilip Gheewala
Vicksburg, Mississippi
Product: Undetermined

Luther Pouncey, Jr.
Green Acres, Inc.
Latta, S.C.
Product: Agricultural products and construction services

William Randall
Climax, Georgia
Product: Proposed agribusiness operation
Status of Inquiries Received

The Georgia Tech RAP took the following actions in response to requests received during the second quarter and to previous requests for assistance:

- Grover Edwards
  Edwards & Associates
  Action: Accepted as RAP client (second task order)

- Leroy & Camille Gardner
  The Dressing Room
  Action: Accepted as RAP client (second task order)

- Lula M. Dunn
  Cosmetic Sales
  Action: Referred to Auburn SBDC seminar
Tyus and Gwendolyn Few
Fabulous Creations from EF
Action: Accepted as client

John Ziffert
Federation of Southern Cooperatives
Action: Deferred until client verifies profit status of organization

Alvie Coes, Jr.
Alvie Coes Funeral Home
Action: Accepted as RAP client

Edward L. Stover
Stover Industrial Supply
Action: Referred to Atlanta MBDC

Carol L. Mathewson
Collected Guild Ltd.
Action: Accepted as RAP client

William Parnell, Jr.
Golddust Communications, Inc.
Action: Referred to Georgia Power for evaluation

Peter Stanford
Convenience Store, Loan Package
Action: Awaiting information

Warren S. McClendon
Warren S. McClendon Carpet Cleaning Service
Action: Awaiting information
Program Administration

Second quarter administrative efforts focused on implementing the concept of providing more specialized technical assistance. A review and analysis was conducted of our portfolio of clients to determine the "level" of technical assistance provided. This review showed that 56% of RAP's current clientele receive some form of specialized technical assistance. After developing and refining these capabilities further, greater emphasis will be placed on identifying prospective clients that may require engineering or specialized technical assistance.

Administrative efforts initiated in the previous quarter have begun to take effect. Further efforts to refine and document the outreach, client selection, intake, client servicing and follow-up systems will continue during the next quarter.

To date, no task order terminations are noted for the second quarter. This fact is directly attributable to the implementation of the stringent administrative procedures and a more selective approach to our outreach efforts for client identification.

Program Accomplishments

Ten more clients were added to the client roster during the second quarter. Of these ten, two submitted and completed task orders were for clients assisted during a previous quarter. The second request allows follow-on assistance. Task order assistance delivered to new clients are listed by category with brief background information:

New Task Order Proposals Submitted and Clients Assisted

Business Saves
Alvie Coes Funeral Home:

Client operates a funeral home in Unadilla, Georgia. An unsuccessful loan proposal was prepared and submitted by the client to several sources. Mr. Coes has requested assistance from RAP to prepare a second loan package for submission to the SBA. This financing is necessary to maintain the operation until it can support itself.
Collector's Guild, Ltd:
Ms. Carol Mathewson has operated a collectible shop from her house for approximately two years. She is requesting assistance in determining the feasibility of moving to a permanent location and the financing necessary to profitably operate.

Green Acres, Inc:
In May 1982, Mr. Luther Pouncey purchased a 120 acre tract of farm land in Latta, South Carolina. A Civil Engineer with 6 years experience in construction/engineering, Mr. Pouncey used part of his savings to finance the purchase. With work experience that included a cost and industrial engineering assignment in Saudi Arabia, he typifies a new breed of minority entrepreneur. In spite of his educational background, work experience and technical abilities, he requires access to quality business development assistance to support his proposed business venture.

Mr. Pouncey requested assistance in establishing a construction company to help relieve a severe shortage of acceptable housing in the project area. He needs guidance in developing an overall business and financial plan to attract financing for the project.

Business Expansions

Institutional Food Services Group, Inc. of Greenville:
Mr. Franklin Williams currently operates a food distributorship that services institutional, governmental and other accounts. Mr. Williams has noticed that the supply of food products is controlled by the processors. Therefore, he is interested in a reverse integration process to set up a frozen foods/vegetable processing plant in Warren County, N.C. RAP was requested to determine the feasibility of this operation. Georgia Tech is working cooperatively with the North Carolina State OMBE and the Raleigh/Durham Business Development Center to determine the feasibility of the proposed plant.
B&J Precision Machine Shop, Inc:
B&J Precision is a machining and metal fabrication shop. The company's major existing contract requires the machining and fabrication of a variety of aircraft engine parts. Sales have grown to a level where the present facilities are inadequate. Mr. W.M. Brayboy, company Vice-President, has expressed a need for qualified assistance to insure that the plant layout is effective, efficient and functional. The cost of outside assistance in designing such a layout is considered prohibitive. Thus, he has requested assistance through the Rural Assistance Program.

The Dressing Room:
Mr. & Mrs. Leroy Gardner of Beaufort, S.C. received assistance from the program during a previous quarter. The Gardners operated three separate businesses - Pretty Legs, the Dressing Room and Low Country Spirit and Wine Store - each of which has its own location. It was suggested that if the three businesses were consolidated at one physical location, their operating efficiency would improve. The Gardners then requested RAP to determine the feasibility of such a move and provide demographics of the market area to support this effort.

A market analysis was completed for the Gardners which showed the three operations as being successful in the same location and showed market support. However, due to the changing nature of their operation, Mr. Gardner has requested follow-on assistance in preparing a business plan for operating the three enterprises.

New Business Starts

Fabulous Creations From EF:
Ms. Gwendolyn Few has sewn ultra-suede garments part-time for local area residents of Roanoke Rapids, N.C. for the past two years. During this period, requests for such garments have increased to the point where Ms. Few has had to turn down work due to interference with teaching and household responsibilities. Ms. Few, with support from
her husband, has considered starting her own ultra-suede sewing operation but does not know how to assess the potential market. She contacted RAP to provide a marketing plan for an ultra-suede sewing operation to quantify and provide a guide for capturing the market.

Samuel B. Hudson:
Mr. Hudson and several associates have formed a holding corporation to promote the development of property currently owned by members of the group. Located along a major highway in a fast-growing heavily-trafficked resort area, the property is projected for use as a motel/shopping center complex. Although the area surrounding the site has a good sized permanent residential population and substantial tourist attractions, it has limited commercial facilities to service these population groups.

Edwards and Associates:
This request is an extension of task order assistance provided earlier through the Rural Assistance Program. In that assignment, recommendations on the feasibility of a shopping center were favorably received and resulted in partial financing of the project. Mr. Grover Edwards, an established contractor, has requested further assistance in developing plans to attract an anchor tenant and permanent financing for the proposed development. Other needs expressed by Mr. Edwards include marketing and overall financial planning for the project.

International Plastics Manufacturing, Inc. (IPM)
Mr. Franklin Bart-Addison recently relocated his plastics manufacturing operation to Anniston, Alabama. Although the move has not yet been completed:

- the company owns manufacturing equipment currently valued at nearly $800,000;
- the Anniston Chamber of Commerce has issued a letter of commitment agreeing to construct facilities to IPM's specifications, contingent upon the company's demonstrated ability to service the debt;
contracts are in place to provide a large number of plastic products to a variety of customers.

To attract financing necessary to support the operation, IPM requires a business plan that documents the total needs of the business. This includes the engineering feasibility and other technical aspects of the business. The Rural Assistance Program is working with the company to satisfy these needs.

The Georgia Tech RAP continues to provide assistance to clients previously accepted into the program as well as new clients. By providing continuous assistance, we are able to monitor the company’s progress since implementing RAP’s recommendations. A list of clients assisted during the quarter includes:

<table>
<thead>
<tr>
<th>Business Name</th>
<th>State</th>
<th>Type Assistance</th>
<th>TOP Issued</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A&amp;B Consulting &amp; Contracting Company</td>
<td>NC</td>
<td>Management System</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>A-1 Construction Company</td>
<td>GA</td>
<td>Management System</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Allen Welding</td>
<td>AL</td>
<td>Follow-up Work</td>
<td></td>
<td>Completed during previous quarter</td>
</tr>
<tr>
<td>Alvie Coes Funeral Home</td>
<td>GA</td>
<td>Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>B.B. Hardy</td>
<td>AL</td>
<td>Feasibility</td>
<td>Yes</td>
<td>WIP (delayed)</td>
</tr>
<tr>
<td>B&amp;J Precision Machine Shop</td>
<td>SC</td>
<td>Plant Layout</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Bob’s Service Center</td>
<td>AL</td>
<td>Financial</td>
<td>Yes</td>
<td>WIP (delayed)</td>
</tr>
<tr>
<td>Chavis Tool &amp; Mfg.</td>
<td>NC</td>
<td>Procurement/ follow-up</td>
<td>No new TOP issued</td>
<td></td>
</tr>
<tr>
<td>Choctaw Indians</td>
<td>MS</td>
<td>Financial</td>
<td>No</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Choctaw Meat Processing Plant</td>
<td>MS</td>
<td>Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Collected Guild Ltd.</td>
<td>NC</td>
<td>Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Business Name</td>
<td>State</td>
<td>Type of Assistance</td>
<td>TOP Issued</td>
<td>Status</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>-------</td>
<td>----------------------------</td>
<td>------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>AL</td>
<td>Procurement</td>
<td>No</td>
<td>TOP in process</td>
</tr>
<tr>
<td>D&amp;D Specialty</td>
<td>NC</td>
<td>Procurement/follow-up</td>
<td>No</td>
<td>No new TOP issued</td>
</tr>
<tr>
<td>E's Fabric &amp; Novelty</td>
<td>SC</td>
<td>Follow-up</td>
<td></td>
<td>Completed during previous quarter</td>
</tr>
<tr>
<td>E&amp;R Associates</td>
<td>GA</td>
<td>Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Edwards and Associates</td>
<td>NC</td>
<td>Financial</td>
<td></td>
<td>Based on previous TOP</td>
</tr>
<tr>
<td>Emerson &amp; Sons</td>
<td>GA</td>
<td>Procurement/Bonding</td>
<td>No</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Fabulous Creations from EF</td>
<td>NC</td>
<td>Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Fine Vines, Inc.</td>
<td>MS</td>
<td>Marketing/Procurement</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Hilton Head Fishing Co-op</td>
<td>SC</td>
<td>Business Plan/Finance</td>
<td>No</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Green Acres</td>
<td>SC</td>
<td>Best use Analysis</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Institutional Food Services, Inc of Greenville</td>
<td>NC</td>
<td>Feasibility</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Le-Flore Bolivar Catfish Processing Plant, Inc.</td>
<td>MS</td>
<td>Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>MOP, Inc.</td>
<td>GA</td>
<td>Procurement</td>
<td></td>
<td>Completed during previous quarter</td>
</tr>
<tr>
<td>O.V. Campbell</td>
<td>GA</td>
<td>Procurement/Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Richardson Grading</td>
<td>GA</td>
<td>Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Rivers Carpet Mills, Inc.</td>
<td>GA</td>
<td>8(a) Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Business Name</td>
<td>State</td>
<td>Type of Assistance</td>
<td>TOP Issued</td>
<td>Status</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-------</td>
<td>--------------------</td>
<td>--------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Ruth Wardrobe II</td>
<td>SC</td>
<td>Financial</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Samuel Hudson</td>
<td>SC</td>
<td>Best-Use Analysis</td>
<td>TOP</td>
<td>WIP</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpets</td>
<td>GA</td>
<td>Procurement</td>
<td>NO</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Trianna Industries</td>
<td>AL</td>
<td>Procurement</td>
<td>NO</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Triple D Agribusiness Center</td>
<td>AL</td>
<td>Feasibility/Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Troy Young Realty</td>
<td>GA</td>
<td>Management System</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Universal Enterprises</td>
<td>GA</td>
<td>Procurement</td>
<td>NO</td>
<td>Open</td>
</tr>
<tr>
<td>Workers Owned</td>
<td>NC</td>
<td>8(a) Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Sewing Co.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zimmerman</td>
<td>SC</td>
<td>Marketing Study</td>
<td>Yes</td>
<td>Follow-up</td>
</tr>
</tbody>
</table>

Notes: TOP = Task Order Proposal  
WIP = Work in Process

Procurement Actions

Efforts were made on behalf of several clients to develop procurement opportunities. Those clients are:

- A&B Consulting
- A-1 Construction
- Allen Welding & Company
- Chavis Tool & Manufacturing
- Consolidated Industries
- D&D Specialty
- E&R Associates
- Edwards & Associates
- Emerson & Sons
- Fabulous Creations from EF
- Fine Vines, Inc.
- MOP, Inc.
- O.V. Campbell and Sons
- Richardson Grading
Several procurement sources were contacted on behalf of these firms. They were:

- Warner Robins AFB
- Redstone Arsenal
- Tennessee State Highway Department
- F.W. Dodge Procurement Contacts
- Georgia Power Company
- Clarissa, Inc.
- Trooper, Inc.
- Bencor - Petrifond
- Tennessee Valley Authority
- City of Warrenton, Georgia
- John Deere Engine Works
- Fort Rucker, Alabama
- USBI
- U.S. Postal Service
- Navy/Aviation
- Headquarters Amcocom
- U.S. Army
- McClelland AFB

As a result of the above efforts, several procurement matches have been finalized. Consolidated Industries received contract awards totaling $233,383 from several sources, including the Redstone Arsenal, USBI, U.S. Postal Service, McClelland AFB, Navy/Aviation and Headquarters Amcocom.

A procurement match was made on behalf of Fine Vines as a result of RAP's interaction with the personnel from Georgia Tech's SETAAC. After noting that Fine Vines was primarily a contract manufacturer, an agreement was reached wherein their excess capacity was matched with a TAAC client backlogged with apparel work, Trooper, Inc. The match was successful and has resulted in two orders to date totaling $32,000. Based upon these initial orders, additional procurements are expected.
Approved Financings

During the quarter, loan packages were presented to several funding sources:

- A loan request was submitted to the Hampton County Bank, Hampton, S.C., for $65,000.
- Contact was made with the Alabama Community Development Corporation on behalf of the Triple "D" Agribusiness Center. This effort resulted in requirements being identified for loan proposals submitted to their organization.
- The Hilton Head Fishing Co-op presented a loan request for $600,000 to Farmland Mortgage Company of Macon, Georgia.
- A presentation was made to the Farmer's and Merchants Bank of Lafayette, Alabama on behalf of Allen Welding and Company.

A number of other institutions were visited on behalf of clients. A total of 180 hours were expended in pursuit of client related financing.

Profile Submissions

Several firms were identified during this quarter as candidates for the profile system. Those firms include:

- B&J Precision Machine Shop, Inc.
- Warren S. McClendon Carpet Cleaning Services
- Planning, Design and Build Development, Inc.

Each firm was mailed a copy of the profile form to sign and return to our office. However, at the writing of this report, only one firm, Warren S. McClendon Carpet Cleaning Services, returned its profile form and was added to the profile system.
Profile Verifications

During a recent Regional Office Training session on BDRs, Profiles, Who's Who and Profile Verifications the Georgia Tech RAP was assigned the goal of 12 profile verifications. On March 29, a copy of each profile was mailed to the respective firms requesting that the appropriate information be updated or completed and returned to our office. A follow-up letter will be sent during the third quarter as a reminder to those firms that have not responded to the March 29 correspondence. The results of profiles verified will be reported in the third quarterly narrative.

Minority Enterprise Development (MED) Week Planning

Planning sessions have begun for MED Week Activities. The Georgia Tech RAP is joining the Atlanta Business Development Center to support this planning effort. The initial meeting was held to acquaint committee persons with objectives for the week. Future meetings will determine the schedule of events and identify committees.

Program Statistics

An analysis of the Georgia Tech RAP goals and ranking to meet goals are provided as follows.

<table>
<thead>
<tr>
<th>Category</th>
<th>Projected To Date</th>
<th>Actual</th>
<th>YTD</th>
<th>% Qtrly Goal</th>
<th>% Annual Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOPS submitted during qtr.</td>
<td>--</td>
<td>10</td>
<td>21</td>
<td>--</td>
<td>39%</td>
</tr>
<tr>
<td>Assignments, with BDRs but no TOPs</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Assignments, completed during quarter*</td>
<td>--</td>
<td>4</td>
<td>14</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>No. WIP Cases</td>
<td>--</td>
<td>16</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Category</td>
<td>Projected To Date</td>
<td>Actual</td>
<td>YTD</td>
<td>% Qtrly Goal</td>
<td>% Annual Goal</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------</td>
<td>--------</td>
<td>-----</td>
<td>-------------</td>
<td>--------------</td>
</tr>
<tr>
<td>No. Business expansions</td>
<td>8</td>
<td>3</td>
<td>10</td>
<td>75%</td>
<td>56%</td>
</tr>
<tr>
<td>No. Business Saves</td>
<td>8</td>
<td>3</td>
<td>5</td>
<td>75%</td>
<td>28%</td>
</tr>
<tr>
<td>No. Business Starts</td>
<td>8</td>
<td>4</td>
<td>8</td>
<td>100%</td>
<td>44%</td>
</tr>
<tr>
<td>No. Profiles Submitted</td>
<td>-----</td>
<td>1</td>
<td>12</td>
<td>----</td>
<td>60%</td>
</tr>
<tr>
<td>No. Financial Pkgs. apprvd.</td>
<td>-----</td>
<td>-----</td>
<td></td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>Dollars in apprvd. pkgs.</td>
<td>$892,500</td>
<td>-----</td>
<td>$150,000</td>
<td>----</td>
<td>8%</td>
</tr>
<tr>
<td>No. apprvd. procurements</td>
<td>-----</td>
<td>-----</td>
<td></td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>Dollars in approved contracts</td>
<td>$2,677,500</td>
<td>$265,383</td>
<td>$275,383</td>
<td>20%</td>
<td>5%</td>
</tr>
<tr>
<td>No. direct hrs. MSTA</td>
<td>-----</td>
<td>439</td>
<td>968</td>
<td>----</td>
<td>----</td>
</tr>
</tbody>
</table>

*NOTE: Assignments completed refers to all tasks where a finite conclusion was reached. These tasks may or may not be included in TOPs submitted during the present quarter.*
PROJECT HIGHLIGHTS

The Need For A Specialized Technical Assistance Effort In The Atlanta Region

The American economy is currently in the midst of one of the most profound changes in its history. Similar to the changes brought on by the 19th Century shift from an agrarian society to one based upon an industrial economy, recent technological advances have set the stage for the development of an information-based economy.

With heavy foreign competition in traditional industries such as textiles, steel, automobiles and others, American industry is being forced to change the way it conducts business. In some areas, rapid technological changes in office and factory automation have already brought on dramatic shifts in employment patterns. These changes have increased productivity of the general business arena and improved the quality of living for the entire nation.

The RAP staff is well aware of the impact of these changes on minority-owned businesses. As evidenced by our client makeup and requests for assistance, the demand for "specialized technical assistance" exceeds the demand for non-specialized assistance among RAP's own present clientele as shown in Exhibit II, Appendix I. Approximately 56% of RAP's current clientele are either in a technical industry or using some form of specialized technical assistance.

The shift to a computer-based, technology-oriented society is forcing a new meaning to the term technical assistance as traditionally applied to minority firms. Two examples are cited here concerning the impact of new technology on minority-owned firms:

- The automobile is fast becoming a totally computerized system and now requires that its maintenance and repair operations be performed by individuals with computer-oriented skills. Many of these workers are minorities and need to acquire those skills necessary to continue within the industry. Skill upgrades will be a necessity for minorities to remain in the industry.
Bidding and estimating procedures consistent with the construction industry have previously consisted of lengthy and drawn out mechanical techniques. The competitive nature of this field is forcing more contractors to use sophisticated computerized programs for bidding and estimating, thus, reducing the margin of error and greatly decreasing the time required for bid preparation. Productivity is also enhanced.

These are but two examples of the impact on the general business economy as we move into a new era. Countless others can be identified. Recent correspondence shown as Exhibit III of Appendix II, verifies the need for greater emphasis to be placed on technical assistance coupled with management help. These letters were generated from client and potential clients, and are examples of the type of client targeted for RAP's acceptance.

Two research documents were prepared by RAP staff to specifically assess the Atlanta Region's minority business needs. These documents compare the Atlanta MBDA Region with other MBDA Regions and they recommend changes for the program to provide business development assistance to minority-owned businesses. The rationale for continuing and establishing this effort for minority businesses are documented by our research findings as shown in Appendix II.

**Client Report Highlight**

The Georgia Tech Rural Assistance Program has completed a task for Troy Young Realty, a small real estate firm involved in sales and rentals of real property in the Macon, Georgia area.

Mr. Young has noted an increasing amount of staff time devoted to administrative procedures. The amount of paperwork became burdensome. Maintaining awareness of listings, accounting for expenses and depreciation are but a few of the requirements to be tracked.

Mr. Young decided to do something about this predicament and thought a computerized system would help. Yet this decision required some knowledge of computer systems. The large number of systems available served only to complicate this matter. Lacking this expertise internally, Mr. Young contacted the Rural
Assistance Program through Georgia Tech's West Georgia Extension Office. As a result of this contact, assistance was provided in selecting a computer to aid in the administration of a small real estate firm. A report was generated and is included as Appendix III.

The task conducted for Troy Young Realty serves to introduce this traditional business to the new information age. The report addresses five general areas of computerized information development:

- Accounting system - including payroll revenue, expense and budget systems.

- Marketing - generation of personalized form letters, mailing list updates and sales analyses.

- Electronic Multilists - computerized listing of real estate property for sale.

- Client Support Functions - preparing comparative loan analyses and costs, buyer/seller matching, tax and growth analyses and loan qualification criteria.

- Property Management.

These systems will allow Troy Young to become much more competitive and productive. The Georgia Tech RAP is aware of the need to introduce new technological advances to other minority-owned businesses involved in other industries and has initiated activities to implement this plan.
United Minority Businesses Inc. will have its first meeting of the new year at 7:30 p.m. Thursday at Oasis Conference Center, 1908 Boundary St.

The agenda will include a brief discussion of reorganization, a guest speaker and an informal business card exchange.

Arthur Brown, a small business specialist with the minority business program at Georgia Institute of Technology, will give a presentation on new marketing strategies. Brown has been working with a few business owners in the Beaufort area on concerns unique to their individual operation.

The meeting is open to the public. New or prospective business owners, employees of minority-owned businesses and members are encouraged to attend. For more information and pre-registration, contact Camille Gardner, treasurer, at 524-6338.
CLIENT DISTRIBUTION
NON-URBAN AND SMALLER METRO AREAS

<table>
<thead>
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<th>Non-Specialized Assistance</th>
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<td>Development</td>
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<td>Service</td>
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56%

44%
APPENDIX II
May 2, 1984

Mr. Ed Bethea
The Technology Utilization and Commercialization Center
Engineering Experiment Station
Georgia Institute of Technology
Atlanta, GA 30332

Dear Ed:

This is to advise you that we have reached complete agreement with the owners of TAMM Inc., in Raleigh, to acquire all company assets. We have scheduled settlement for June 1, in Raleigh. We have decided to become ABLE Machining and Electronics Company. Generally, we will have CNC equipment capability in machining and fabrications, and, be a high quality electronics assembly supplier.

Our next hurdle is to raise the equity investment that is required by the Small Business Administration for receipt of a loan under their 503 Loan Program. We have several interested investors, so that I feel confident that we will be able to settle on schedule.

As soon as I know that the 503 loan has been approved (required by June 1), and the investor has been selected, I will be in touch with you regarding the organization of our electronics assembly division. In the interim, I wanted to send you a list (hand written) of the equipment that my engineer has recommended in order to upgrade the process capability at the company. I have kept in mind your mention of the potential benefits to be derived from having a capability to produce double-sided circuit boards, which I understand some of this equipment will provide. On the list also are a number of pieces that relate to our other two divisions. Of some interest to the electronics industry should be the Amada CNC turret punch press. It will make us very competitive in the region.

In addition to these units, you may recall some of the other equipment in the electronics division at TAMM. I have included a section from our appraiser's report which will give you a complete picture of our capability in the sheet metal fabrication, and assembly divisions.
Again, in the very near future, I hope that you and your associates will be able to visit with us in Raleigh to review our initial thoughts regarding the marketability of the capability represented by the recommended equipment acquisitions attached hereto. A consultation with you prior to our ordering any of that which is listed, would be of great value, as we believe that your organization may have a better view of what our potential customers are seeking in the way of technical capabilities among their major assembly suppliers. Other marketing and technology related data that you may be able to provide when we get together will be of great interest.

Thank you for your continued interest in our project. I look forward to seeing you in Raleigh in the coming weeks.

Sincerely,

Wallace O. Green
President
Mr. Arthur L. Brown
The Rural Assistance Program
Engineering Experimental Station
Georgia Institute of Technology
Atlanta, GA 30332

Dear Art:

I visited B & J Precision Machine Shop on May 3, 1984. I met with Mr. Wilbert Brayboy and Mr. Robert Johnson, owners of the company.

There are nine employees at the company now and Mr. Johnson indicated he needs two more. The company has adequate equipment to carry out present contracts and they want another CNC lathe. I did not obtain financial statements from the company. From conversation, this is the most business the company has had in its five year history. The work seems to be from one company and a little work from the Air Force.

Mr. Brayboy and Johnson are requesting help in planning a new facility and help in obtaining work under the SBA-8A Program. They have been qualified for a year in the 8A Program and obtained one contract.

I can provide some suggestions for a new facility with a 2 or 3 man day effort. This work needs to be supplemented with some type business plan and marketing plan. It seems the new facility will depend on the status of future work. Financing for the new facility will probably be through the SBA-BDE and the amount of the financing will be determined by the future contracts.

I don't see immediate results from an effort to plan a new facility without a business plan and marketing program. I suggest your staff evaluate what can be done in these areas. With the company owning a CNC lathe and having need for another, this project could possibly be considered under TUCC.

Sincerely,

David H. Poss, II
Director
Augusta Area Office

DHPII/p1d

cc: Harris Johnson

Enclosures
May 1, 1984

Georgia Tec
Rural Assistance Program
325 Hinman Building
Atlanta, Georgia 30332
Attn: Art Brown

Dear Mr. Brown:

It was indeed a pleasure to talk to you this morning concerning 8(A) set aside work. I have been an 8(A) contractor for eighteen (18) months and as of this day, I have not been involved in a single contract.

It is quite comfortable to know that your office is diligently trying to help D & D Specialties to secure contracts.

I am appreciative of any aid that your office may render. Again thanks for the call and interest.

Enclosed is our brochure.

Sincerely,

Anthony W. Rhodes
President

Enclosures
January 24, 1964

Mr. Frank E. Brown
Program Manager
Georgia Institute of Technology
Atlanta, Georgia 30332

Dear Mr. Brown:

I have received your market assessment report on the Garsburg Plaza project.

I am very confident that the information you have put together will be as set to me as the project unfolds. It is a pleasure to read such a report and visualize the potentials of a project that is so important to the town of Garsburg and Northampton County.

I would like to have some information on other services offered by your office: (1) Loan packaging, (2) accounting system development, (3) marketing strategy, and (4) market penetration strategy, are uppermost in mind at present.

Your assistance in this project is greatly appreciated. I will be in contact with your office for counseling on future projects.

Sincerely,

Grover L. Edwards
Edward's and Associates

cc: Larry A. Alens
    Project Director

Residential and Commercial Building  Land Clearing  Hauling
RATIONALE FOR FUNDING
THE ATLANTA REGION
RURAL ASSISTANCE PROGRAM

Economic Development Laboratory
GEORGIA INSTITUTE OF TECHNOLOGY
March 1984
EXECUTIVE SUMMARY

Beginning in 1982, the U.S. Department of Commerce's Minority Business Development Agency appropriated funding for the Rural Assistance Program. Developed as a pilot project, RAP provides management and technical assistance services similar to those offered by the 100 Minority Business Development Centers located in the top 95 SMSAs in the country.

A total of four rural assistance contracts have since been awarded to cover rural and small metropolitan areas in the Atlanta, Dallas, and San Francisco Regions not included in MBDC territories. (The Alaska RAP provides coverage for the entire State of Alaska.)

This report describes the significance of the Rural Assistance Program in the Atlanta Region, focusing on its impact within a five-state area (Alabama, Georgia, Mississippi, North Carolina, and South Carolina). The assistance provided to rural-based businesses through RAP offers a tremendous potential for developing more nontraditional minority-owned businesses such as food processing operations, warehousing, and manufacturing businesses. The Atlanta Region's Rural Assistance Program is essential if MBDA is to meet its goals for new starts, business expansions and maintenance of existing businesses.

The Atlanta Region is particularly well-suited for developing minority-owned businesses because this Region:

- Has a Rural Assistance Program which provides assistance to 60% of the minority population in five states. Should funding in this Region discontinue, a highly significant minority population would be disenfranchised.
- Has a Rural Assistance Program which has successfully completed a period of transition from a start-up program to a regionally-recognized resource for the development of viable minority-owned businesses.
- Has the largest minority population of any region (see Table I).
- Has a minority population that is dispersed more evenly over
the region (major metro areas versus smaller SMSAs, cities, and rural areas) (see Table II).

- Is growing rapidly both economically and in terms of its minority population. The growth rate, larger minority population and dispersion of that population has created more population centers in the Atlanta Region than elsewhere in the country.

- Has business development needs, resources, and capabilities which differ from those of major SMSAs.

- Has access to the resources, capabilities, and expertise of the Georgia Institute of Technology. In addition to cost-sharing, Georgia Tech provides access to other supportive services, programs, expertise, and equipment that enhance the client-servicing potential of the MBDA program.

- Has the largest share of land ownership among minority persons and its use as a factor of production.

- Has more job and business opportunities in this Region which reduces the need for migration to larger urbanized areas.

Rural and small urban areas offer other positive potentials for generating additional business opportunities. For example, the development of food processing plants (meat, poultry, vegetable, fish) may encourage the following:

- Warehousing, storage, and refrigeration businesses to collect, store, and distribute products produced by farm and production-oriented operations. Less expensive land, available in larger quantities, gives the advantage to rural areas (over urban areas).

- Opportunities for minority-owned trucking companies because urban areas utilize the greater portion of rural production, and the need for transportation cannot be overlooked.

- Businesses using waste by-products of production, such as hides and waste material from live stock.

- Seed and feed production operations which create alternative markets for farmers with excess production.
Referrals and requests for assistance are now being channeled to the Program from numerous sources, including:

- MBDCs located in each state;
- State OMBE offices;
- University-based Small Business Development Centers;
- District and regional offices of the U.S. Small Business Administration;
- Offices of U.S. Congressmen; and
- Atlanta Regional Office of MBDA.

While the Minority Business Development Centers have been established for a much longer period of time and represent an urban constituency, the Rural Assistance Program has grown in its acceptance, within a short period of time, as a Program that assists in meeting the business needs and aspirations of rural and smaller metropolitan areas. The Program has made significant contributions to the development, promotion, and stabilization of minority-owned businesses. To ensure that these businesses grow and prosper, the Minority Business Development Agency must continue the Atlanta Region Rural Assistance Program.
### Table I

**MBDA Region**

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<td>5,516,917</td>
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<tr>
<td>Region III (Atlanta)</td>
<td>38,879,438</td>
<td>19.5</td>
<td>8,440,790</td>
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</tr>
<tr>
<td>Region IV (Chicago)</td>
<td>52,244,698</td>
<td>4.9</td>
<td>6,322,571</td>
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<tr>
<td>Region V (Dallas)</td>
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<tr>
<td>Region VI (San Fran)</td>
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<td><strong>37,636,841</strong></td>
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### Table II

**Population Statistics**

**MBDA Atlanta Region**

**Georgia Tech Rural Assistance Program Service Area**

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<thead>
<tr>
<th>State</th>
<th>Total Population</th>
<th>Minority Population</th>
<th>Minority Population Covered by MBDCs</th>
<th>Minority Population Covered by RAP</th>
<th>Minority Population in SMSAs &amp; Small Cities Within RAP Area</th>
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<tr>
<td>Alabama</td>
<td>3,893,888</td>
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<td>470,993</td>
<td>550,274</td>
<td>163,531</td>
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<td>Georgia</td>
<td>5,463,105</td>
<td>1,515,970</td>
<td>801,888</td>
<td>714,132</td>
<td>134,372</td>
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<td>Mississippi</td>
<td>2,520,638</td>
<td>905,448</td>
<td>127,878</td>
<td>777,570</td>
<td>78,541</td>
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<td>N. Carolina</td>
<td>5,881,766</td>
<td>1,424,259</td>
<td>456,748</td>
<td>867,511</td>
<td>157,464</td>
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<td>S. Carolina</td>
<td>3,121,820</td>
<td>974,596</td>
<td>365,084</td>
<td>609,512</td>
<td>79,223</td>
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<td>Subtotal RAP Service Area</td>
<td>20,881,217</td>
<td>5,841,540</td>
<td>2,332,541</td>
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<td>613,131</td>
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<tr>
<td>Florida</td>
<td>9,746,324</td>
<td>1,561,811</td>
<td>863,791</td>
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<td>Kentucky</td>
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<td>Tennessee</td>
<td>4,591,120</td>
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<td>516,061</td>
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<td>Subtotal Atlanta Region Outside RAP Area</td>
<td>17,998,221</td>
<td>2,599,250</td>
<td>1,542,092</td>
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<td><strong>TOTAL Atlanta MBDA Region</strong></td>
<td>38,879,438</td>
<td>8,440,790</td>
<td>3,874,633</td>
<td>3,518,999</td>
<td>613,131</td>
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RATIONALE FOR FUNDING
THE ATLANTA REGION
RURAL ASSISTANCE PROGRAM

Population and Area of Coverage

One of four such programs operated in the United States, the Georgia Institute of Technology's Rural Assistance Program provides management, technical, developmental, and financial assistance to minority-owned businesses in the Southeastern States of Alabama, Georgia, Mississippi, North Carolina, and South Carolina.

Created, monitored, and measured against the same standards and guidelines established for urban-based Minority Business Development Centers, located in more heavily urbanized portions of the country, the Rural Assistance Program serves an Atlanta Region that has a much smaller percentage of its total population concentrated in one or two states. While recent studies indicate that minority-owned businesses do tend to be concentrated in more heavily populated urban centers, Table III shows the total population and minority population, by state, within each MBDA region.

The Atlanta Region contains the largest concentration of minority residents in the entire country. Its 8.4 million population accounts for 22% of the Nation's minority population. Unlike other regions, no single state within the Atlanta Region accounts for more than 19% of its population. To illustrate:

- New York State has 65% of that Region's minority population;
- Pennsylvania has 31% of the Washington Region's minority population;
- Illinois has 35% of the Chicago Region's minority population;
- Texas has 51% of the minority residents for the Dallas Region; and
- California has 75% of the San Francisco Region's minority population.
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<tr>
<td>Connecticut</td>
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<td>New York</td>
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<td>-3.7</td>
<td>3,597,204</td>
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<td><strong>TOTAL</strong></td>
<td>33,767,508</td>
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<td><strong>Region II - Washington</strong></td>
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<td>Delaware</td>
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</tr>
<tr>
<td>Hawaii</td>
<td>984,691</td>
<td>25.5</td>
<td>645,921</td>
<td>67</td>
</tr>
<tr>
<td>Nevada</td>
<td>1,800,183</td>
<td>63.8</td>
<td>100,168</td>
<td>13</td>
</tr>
<tr>
<td>Oregon</td>
<td>2,633,105</td>
<td>25.9</td>
<td>142,405</td>
<td>5</td>
</tr>
<tr>
<td>Washington</td>
<td>4,312,156</td>
<td>21.2</td>
<td>352,986</td>
<td>9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>35,318,413</td>
<td>34.6</td>
<td>7,448,136</td>
<td>21</td>
</tr>
<tr>
<td><strong>U.S. Total</strong></td>
<td>213,614,612</td>
<td></td>
<td>37,636,841</td>
<td>18</td>
</tr>
</tbody>
</table>

*NOTE: Totals include only states represented by some type of MESA funded organization. Accounts for all but 13 million of total population and 537,342 minority persons.*
Consequently, more cities in the Atlanta Region are considered rural when ranked among major metropolitan areas.

It should be noted that the Atlanta Region has three of the ten states with the largest minority population. The Rural Assistance Program currently provides MBDA coverage for 47% of Georgia and 61% of North Carolina's minority population. (Florida, with the largest minority population in the region, is not included in RAP's territory.) Therefore, discontinuing RAP would result in the loss of service to 3.5 million (60%) of the 5.8 million minority residents in RAP's five-state territory.

In addition to serving those individuals and firms located in traditionally "rural" areas, RAP also provides assistance to smaller SMSAs and cities that do not have a funded MBDC. Of the 40 SMSAs with 50,000 or more people in the five-state area, 16 are serviced by MBDC operations, while 24 are eligible for RAP's assistance. In terms of population, RAP's urban constituency totals 613,131 minority persons (18% of the area serviced by RAP). Table IV gives a summary of the number of SMSAs included in this total.

Although the Census Bureau lists areas with a population of 50,000 or more, two-thirds of the SMSAs included in Table IV had total populations in excess of 100,000 people (see Table V).

### Table IV

<table>
<thead>
<tr>
<th>State</th>
<th>No. Major Areas</th>
<th>Total Population</th>
<th>Minority Population</th>
<th>Percent Minority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>7</td>
<td>910,703</td>
<td>163,531</td>
<td>18</td>
</tr>
<tr>
<td>Georgia</td>
<td>3</td>
<td>534,654</td>
<td>134,372</td>
<td>25</td>
</tr>
<tr>
<td>Mississippi</td>
<td>3</td>
<td>366,475</td>
<td>78,541</td>
<td>21</td>
</tr>
<tr>
<td>North Carolina</td>
<td>7</td>
<td>831,079</td>
<td>157,464</td>
<td>19</td>
</tr>
<tr>
<td>South Carolina</td>
<td>3</td>
<td>267,897</td>
<td>79,223</td>
<td>30</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>2,910,808</td>
<td>613,131</td>
<td>21</td>
</tr>
</tbody>
</table>
Land Ownership by Minorities

Long recognized as a major force of production, the use of land as a resource for business development has not been sufficiently explored within the minority community. A survey of land ownership, prepared by the Department of Agriculture in 1978 (see Table VI), indicates the Atlanta Region has the largest land ownership for minority groups. The 14.7 million acres of land owned by minority persons in the Atlanta Region accounts for 59% of the 24.8 million acres of land owned by minorities nationwide.

Table VI

Land Ownership by Minorities (1978)

<table>
<thead>
<tr>
<th>Minority Land Ownership (000 acres)</th>
<th>% of Privately-Owned Land Held by Minorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern States</td>
<td>14,700</td>
</tr>
<tr>
<td>Western States</td>
<td>7,900</td>
</tr>
<tr>
<td>North Central States</td>
<td>1,860</td>
</tr>
<tr>
<td>Northeastern States</td>
<td>354</td>
</tr>
</tbody>
</table>


RAP's Role in Developing Non-traditional Businesses

The abundance of available land in the Atlanta Region represents an important resource for the development of new and expanded minority-owned business enterprises. While comparative statistics were not available for urban versus rural land ownership, it is assumed that nonmetropolitan areas comprise a greater portion of land

-9-
ownership. Less competition for land outside major urban areas contributes to lower start-up costs for businesses locating there.

Likewise, closer proximity to available land and raw materials (at a cost lower than in larger, more urbanized areas) creates the opportunity for greater involvement with nontraditional types of minority-owned businesses.

The areas serviced by RAP also offer other positive potentials for generating additional business opportunities. For example, the Georgia Tech Rural Assistance Program is placing an increasing emphasis on developing and servicing Program applicants in the following areas:

- manufacturing/production;
- engineering/technology-oriented firms;
- construction and related businesses;
- various for-profit cooperatives of various kinds; and
- other businesses with high potential, impact or economies of scale.

The development of food processing plants (meats, poultry, fish, vegetables, etc.) represents the kind of opportunities that create other business potentials such as warehousing and storage facilities. These, in turn, may be beneficial to farmers and/or other agribusiness operations. Many of our clients offer the potential for generating other business opportunities. These clients include:

- D&D Specialty -- A South Carolina manufacturer of steel frames for metal doors.
- Consolidated Industries -- Automated test equipment manufacturer located in Huntsville, Alabama.
- Edwards & Associates -- An established contractor and real estate developer in North Carolina. RAP conducted a feasibility study for a shopping center.
- Choctaw Indians -- RAP delivered a feasibility study for a shopping center proposed on this Mississippi Indian reservation.
• REACH Meat Processing Plant -- Assistance in business plan development and financing for this meat processing plant in Mississippi.
• Chavis Tool & Manufacturing -- South Carolina firm involved in precision machine parts fabrication and manufacturing.

Resources Available Through Rural Assistance

Through the Rural Assistance Program, minority-owned businesses in rural areas gain access to the same resources made available to their urban counterparts. Distance and travel time often reduce the amount of interactive communications between rural-based companies and potential customers or providers of assistance in major population centers. RAP serves to reduce these concerns through the resources it brings to rural clients.

Since its inception, the Georgia Tech Rural Assistance Program has served as a liaison between minority vendors and major corporate buyers to aid in contract procurements. Some of the companies our Program has worked with include: Georgia Pacific, General Electric, the Georgia Power Company, and Cummins Engine Company. This Program's outreach activities are succeeding in bringing federal and corporate buyers in contact with minority-owned firms. Consequently, these relationships contribute to the success of the Program.

In addition to a 20% cost contribution, Georgia Tech provides other significant benefits, including:
• Access to the expertise of more than 600 full-time consultants in the Engineering Experiment Station (plus other members of the administrative and teaching staff).
• Access to other federal programs administered by units of the Engineering Experiment Station, including:
  -- The Trade Adjustment Assistance Center (TAAC),
  -- The Advanced Technology Development Center (ATDC), and
The Technology Utilization Commercialization Center (TUCC).

• Numerous support services which maximize the amount of time available for direct assistance to clients. These services include administrative and budgetary support, equipment and laboratory facilities, library/research assistance, to name a few.

• An expanded network of sources and contacts to enhance the existing network of equipment and information services currently provided by MBDA.

Program Accomplishments

While meeting the usual challenges of establishing itself, RAP has made significant strides in meeting its objectives. Prior to servicing the 40 clients targeted by MBDA during the first year of operation, preparatory activities included:

• staff hiring, orientation, and training;
• facilities preparation;
• development of systems for program administration, coordination of an outreach program, client intake and servicing, program promotion, work review, etc.;
• familiarization with MBDA national and regional program definition and reporting requirements; and
• conducting outreach activities.

Included within its program accomplishments, RAP established numerous contacts for and provided direct assistance to 34 clients, of which:

• Twenty-three firms employed 330 persons, an average of 14.4 employees per company.
• Gross revenue of $8.64 million was reported for the year ending December 31, 1982. The average income per firm totaled approximately $375,650.
The lack of historical data prevents a solid comparison of a return on MBDA's investment and the level of impact provided by RAP's assistance. However, because these firms were still operating at the close of 1983 and, in some cases, RAP continued assisting them, the Program made a significant impact on the minority community. Therefore, MBDA's $200,000 investment in RAP enabled minority businesses to grow and prosper. In fact, the firms assisted, recorded a gross income of $8.64 million in 1982.

Under the second year of the existing contract, RAP is required to service a minimum of 54 clients. At the end of the first quarter (12/31/83), RAP provided assistance to 14 new clients, 23 continuing clients, and handled inquiries from numerous prospective clients. Of the new clients:

- seven were categorized as business expansions;
- four included new starts;
- two businesses required assistance in maintaining their operations;
- eight businesses recorded an aggregate income of $6.0 million, an average of $750,000 per firm, as of 12/31/82;
- twelve operating businesses employed 236 minority persons, an average of 20 persons each.

A comparison of MBDA's investment in FY 1983 versus the first three months of the 1984 fiscal year show:

<table>
<thead>
<tr>
<th></th>
<th>1983</th>
<th>1st QTR 1984</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total MBDA Investment</td>
<td>$ 200,000</td>
<td>$ 50,000</td>
</tr>
<tr>
<td>No. of New Firms Serviced</td>
<td>34</td>
<td>14</td>
</tr>
<tr>
<td>No. of Carry-over Clients</td>
<td>-</td>
<td>23</td>
</tr>
<tr>
<td>No. of Firms w/Revenue in 1982</td>
<td>23</td>
<td>8</td>
</tr>
<tr>
<td>1982 Gross Revenue of New Firms</td>
<td>$ 8.64 M</td>
<td>$ 6 M</td>
</tr>
<tr>
<td>Average Gross Revenue</td>
<td>$ 375,650</td>
<td>$ 750,000</td>
</tr>
<tr>
<td>No. of Firms with Employees</td>
<td>23</td>
<td>12</td>
</tr>
<tr>
<td>Total No. of Employees</td>
<td>330</td>
<td>236</td>
</tr>
<tr>
<td>Average No. of Employees</td>
<td>14.4</td>
<td>19.7</td>
</tr>
<tr>
<td>Gross Revenue vs. MBDA Investment</td>
<td>$ 43.2:1.0</td>
<td>$ 120:1.0</td>
</tr>
</tbody>
</table>
This information not only reflects the Georgia Tech RAP's valuable contributions, but it also indicates the quality of RAP's clientele. With a continuation of this trend, more interaction with clients and contacts on their behalf, the Rural Assistance Program will become one of the most successful programs of its kind.
I. NEED FOR SPECIALIZED ASSISTANCE IN ATLANTA MBDA REGION

A. Rural assistance program fills a void in Atlanta region that does not exist in other regions.
   - More widely dispersed minority population
   - 60% of Atlanta region minority population outside of MBDC service areas in 5-state territory.
   - Region is growing rapidly economically and population-wise.

B. Society is moving from industrial (northeast) to high technology (south & west) economy.

II. FILLING THE NEED THROUGH A PROGRAM OF M&TA SUPPORT FOR NON-URBAN MINORITY-OWNED BUSINESSES.

A. MBDA strategic areas of emphasis
   - High employment
   - Graduating 8(a) firms
   - High tech
   - Women-owned businesses
   - Export Potential

B. EDL contracts enjoy full support of Georgia Tech's technological, engineering and informational resources.

C. Client distribution from territory serviced by RAP

D. Exemplary high potential projects

III. MOBILIZING TO MEET THE NEEDS OF MINORITY-OWNED BUSINESSES

A. Basic objectives of the program
   - President Reagan's 10-year goal for developing minority-owned businesses
   - Develop firms located in non-urbanized areas for subsequent referral to local MBDC's
   - Serve as resource to supplement expertise of MBDC's

B. Cooperative efforts exemplified by RAP

   - MBDC's
   - State OMBE's
   - Small Business Administration
   - Small Business Development Center
   - State Economic development agencies
   - State & federal congressional staffs
   - SETAAC
   - TUCC
   - IED
   - Other Georgia Tech labs
   - Other Educational Institutions
   - Industry

IV. RETURN ON INVESTMENT
### POPULATION COVERAGE - MBDC vs. RAP

<table>
<thead>
<tr>
<th>STATE</th>
<th>MINORITY POPULATION</th>
<th>% COVERED BY MBDC's</th>
<th>% COVERED BY RAP</th>
<th>RAP AREA IN SMSA's</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>1,021,267</td>
<td>46%</td>
<td>54%</td>
<td>30%</td>
</tr>
<tr>
<td>Georgia</td>
<td>1,515,970</td>
<td>53%</td>
<td>47%</td>
<td>19%</td>
</tr>
<tr>
<td>Mississippi</td>
<td>905,448</td>
<td>14%</td>
<td>86%</td>
<td>10%</td>
</tr>
<tr>
<td>N.Carolina</td>
<td>1,424,259</td>
<td>39%</td>
<td>61%</td>
<td>18%</td>
</tr>
<tr>
<td>S.Carolina</td>
<td>974,596</td>
<td>37%</td>
<td>63%</td>
<td>13%</td>
</tr>
<tr>
<td>Total RAP Service Area</td>
<td>5,841,540</td>
<td>2,332,541</td>
<td>3,518,999</td>
<td>613,131</td>
</tr>
<tr>
<td>*Florida</td>
<td>1,561,811</td>
<td>55%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>*Kentucky</td>
<td>281,771</td>
<td>58%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>*Tennessee</td>
<td>755,668</td>
<td>68%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Region</td>
<td>8,440,790</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Not Within RAP's Service Area
Census Unit Predicts 60% of Americans Will Be Living in the South or West by 2000

By TIMOTHY D. SCHILLHARDT
Staff Reporter of The WALL STREET JOURNAL

WASHINGTON—Reflecting continuing migration to the Sun Belt, six of every 10 Americans will live in the South or West by the year 2000, the Census Bureau predicts.

At the time of the 1980 census, 52.3% of the nation's 226.5 million people lived in those two regions. The bureau estimates the U.S. population will be 245.7 million by 2000.

According to the bureau's forecast, the West will continue to be the fastest-growing region, increasing by 45% in population by 2000. Its population is expected to grow to 62.1 million people from 43.2 million. The South will maintain its pace as the second fastest-growing region, the bureau figures, increasing 31.2% over the next two decades, from 58.5 million persons to 75.3 million.

Since 1970, because of economic and demographic forces, the various sections of the country have become less, not more, alike, demographers say, and the bureau's projections indicate this polarity could continue to 2000.

State Rankings

California will still be the most populous state in the year 2000, the bureau says, while Texas will move to second from third and Florida will jump to third from seventh. New York is expected to drop to fourth from second.

Census Bureau analysts anticipate that by 2000, California will have 32.6 million people, up from 23.7 million in 1980. Texas, 20.7 million, up from 14.2 million; Florida, 17.4 million, up from 9.7 million; and New York, 14.5 million, down from 17.6 million. The next six largest states by 2000, in order, will be Pennsylvania, Illinois, Ohio, Michigan, New Jersey, and North Carolina, the bureau predicts.

By 2000, Vermont is expected to replace Alaska as the smallest state in population. Vermont's population is expected to jump to 625,000 from 511,000 in 1990, but Alaska's is seen jumping to 630,700 from 400,500.

The bureau projects a 41% decline in the District of Columbia's population, however, which would make it smaller than any state. By 2000, the district's 1980 population of 376,500 is expected to drop to 367,700, and four states were smaller.

The district's population dropped more than 15% in the 1970s as residents moved to the Maryland and Virginia suburbs. The projections assume a continuation of this trend.

Next Eight Smallest

After Vermont and Alaska, the next eight smallest states by 2000, in order, are expected to be Delaware, North Dakota, South Dakota, Rhode Island, Montana, Wyoming, Hawaii and Maine.

By contrast, the bureau says little growth or actual shrinkage in population in the Rust Belt (regions by 2000, the North Central region is expected to increase in population by only 1.5%, to 50.7 million people from 50.9 million, while population in the Northeast is expected to contract 5.5%, to 46.4 million from 49.1 million.

Population experts caution that a lot can happen in 20 years and that the Census Bureau's assumptions—particularly that migration patterns of the 1970s will continue—could prove wrong.

Still, the bureau's projections portend further profound changes in the structure of American society along the lines of those that began occurring in the 1970s. They suggest a further transfer of employment and income, as well as population, from the industrialized, densely settled North to the less industrialized, "newer" South and West.

The projections are based on 1980 census results and assume small decreases in mortality, small increases in fertility, and a continuation of migration patterns established in the 1970s.

Two Harvard University professors who track regional trends contend that the growth change occurring between regions is a development worth the close attention of the business community in particular. These changes, maintain professors Gregory Jackson and George Mansick, are likely to have major implications on housing, working conditions, urban life, social services and politics.

Regional changes by 2000 "will depend largely on the overall growth in the economy," said Mr. Jackson. He reasons that if the economy until then doesn't grow at a reasonable rate, interregional conflict will spark further contests to attract industry.

The problem is, regions just don't sit there. The problem is, regions just don't sit there and take it when they're battered, he notes, citing economic strides taken in recent years by the once-depressed New England states.

If they prove accurate, the bureau's population projections would drastically change representation in Congress. By 2000, the average congressional district would increase to about 615,000 people from 520,000. That average suggests that California could gain as many as five seats by 2000 from its current 45 districts while Texas could grow to 34 from 27 and Florida to 28 from 19. Other states that could gain as many as two additional congressional seats are Arizona, Colorado, Oregon, Utah and Washington.

However, New York's congressional delegation could shrink to 24 from 34, Illinois' to 18 from 22, Ohio's to 17 from 21, and Pennsylvania's to 18 from 23. Other states that could lose at least two current congressional seats are Massachusetts, Michigan and New Jersey.
Minority Population Statistics
Southeastern United States

<table>
<thead>
<tr>
<th>State</th>
<th>Total</th>
<th>MBDC</th>
<th>RAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>AL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA</td>
<td></td>
<td></td>
<td></td>
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<td>MS</td>
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<td></td>
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<td>NC</td>
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<td></td>
</tr>
<tr>
<td>KY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TN</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TOTAL U.S. POPULATION GROWTH
BY MBDA REGIONS
1970 - 1988

MILLIONS

REGION IV
REGION III
REGION VI
REGION V
REGION I
REGION II

YEAR

(EST.) (PROJ.)
CHANGE IN PERCENTAGE U.S. POPULATION
BY MBDA REGIONS
1970 - 1988

PERCENTAGE

25

20

15

10

5

REGION IV

REGION III

REGION VI

REGION V

REGION I

REGION II

YEAR

EST PROJ
U.S. MINORITY POPULATION GROWTH
BY MBDA REGIONS
1970 - 1988

YEAR

(MILLIONS)
<table>
<thead>
<tr>
<th>Region</th>
<th>1900</th>
<th>1910</th>
<th>1920</th>
<th>1930</th>
<th>1940</th>
<th>1950</th>
<th>1960</th>
<th>1970</th>
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</thead>
<tbody>
<tr>
<td>New England</td>
<td>68.6</td>
<td>73.4</td>
<td>76.2</td>
<td>77.2</td>
<td>76.1</td>
<td>74.8</td>
<td>75.1</td>
<td>76.4</td>
</tr>
<tr>
<td>Middle Atlantic</td>
<td>63.1</td>
<td>70.2</td>
<td>74.6</td>
<td>77.7</td>
<td>79.1</td>
<td>75.6</td>
<td>72.1</td>
<td>81.7</td>
</tr>
<tr>
<td>South Central</td>
<td>65.2</td>
<td>52.7</td>
<td>60.8</td>
<td>66.6</td>
<td>65.5</td>
<td>66.3</td>
<td>67.3</td>
<td>74.8</td>
</tr>
<tr>
<td>West North Central</td>
<td>68.4</td>
<td>33.1</td>
<td>37.7</td>
<td>41.8</td>
<td>44.2</td>
<td>49.9</td>
<td>56.0</td>
<td>63.7</td>
</tr>
<tr>
<td>East North Central</td>
<td>10.2</td>
<td>23.1</td>
<td>28.6</td>
<td>24.1</td>
<td>36.5</td>
<td>41.6</td>
<td>47.6</td>
<td>63.7</td>
</tr>
<tr>
<td>South Atlantic</td>
<td>14.9</td>
<td>18.6</td>
<td>22.1</td>
<td>20.0</td>
<td>29.3</td>
<td>35.5</td>
<td>43.3</td>
<td>54.6</td>
</tr>
<tr>
<td>West South Central</td>
<td>16.4</td>
<td>22.2</td>
<td>29.0</td>
<td>38.3</td>
<td>39.7</td>
<td>53.1</td>
<td>64.6</td>
<td>72.4</td>
</tr>
<tr>
<td>Pacific</td>
<td>32.2</td>
<td>35.8</td>
<td>36.5</td>
<td>39.3</td>
<td>42.7</td>
<td>49.1</td>
<td>60.4</td>
<td>73.3</td>
</tr>
</tbody>
</table>

The rural South comes home

Where the South's youth moved

15 to 24 year-olds, 1981-82

1 million
750,000
500,000
250,000

Into a metropolitan area

Out of a metropolitan area

Stayed or moved to rural areas

No. of working people living outside the state's large cities

1973: 846,590
1983: 942,339

1,198,000

Sources: U.S. Census Bureau
Source: Georgia Dept. of Labor

MIKE GOETTEE/Staff
## Management & Technical Assistance

### Services Available Through EDL

| o Loan Packaging          | o Engineering Feasibilities                   |
| o Accounting System Development | o Market Feasibilities                        |
| o Marketing Strategy      | o Land Use and Planning                      |
| o Market Penetration Strategy |                                           |
| o Business Planning       |                                              |
| o Financial Forecasting   |                                              |
| o Bid Preparation Aid     |                                              |
| o Organizational Structure|                                              |
| o Personnel System       |                                              |
| Audit/Analysis            |                                              |
| o Franchise Purchase and Development |                         |
| o Business Computer Selection |                                          |
| o Engineering Feasibility |                                              |
| o Equipment & Technical Needs Analysis |                        |
| o Plant/Facilities Engineering |                                         |
| o Economic Analysis       |                                              |
| o Community Development   |                                              |
| o Productivity Enhancement|                                              |
| o Energy Demand Modeling  |                                              |
| o Economic Feasibilities  |                                              |
| o New Product Development |                                              |
| o Trade Adjustment Assistance |                                      |
| o Agricultural Economics  |                                              |
| o Location Analysis       |                                              |

x Engineering or specialized types of technical assistance
CLIENT DISTRIBUTION
NON-URBAN AND SMALLER METRO AREAS

AGRIBUSINESS

Choctaw Meat Processing Plant - MS
Equifund CDC (Vegetable Processing Plant) - AL.
Institutional Food Services (Vegetable Processing Plant) - N.C.
Nosebor (Meat) Packing - N.C.
Perdido Vineyard (Grape Farming & Winery) - AL.
Triple D Agribusiness Center (Vegetable Processing/Distribution) - AL.

CONSTRUCTION

A&B Consulting & Contracting - N.C.
A-1 Construction - GA.
E&R Associates - GA.
Emerson & Sons - GA.
O.V. Campbell & Sons - GA.
Richardson Grading - GA.
Universal Enterprises - GA.

DEVELOPMENT (REAL ESTATE & RELATED)

Choctaw Tribal Council (Shopping Center) - MS.
Edwards & Associates (Shopping Center) - NC.
Green Acres, Inc. (Housing) S.C.
Judge Nathan Brown (Shopping Center/Motel) - S.C.
Troy Young Realty (Real Estate Management) - GA.

FISHERY

Hilton Head Fishing Cooperative - S.C.
LeFlore - Bolivar Catfish Processing Farm - MS.

MANUFACTURING

Allen Welding Company (Metal Fab.-Door & Side Gate Assembly) - AL.
American Contract Packagers (Pharmaceuticals) - N.C.
B&J Precision Machine Shop (Metal Fab.-Machined Parts) - S.C.
Chavis Tools & Manufacturing (Metal Fab.-Machined Tool Parts) - S.C.
Consolidated Industries (Electronic Test Equipment) - AL.
D&D Specialty (Hollow Metal-Frame Doors) - S.C.
Electro National (Electrical Switches, Relays) - MS.
Fabulous Creations From LF (Ultra Suede Garments) - N.C.
Fine Vines (Garments) - MS.
Hopkins International (Electronic Power Controllers) - N.C.
International Plastics Manufacturer (Plastic Products) - AL.
Jackson Metals Company (Aluminum Can Recycling) - GA.
MOP, Incorporated (Printed Circuit Boards) - GA.
Rivers Carpet Mills (Carpetting) - GA.
Smith & Smith Carpets - GA.
Trianna Industries (Automobile Wiring Harnesses) - AL.
Workers Owned Sewing Company (Garments) - N.C.

RETAIL

Collected Guild
Culpepper's Supermarket - GA.
E's Fabric & Novelty (Novelty Gift Shop) - S.C.
Frogmore Village (Grocery) - S.C.
Gardner, Camille (Apparel) - S.C.
Mays, James (Grocery) - GA.
Omni's Quip (Equipment Rental) - GA.
Ruth's Wardrobe II (Women & Children's Clothing) - S.C.
Willis, George (Liquor Store) - GA.
Zimmerman, Joyce & George (Gift Shop) - S.C.

SERVICE

Alvie Coes Funeral Parlor - GA.
Bob's Service Center (Automotive Repairs & Servicing) - AL.
Poteete, Robert (Food Service) - GA.
Tuskegee Athletic Center (Health Spa) - Al.

TRANSPORTATION

Georgia Air (Commuter Airline) - GA.
**RETURN ON INVESTMENT**

**GEOGRAPHIC AREAS SERVED (NON-MAJOR METROPOLITAN)**
- Alabama
- Georgia
- Mississippi
- North Carolina
- South Carolina

**BRIEF STATISTICAL PROFILE**

<table>
<thead>
<tr>
<th></th>
<th>FY 1983</th>
<th>1ST QTR FY 1984</th>
<th>PTD TOTAL</th>
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<td>MBDA Funding</td>
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<td>48</td>
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<td>No. of Firms W/Revenue in 1982</td>
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<tr>
<td>1982 Gross Revenue of New Firms</td>
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<td>Average Gross Revenue</td>
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<td>$750,000</td>
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<td>No. of Firms W/Employees</td>
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<td>12</td>
<td>35</td>
</tr>
<tr>
<td>Total No. of Employees</td>
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<td>Average No. of Employees</td>
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<td>$120:1.0</td>
<td>$58.6:10</td>
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Dear Mr. Young:

The attached report has been prepared in response to your request for assistance in the analysis and identification of a microcomputer (personal computer) for real estate applications.

While there are a large number of microcomputers that may be purchased, the selection of a particular system suitable to your needs should be based upon:

1. A critical analysis of your business to determine which procedures, systems or operations to computerize;
2. A review of currently available (standard) software packages that most closely approximate your particular needs;
3. An analysis of hardware systems that are compatible with the software selected. Generally, the software packages (applications) selected will determine the available field of hardware systems you will compare. Most software packages will run on only a selected few microcomputers;
4. The realization that a software package, unless specifically designed for your business, may still need modification to deliver maximum benefit.

Selecting either the wrong applications (requirements), software packages or hardware system can result in extreme frustration, much wasted time and effort and an ineffective financial investment for your business. The attached report will aid you in making your decision.

While reading the report and when selecting your own personal computer, you may want to keep the following major points in mind:

• Spend a little time becoming familiar with the basics of microcomputers. In order to justify the purchase, you need to know what the computer can do for you. Where can it fit "best" in the business? Do the savings of a microcomputer outweigh the costs?

• After deciding whether or not your business can benefit from using a microcomputer, isolate those applications that are candidates for automation - i.e., payroll, accounts payable, other accounting functions, word processing or other "marketing" needs, or various real estate applications like sales transaction directories, sales activities, listings, etc. In other words, define those business requirements that relate to microcomputer solutions.
The definition of business requirements that are to be automated is followed by a series of steps involved in selecting the specific software packages to meet those requirements. Since each package has been designed to provide specific benefits, you may ultimately have to prioritize those requirements that are most essential. Individual software packages may then be compared to this list to determine flexibility and reliability and then rated accordingly.

Software selection is followed by a determination of hardware systems capable of running the programs selected. Hardware considerations include size and capacity (memory and storage space), features of the system components (printer, communications equipment, type of monitor, etc.), quality of the documentation and service agreement that come with the system and portability of the system (if this is an area of concern).

The selection of software and hardware must be supplemented by other considerations such as cost, on-going maintenance and servicing after purchase, the dealers' knowledge about microcomputers, training provided initially (and available subsequently) and other financial and tax consequences of the transaction.

Although microcomputers do not require the space, ventilation, power and other environmental demands of larger computers, the physical site must be prepared well in advance of delivery. Placement in an area that reduces operator distraction, minimizes the effects of printer noise, provides room for expansion and controls access to the microcomputer and supplies is an absolute essential. Three-prong grounded power outlets must be available. Physical considerations should also include telephone outlets for telecommunications linkage and some type of power surge protection to prevent data destruction from electrical or other sources. Discuss these concerns with each vendor.

The training of personnel to use the microcomputer will require time and initiative. Give early consideration to the selection of primary and back-up personnel. Interest, knowledge and ability to be trained (or re-trained) are important considerations as new applications develop and/or growth occurs. The amount of training made available by the company initially, ease of learning to use the microcomputer and the availability of adequate training in the future are selection criteria.

Proper control of the operation and training of the staff depend heavily upon documentation provided with the system. The possible risk of accidental destruction of data files or exposure to transition problems during employee turnover increases the value of a well-documented computer system. Some documentation will be supplied by the vendor. Others will be developed internally with vendor assistance - i.e. logs and schedules for hardware maintenance, procedures for developing backup data files, etc.
Technological advances, future expansion of the business, new applications arising after the initial purchase and other changes in either or both software and hardware systems. Thus, you may want to include some measure of the vendors' trade-in, replacement, obsolescence or multiple purchases policies as part of the overall decision process. The introduction of new innovations will, quite obviously, result in changes in the state-of-the-art. Many vendors have developed hardware systems that may be upgraded with either software modifications or minimal changes in the equipment itself.

This letter and the attached report have been constructed to help make the selection process a bit easier to handle. The report also includes example software programs, typical single user hardware configurations, typical small multi-user hardware configurations, information on real estate software vendors, accounting software vendors and pricing information.

One last note, for your awareness. The selection of your system may be enhanced through consultation with various professionals along the way. With an investment as important as your minicomputer and an entity so critical as your business, you may want to interface - at various points - with your accountant, your attorney and, perhaps, a computer systems consultant and/or designer.

The computer systems consultant/designer may be especially helpful during the initial process of defining your requirements and selecting the appropriate hardware. Later, this familiarity can be a valuable aid in modifying the standardized software package so that it may be more suitable to your particular business.

The attached information gives more details regarding a data systems designer and consultant.

I hope this information will be helpful to you during your deliberations. Hopefully, you will be better able to interface with the various vendors and/or providers of microcomputer services.

Should you feel the need for additional assistance or a verbal presentation, you may reach me at (404) 894-3843.

Sincerely,

[Signature]

Frank B. Brown,
Program Director

Cc: Mr. Carlton Eccles
Enclosure
SMALL COMPUTERS
FOR
REAL ESTATE OFFICES

Prepared for:
Rural Assistance Program
Atlanta, GA

By:
Harris T. Johnson, III
William C. Darley, Jr.
George H. Lee

Economic Development Laboratory
Engineering Experiment Station
Georgia Institute of Technology

March 1984
Small individual and multiuser computers are a rapidly developing technology which has direct application in many small businesses and industries. Among smaller firms where owners and managers often wear many hats, there is not time for these managers to keep abreast of rapid changes in a number of different fields. This report is designed to assist the manager or owner of a small real estate firm in understanding some options available to him in the utilization of a small computer in his firm to improve his productivity. A few system cost examples have been included to give some idea of the cost of these options. Small computers have direct applications in five general areas of the small to medium real estate office operation. These applications include:

**Accounting** - including payroll and associate expense tracking and budget analysis.

**Marketing** - including generation of "personalized" form letters, mailing list upkeep, and sales analyses.

**Electronic Multilists** - particularly in major metropolitan markets.

**Client Support Functions** - including loan analyses and comparative costs, buyer/seller matching, tax and growth analyses, and loan qualification.

**Property Management** - for rental properties.

At the outset an initial decision must be made based on how many people will need access to the computer at one time. As you proceed further in evaluating your real needs versus cost, this decision will become very apparent. In general, if your needs can be met by one-person access at a time, then this indicates a personal size computer like an IBM-PC, Zenith 2100, or TI-Professional. If you foresee a short term need (2-3 years), for two to eight people to use the computer at one time then a multiuser supermicro is indicated. Examples of this type computer are Northstar, ALTOS, Molecular Computer, and Alpha Micro.
The recommended procedure is to pick the software that effectively fills your needs and then select an appropriate computer to run that software. We will discuss a selection procedure in more detail later, but the first step in that process is to learn a little about small computers. You are beginning that process here. Other steps you might take involve perhaps spending some time at a computer store, purchasing a very small home computer to learn some computer basics, or taking a computer course at a local college or vocational-technical school.

As you begin to learn a little about small computers, you will explore several generalized programs. These programs (various "electronic spreadsheets", word processors, and communications programs) are generalized because they apply to many small businesses and can be used to perform a variety of tasks from communicating with other users to electronic bulletin boards to maintaining mailing lists to forecasting sales and budgets.

Specialized applications programs which also perform the tasks first mentioned in this article will be discussed briefly along with examples of several actual programs.

SOFTWARE PACKAGES

Accounting Packages

There are numerous accounting packages which can be used by small real estate firms. Some packages have been written specifically for real estate firms. The difference generally falls into the category of whether or not accounts are preset for such things as commissions receivable or commissions payable and how effectively the programs adjust for such things as prepaid expenses, etc. Many accounting packages not written specifically for real estate operations will work just fine. These packages are purchased in modules as follows: general ledgers (CL), accounts payable (AP), accounts receivable (AR), payroll (P), and inventory (Inv.). The packages will generally stand alone (that is will operate without any other packages), but an important feature that is recommended for
real estate operations is that the various modules can be integrated. That is, for example, can data from accounts receivable be posted to the general ledger without rekeying the data, and will changes in the inventory of property held for resale be automatically posted to general ledger? Many early programs did not do this and thereby defeated a major advantage of using the computer. This may still be a problem if you purchase a specialized package from one vendor, say property analysis, and accounting from another vendor. Check with your vendor before you buy to insure compatibility.

Quality general ledger packages produce the following type of reports:

**Chart of Accounts** - Some handle with or without balances. Most are customizable.

**Journal Listings** - A list of posted transactions by journal. A chronological record.

**Posting Summary** - By account.

**Trial Balance**

**Balance Sheet** - Listing assets and liabilities. Some packages show comparative data.

**GL Report** - Showing each account with opening balance, current activity, and closing balance.

**Operating Statements** - May be by department - to record profit and loss statement. Often accompanied by a percentage breakdown for each item. Many packages offer comparative statements allowing month-to-month or year-to-year comparison of operations.

**Account Summaries** - Used to review detailed account expenses, income, assets, and liabilities.
Some of the things you may want to check in a GL program include:

- Maximum number of accounts?
- Number of digits in account?
- Double entry system?
- End of period processing?
- Subaccounts?
- Ratios on financial reports?
- Account inquiry?
- Transaction register?
- Cash disbursements and receipts journal?
- Trial balance and balance sheet?
- Depreciation schedule?
- Cash report?
- Month-to-month and year-to-date report?
- Interface with AR, AP, inventory, payroll?

An accounts payable program records invoices and processes payments quickly and accurately. They often make available detailed information including year-to-date purchases, prior year purchases, and contact persons for each vendor. Better packages provide discount reports to prompt you about available discounts. Cash requirements reports show planned cash needed for each day to aid in cash flow management. Often aged trial balances are automatically computerized. Important questions include whether or not both open item and balance forward accounts are handled. An important audit feature is a monthly check register showing checks printed during the month.

Accounts receivable programs handle customer accounts in very much the same manner as AP programs handle vendors. Sales data is entered and appropriate entries are made in various accounts and journals.

Better programs provide easy maintenance of customer files and can be interfaced with word processors for mailing list use. Payments and credits are entered and recorded as in other programs and are automatically posted to the proper ledgers at the end of period processing. Aging reports and transaction listings are common.
Things you may want to look for in AR and AP programs include:

- Maximum number of customers/vendors?
- Maximum number of invoices/vouchers?
- Customer billing?
- Sales/receipts entry and posting?
- Customer information update?
- Sales analysis?
- Balance forwarded?
- Open item accounts?
- End of period processing?
- Discount dates, carrying charges?
- Returns and allowances?
- Inventory interface?
- Aged accounts?
- Cycle billing?

Payroll recordkeeping is often the first packaged software purchased. These packages input time and/or sales data and compute gross pay; net pay; deductions; and federal and state withholding. They automatically print checks and check registers and post to appropriate accounts. Most programs also automatically generate 941's and W-2's.

Some questions to consider in packages include:

- Uses your type payroll?
- Handles regular, overtime, shift pay? Bonuses?
- Pay periods match?
- Maximum number of employees?
- Tax calculation, tax table maintenance?
- Allowance for manual checks, voided checks?
- Attendance, withholding, government reports?
- Employee file maintenance?
- GL interface?
- Labor reports?
- One time deductions?
Inventory recordkeeping for small real estate firms is oriented primarily toward property held for resale, office furniture and fixtures, rental property, and other equipment. Some questions to consider in inventory packages include:

- Maximum number of items?
- Multiple price levels?
- Receiving entry?
- Credit and returns?
- Adjustments?

When small real estate firms use a computer to aid in marketing, they most often utilize either an explicit market program or a word processor with perhaps a spelling checker and mail list merger. Word processors allow firms to generate letter perfect documents, to automatically and repeatedly generate letters, and even to merge them with mailing lists to generate "customized" form letters.

WORD PROCESSING SYSTEMS

Among the most important word processing features are the following:

<table>
<thead>
<tr>
<th>Features</th>
<th>Functions/Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automatic title and page numbering</td>
<td>Automatically prints page numbers with headers and footers on multipage documents. Reduces repetitive keystrokes and increases throughput of large documents.</td>
</tr>
<tr>
<td>Document assembly</td>
<td>Allows operator to assemble standard paragraphs, sections, or pages into a new document. No need to retype commonly used text. Produces documents in a fraction of the normal time.</td>
</tr>
<tr>
<td>Global hyphenation</td>
<td>Scans an entire document to allow hyphenation decisions. Perfect copy on the screen before printing produces professional looking documents and saves time.</td>
</tr>
</tbody>
</table>
Global Replace

Gives the operator the option of automatically replacing a defined character sequence with another throughout a document. No need to manually replace every instance of a word or phrase.

Global Search

Searches for and highlights every instance of a specified character sequence in a document. Saves a great amount of editing time.

Powerful editing capabilities

Insert or delete characters, words, lines, paragraphs, or entire sections of text quickly and easily. Eliminate time consuming retyping because of minor or major changes.

Replace

Searches to a defined character sequence within a document and allows the operator to replace it. This flexible editing feature saves time.

Text Copy

Copies portions of text from one location in a document to another, or from another document. Easily duplicates sections of text. Saves time and effort.

Text Movement

Moves portions of text within a document or from another document. Changes sequence of text quickly without retyping. Increases typing productivity.

Spelling Checkers

Proofreads documents to check words against a sorted dictionary to reduce editing time.
Real Estate Applications Programs

Some specialized packages have been written to provide marketing assistance to small real estate firms. These packages produce information similar to the following:

Sales reports - to summarize the activity of firms, offices, associates, and co-op brokers. These reports often allow year-to-year comparison.

Potential reports - to project potential revenue from existing listing inventory. These reports help set budgets for advertising, office, and other expenses.

Associate commission reports - in terms of sales per period, commissions and sales pending.

Profitability reports - to measure contribution by associate to company sales dollars and to relate that performance against costs.

Sales by market area - an analysis by geographic area of sales activity.

Sales transaction directories - buyer printouts, seller printouts, market area printout, co-op printout, office printout, associate printout, and prospect printout.

A related function to the marketing efforts discussed previously is the ability to access various area-wide listing services. For example, in Georgia metropolitan areas two electronic media listing services are available. These are Redi Data - operated out of Miami, FL and Metro-Multilist from Decatur. In this instance, the real estate firms with their own computer (and using a communications program and a "modem") would call the data bank via telephone and transfer current data to their own computer for rapid update and analysis. There are also electronic yellow pages, listings, and various national data banks on a wide variety of subjects.
In the area of industry specific software the primary applications are in client support functions, such as loan analysis and comparative costs (designed to appraise new listings and assist potential purchasers in evaluating their investments). Some specific applications which are available for real estate offices are listed as follows:

**Loan Qualification** - Assists the agent in asking awkward questions, about the buyer's income for instance. Once the buyer's loan qualification is known (FHA, VA, or conventional) the agent can help select the most attractive, yet realistic, home to show. This also helps prevent a sale from falling through when a buyer applies for, but cannot qualify for, financing. This type application can also help clarify for sellers what type of prospect it will take to buy their home.

**Tax and Growth Analysis** - To show progressive equity buildup, tax benefits, and the effects of appreciation. Assists in supporting the economic logic of buying.

**Loan Analysis** - Includes amortization schedules.

**Comparative Data** - Searches previously stored data on similar properties (often 10 or more characteristics per transaction) to select similar sales for use in appraising properties and showing buyers and sellers that the price is not out of line.

**Buyer and Seller Matching** - Allows storage of details of your listings, followed by multilistings and by the specific needs of prospective buyers for rapid matching.

**Forms Generation** - Many packages have a capability to print standard forms and merge this information with purchaser data to rapidly print purchase agreements, estimated closing costs, and others.
Finally, for those firms which manage rental property there are many property management programs. These programs track rent, deposits, credits, late rent, balances due, number of keys issued, car license numbers, lease dates, rent increases, vacancies, names, addresses, phone numbers, and other things like repairs, maintenance, utilities, and advertising.

When unusual conditions exist, some programs allow specialized accounts such as pet deposits, reserved parking, and storage. Some areas of concern to investigate on a package by package basis include the number of properties permitted, the number of units per property, that all of your required type charges are permitted, that the program does or does not interface with a standard accounting package, or that sufficient provision is made to store information about specific tenants and specific units (things like emergency numbers, inducements to rent, family size and notes like 1 bedroom/2 baths single, fully furnished, refrigerator, etc.).

SOME EXAMPLE PROGRAMS AND THEIR LIST PRICE (Jan. '84)

ACCOUNTING

Peachtree Accounting Software
Peachtree Software - Atlanta, GA
GL, AR, AP, P, Inv. at $595 per module

Real-World General Accounting
Real World - Chichester, NH
GL, AR, AP, P, Inv. at $650 per module

TCS Total Accounting
TCS Software - Houston, TX
GL, AP, AR, P, Inv. at $350 per module

MICA Accounting Series
Micro Associates - Nderland, TX
GL, AP, AR, P, Inv. at $395 per module
BPI Accounting
CL, AR, P, Inv. at $425 per module

Many others are available.

WORD PROCESSORS

Datatext word processing with mailing list
Datatek, Inc. - Greenwich, CT $600

Rediwriter document formatter
Rediware Systems, Inc. - West Readin, Ct $125

Writer II and Easy Speller
Information Unlimited Software - Sausaliton, CA $350

Wordstar with Mailmerge and Spelstar
Micropro - San Rafael, CA $845

Finalword
Mark of the Unicorn, Inc. - Arlington, MA $300

Volkswriter
Lifetree Software - Monterey, CA $195

COMMUNICATIONS PROGRAMS
(for use with modems)

Smartcom II
Hayes Microcomputer Products - Atlanta, CA $119

Asynchronous Communications Support
IBM - Boca Raton, FL $60

PC COM I
Rixon, Inc. - Silver Spring, MD $89
Adcom
Dynamic Microprocessor Assoc. - New York, NY $175

Communicator/Text Editor
Electronic Data Systems - Dallas, TX $125

Telecommunications
Peachtree Software, Inc. - Atlanta, GA $150

CLIENT SUPPORT FUNCTIONS

Fox Real Estate Management System
IBM - Boca Raton, FL
(requires IBM System 23) $5,995

Real Estate Sales Production System
Control Data Corporation - Atlanta, GA
(requires CD 110 micro) $4,000

NRE - Real Estate
NRE Systems - Maitland, FL $3,690

Real Base
Lee Arnold Management Systems, Inc. - Clearwater, FL $3,300

Realsoft Integrated Form System
Realsoft Systems, Inc. - Aspen, CO $3,990

PROPERTY MANAGEMENT PACKAGES

Property Management
Continental Software Co. - Los Angeles, CA $695

Apartment House Manager
User-Friendly Software - Melville, NY $395
HARDWARE CONSIDERATIONS

Once you select the software which is most appropriate for your business, there are normally several brands of hardware which will run that software. Some considerations you might make include:

Terminals get information in and out of the computer. You have a choice between CRT terminals and hard copy terminals. CRT terminals combine a television-like screen display with a keyboard for input. A hard copy terminal is essentially a typewriter connected to the computer.

Unless your business is a lot different from most, you should choose the CRT-style terminals. They eliminate paperwork. They also allow instant corrections. You can display an entire form on the screen at once. While both types of terminals allow you to input information to the computer through a keyboard, the CRT terminal allows the computer to feed information back to you far more easily.

Pick a CRT that can display at one time at least 24 lines of 80 characters each. Ten or 12 lines is not enough for most business applications. Similarly, pick a CRT with a full-size screen; a five-inch screen is probably too small for business use, no matter how much data you can put on it. Small screens are fine for hobbists, but a poor choice for business.

Some systems use displays that are basically modified television sets. These units may also have poor picture quality and limited display capability and may therefore sacrifice operator productivity.
Especially after a long day's use, text display must be clear and comfortable to read. Comfort includes an aesthetic component and individual preference. Some displays are unsatisfactory for most users. The minimum number of dots needed for a reasonable typeface is 5 dots wide by 7 dots high plus 2 more dots below the baseline for descenders (the lower case p, g, q, and y)—a total 5 x 9 character matrix. A one-dot descender forces the p, g, q, and y up one line making a "bumpy" typeface that is difficult to read. Including a separator line, a screen with 25 text lines calls for 250 scan lines. Having fewer scan lines sacrifices text lines, degrades the typeface, or gives up the separator line. Designers use all three compromises.

Some computers have an alternate condensed mode of text display. By reducing typeface size and legibility, a year's worth of financial tables can be packed into one picture. But its standard characters are very small, and may users will prefer an alternate larger typeface.

The CRT terminal's keyboard should be setup as nearly like a typewriter as possible. If it's not (some with teletypewriter keyboards), operators will need to be retrained, and the level of errors and frustration will rise. A terminal with a separate calculator keyboard or numeric pad can increase productivity significantly when you're working with numbers.

Keyboards. As with the display, you will spend a lot of time with the keyboard. A good keyboard will make that time pleasant; a bad one is a burden. Detachable keyboards, now common, adapt more easily to individual work habits. Low profile keyboards with keys an inch or two above the desk surface allow more comfortable placement of hands than traditional higher keyboards. Only after typing for some time can you judge keyboard comfort and feel. While Japanese designers concentrate on high quality graphics because of their script, they usually make poorer keyboards because few Japanese type.

For better or worse, we are stuck with the QWERTY keyboard, designed not for efficiency but to avoid jammed keys on mechanical typewriters. Although every machine has such a keyboard, many differ in detail.
One problem is that a typewriter typically has 88 characters, but a computer has 94, 96, or more and so needs more keys. These rarely used keys should be placed outside the typewriter keyboard area, but many designers try to squeeze them inside by moving the backspace or carriage return key to the right.

There is only partial agreement on where to place two important computer keys, CONTROL and ESCAPE. The CONTROL key works like a second shift key; you hold it down while typing something else. Most keyboards place it on the left near the shift key. ESCAPE is a special character often used for a command; it should have its own key, usually above the TAB key.

Other keyboards have similar changes from that which a typist expects. Some have extra keys between the "Z" and left or right shift key. There is little agreement on where the "BACKSPACE" key should be.

**Soft Keys.** Outside the main keyboard area, all the second-generation machines have secondary keys. Function keys ("soft keys") can be defined in software for any purpose. They provide quick access to special commands, moving the text forward or backward or deleting a sentence or paragraph. For an adequate number of commands, you need at least ten soft keys, and the more the better. Keyboards which do not have separate cursor control keys are more difficult to use than those that do.

**Printers.** If you want printed copies of documents (and you probably do), you will need a printer. A few years ago, all printers were expensive, noisy, and needed an operator. Today, there are inexpensive, smaller machines better suited to small business applications. There are three different basic types of printers to consider. Your choice will be determined largely by your applications and personal preferences.

**Letter-Quality Printers.** Letter-quality printers are generally slow (they print 25-60 characters per second) and expensive, but, as the name suggests, they deliver pages that look as though they came off a typewriter. A letter-quality printer may be the best choice for word processing applications, for reports that go to clients, or for sales letters.
Inexpensive Printers. Generally costing under $1,000, these printers are faster than letter-quality printers (50-100 characters per second), and print in an 80-column wide format with fair quality. Some are available in a 132-column format, but they achieve the higher column count simply by squeezing 132 columns into the same space normally occupied by 80, sacrificing print quality. There's also a limit on how hard you can drive an inexpensive printer. They are not designed to run for several hours straight. If print quality is not a problem, and if you have a limited amount of printing to do each day, then a basic, low-cost printer will get the job done for the lowest cost.

Heavy-Duty Printers. If you need better print quality, or if you need a printer that's designed to work 8 hours a day, you will need a heavy duty printer. Heavy duty printers are considerably more expensive and faster (75 to 150 characters per second) than the alternatives. They usually print in a 132-column format, the best format for most business reports.

Before picking a printer, figure out if you need any special forms. Can you use continuous forms, or must forms be sheet-fed? Do you need multipart forms? Can they be tractor-fed? Go over these requirements carefully. In the end, they make the decision for you.

FINDING OUT WHAT YOU NEED

How should you proceed? The first thing to do is to organize your own thinking. There are three basic steps. Step 1 is problem identification. Step 2 is requirements analysis, and Step 3 is feasibility assessment.

You should be able to explain to a computer vendor what you want the computer to do for you. This will save a lot of time (and possibly money as well), and you will wind up with a machine and software that is better suited to you and your operation.

Your business is both standard and unique at the same time. It is standard from the viewpoint that your business receives and disburses cash or credits and it receives and dispurses assistance. However, there are some parts of
your business that you run quite differently from every other office in the world. Therefore, you need to know how much of your business is standard so that you can use prepared software programs as much as possible, but at the same time you need to be aware of how much of the business is unique.

Problem Identification. In order to deal with a problem, especially a complex problem, give it a name. That makes it much more tractable. Write down everything that you want the computer to do for you, including some of the things that you might think might be overambitious and everything that you think might be too trivial for the computer to tackle. Ask each of your associates to do the same thing. Ask them to say why they want the computer and what they could do with it if they had it. To give them useful guidance, suggest to them that they stay strictly within the limits of their area of responsibility.

Even if you never buy a computer, it will be extremely helpful to you to analyze the various "systems" within your business. You may find out some very interesting things as a result. To help you in assessing data processing and how it can aid your business, it will be necessary to write down a few things.

Take each and every functional area within your business and label it. Although each area or potential application will be different for different businesses, such a list might include:

- receipts and disbursements
- accounts receivable and billing
- accounts payable
- inventory control
- budgeting
- customer mailing list
- payroll

For each of these activities now draw a "flowchart" of how information and data flows from one function to another.
Requirements Analysis. Having identified the problems that the computer might tackle, the next thing to do is to get rigorous. Determine sizes, priorities, and costs. Write down how many items must be handled. This is volume, the parameter of size or volume. This kind of information will be vital later on when you attempt to do benchmarks to find out how fast a computer you need and also how large the storage disks will have to be.

In order to do this for each transaction on your flow chart you will have to determine the frequency that an event occurs, either by the hour, day, or week. You will also need to start writing down specific numbers. How many invoices? How many purchase orders? How many line items of inventory? The purpose of this kind of detailed study is to help the company identify those areas best suited to computerization and to clarify requirements.

If the company decides to use computers, the information above will be valuable to vendors in the selection and design of the computer system.

The study's purpose is to decide whether electronic data processing is worth a substantial investment in time and money. The following points should be considered:

- Can worthwhile savings be generated by simply automating such functions as accounting, billing, or payroll?

- What new information could help the business operate more efficiently and economically?

- Can these new types of information be developed by collecting, reorganizing, and processing available data? (If not, then even the most sophisticated data processing techniques won't be able to solve your information problems).

- Can needed data be collected more efficiently and accurately by manual or automated methods?
How frequently would the company use the new types of information generated by a computer? What are speed requirements when information is requested?

Review the effectiveness of the current information system. Evaluate all forms being used to record data and all pertinent company reports. Analyze all company functions such as inventory control, accounts receivable, and payroll from a systems perspective.

Such functions are typically analyzed in terms of transaction frequency, volume, and anticipated growth. Determine the output of information required. What reports, invoices, and schedules are needed? Output reporting must be defined in terms of nature and frequency of information. The timeliness and accuracy standards must always be defined.

Determine the input data required. Note exceptions such as special order forms. What are the number of transactions needed per time period? Will there be weak or slack periods? What are the sources of input data? What specific operations are necessary to convert input to reach the required output? What mathematical operations are necessary? When are they performed and how often? What are the sizes and numbers involved? How accurate must output be? Will audit checks be necessary? What type of reference data is checked as part of the procedure (price lists, etc)? What comparisons are made in the procedure and what are the possible alternatives (actual versus budget, etc)? How many times do they occur?

From this study, certain data processing errors and duplications of effort will probably come to light. Now is the time to correct them, whether the company decides to computerize or not.

Feasibility Assessment. Now it is time to analyze the facts. At each point in the business system we need to ask the following questions:

- What is being done and why? Can it be eliminated?
- Could it be done elsewhere?
- Should it be done elsewhere?
. Should it be done at a particular time?
. Should it be done by a particular person?
. Should it be done in a certain way?

As we look at each application, keep in mind several alternative conclusions that could result:

1. A continuation of the present system with possibly some modification, or the addition of minor data processing equipment such as bookkeeping machines.

2. The computerization of the specific areas within the company, for instance payroll or accounts payable.

3. The total computerization of all applicable functions either through a centralized computer system or through one or more individual microcomputers.

As you consider the way data is collected and transferred from department to department, you will undoubtedly develop some possible improvements. Implement these improvements immediately.

As an example of the type data you will be collecting, two examples of a payroll file are exhibited below:

**EXAMPLE ONE**

**Employee File.** This file contains information about the employees and their rate and frequency of pay and is used to prepare paychecks. The table below shows some elements that might be contained in a file and the maximum number of characters that would be allowed for each of the records:
### Example One

<table>
<thead>
<tr>
<th>Item</th>
<th>Maximum Record Length (character)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Employee name</td>
<td>25</td>
</tr>
<tr>
<td>2. Street Address</td>
<td>25</td>
</tr>
<tr>
<td>3. City</td>
<td>20</td>
</tr>
<tr>
<td>4. State</td>
<td>2</td>
</tr>
<tr>
<td>5. Zip Code</td>
<td>5</td>
</tr>
<tr>
<td>6. Social Security Number</td>
<td>9</td>
</tr>
<tr>
<td>7. Number of dependents</td>
<td>2</td>
</tr>
<tr>
<td>8. Rate of pay</td>
<td>6</td>
</tr>
<tr>
<td>9. Frequency of pay</td>
<td>2</td>
</tr>
<tr>
<td>10. Various codes for deductions (bonds, insurance)</td>
<td>20</td>
</tr>
<tr>
<td>11. Miscellaneous codes</td>
<td>20</td>
</tr>
<tr>
<td>12. Total</td>
<td>136 characters</td>
</tr>
</tbody>
</table>

### Example Two

Check File. This file is essentially an image of the check and check stub that is produced for the employee:

<table>
<thead>
<tr>
<th>Item</th>
<th>Maximum Record Length (character)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Name (payee)</td>
<td>25</td>
</tr>
<tr>
<td>2. Social Security Number</td>
<td>9</td>
</tr>
<tr>
<td>3. Check number</td>
<td>5</td>
</tr>
<tr>
<td>4. Date of check</td>
<td>6</td>
</tr>
<tr>
<td>5. Amount of check (net pay)</td>
<td>8</td>
</tr>
<tr>
<td>6. Gross pay</td>
<td>8</td>
</tr>
<tr>
<td>7. Federal income tax</td>
<td>8</td>
</tr>
<tr>
<td>8. State income tax</td>
<td>8</td>
</tr>
<tr>
<td>9. FICA</td>
<td>8</td>
</tr>
<tr>
<td>10. Period worked</td>
<td>6</td>
</tr>
<tr>
<td>11. Miscellaneous</td>
<td>20</td>
</tr>
<tr>
<td>12. Total</td>
<td>111 characters</td>
</tr>
</tbody>
</table>
Summary. Employee file (15 employees x 136 characters) = 2,040 characters.
Check file (52 weeks x 15 employees x 111 characters) = 86,580 characters.

Main memory is measured in terms of 1,000 characters (bytes) at a time. You need enough main memory for the operating system (the program which runs the computer itself), the applications program, and the largest file you will be using at one time.

The check file's size of 86,580 characters will be the absolute minimum required since employees may be replace or new employees hired, which will necessitate adding new information. The best rule is simply to double the count to 173,160 characters. If the owner of this business is looking at a floppy disk capable of storing 300 K characters, there would be plenty of room for an entire year's transactions.

Once the size of each file in your business is determined, the sum of all of those files determines how much mass (disk) storage you need. Small non-rigid mylar disks 3½ to 8" in diameter (most often 5½") offer reasonable capacity (80,000 to 1,250,000 characters) and reasonable cost. If you store a sizable amount of data, you will need a "hard" disk. These disks are sealed, fast, and large. They range from 5,000,000 characters up.

The best way to buy a computer is to purchase the computer that is most cost effective for the software you selected. The primary questions concerning the machine itself involve whether or not you will have one or more simultaneous users, compatibility with the software you select, and size of the main memory (RAM).

A few example systems' prices for typical small business systems' setups are presented in Appendix 1. A similar example is presented in Appendix 2 for small multiuser systems (3 to 20 users).

In addition to software and hardware you will need general supplies (paper, printer ribbons, diskettes--about 40 to start) and any specialized supplies called for by the software you purchase.
Finally, let's review twelve basic steps for you to take in selecting a small computer.

1. Learn a little about small computers.
2. Learn about various applications like those discussed earlier.
3. Develop a "wish list" of applications that might help you better conduct business.
4. Document how information is collected, where it goes, and how it is reported in your business.
5. Determine the number of characters in each report, each document, and each file and the number of times each piece of information occurs.
6. Restate your "wish list" in terms which better match your idea of computer use after you see how much information is involved.
7. From vendors, get preliminary prices and a list of what functions are performed by each piece of hardware/software you are considering using.
8. Prioritize your "wish list" in terms of how each potential application is economically justified.
9. Explore the vendors in your area:
   - What are they proposing - how much does it cost?
   - What support do they offer?
   - What are the contract terms?
   - What is the vendor's expertise (particularly in your specialized business)?
   - What is the vendor's financial status, size, stability?
10. Produce a written requirements statement:
    - Programs of interest
    - Size of storage
    - Amount and quality of printing
    - Hardware support
    - Software support
    - Training
    - Installation
    - Any unusual supplies
APPENDIX I

TYPICAL SINGLE USER HARDWARE CONFIGURATIONS
TYPICAL SINGLE USER HARDWARE CONFIGURATIONS

System I

CPU: Apple II plus - professional pack
   includes: the CPU, 128 K RAM, green CRT terminal, two
diskette drives of 320 K each

Printer: Epson MX-100 F/T - 80 character per second
   Dot matrix - 15-inch wide dot matrix printer

Hard Disk: Davong 5 million character

Comments: Separately housed CPU, monitor, disk drives.
   Simple keyboard.

System Hardware Total $4,055

System II

CPU: Tandy (TRS-2000)
   includes: the CPU, 128 K RAM, color CRT terminal, one
   320 K diskette drive and 10 million characters
   of hard disk storage.

Printer: Tandy DMP-2100
   160 character per second, heavy-duty dot matrix
   printer, 15-inches wide

Comments: Tandy corporation's newest entry into the small
   business market.

System Hardware Total $6,245

System III

CPU: Zenith Z-120
   includes: the CPU, 192 K RAM, green CRT terminal, one
   diskette drive of 320 K, 11 million characters
   of hard disk storage built in.

Printer: Diablo 630 - 40 characters per second, letter quality,
   15-inch wide, heavy duty printer with tractor feed.

Comments: Three units - separately housed CPU, monitor, and printer.
   A solid, business oriented system with versatile keyboard
   including numeric keypad and function keys.

System Hardware Total $7,539
System IV

CPU: IBM/XT
includes: the CPU, 128 K RAM, one diskette drive of 360 K, 10 million character built-in hard disk. $4,995

Monitor: IBM green CRT terminal with display adaptor $680

Printer: NEC 3550 - 33 character per second, letter quality, 15-inch wide heavy duty printer with tractor feed. $2,000

Comments: Typical three-unit configuration with CPU, monitor, and printer housed separately. A solid, business oriented system with mid-range keyboard.

System Hardware Total $7,675

System V

CPU: TI-Professional
includes: the CPU, 128 K RAM, one diskette drive of 320 K, 5 million characters of built-in hard disk storage. $4,690

Monitor: 13-inch Amdek green CRT terminal $154

Printer: Data South - 180 characters per second, heavy-duty dot matrix, 15-inch wide printer with tractor feed. $1,995

Comments: Three-unit configuration with CPU, monitor, and printer housed separately.

System Hardware Total $6,839

NOTE: To communicate via telephone with national/regional data bases and multilisting services any of the above systems will require a modem, cable, and communications package. Modems with cables are priced between $200 and $700 depending on features and speed.
APPENDIX II

TYPICAL SMALL MULTIUSER HARDWARE CONFIGURATIONS
TYPICAL SMALL MULTIUSER HARDWARE CONFIGURATIONS

System I

CPU: Altos computer 5-50  
Maximum users: 8  
Maximum storage: 6 million characters  
Workstation: typical setup of 3 CRT's using televideo 910's at $699 each  
Printer: NEC 7730 - 55 characters per second, letter quality, 15-inch wide printer  
System Hardware Cost $11,172

System II

CPU: Molecular computer 10-8  
Maximum users: 20  
Maximum storage: 15 million characters included. Expandable to 60 million characters  
Workstations: 3 CRT's using televideo 910's at $699 each  
Printer: Pagemark 2410, 350 characters per second, tractor feed, 15-inch wide industrial printer with correspondence mode.  
System Hardware Cost $12,587

System III

CPU: Northstar Horizon  
Maximum users: 16  
Maximum storage: 30 million characters  
Workstation: 3 QUME QBT 102's with interface cards. Additional workstations with cards at $1,297 each.  
Printer: QUME Sprint II, 40 characters per second, letter quality, 15-inch wide printer.  
System Hardware Cost $11,172

System IV

CPU: Alpha Micro AM 1000 E  
Maximum users: 7  
Maximum storage: 30 million characters  
Workstation: 3-AM-60 Video Display Terminal List $1,000 each  
Printer: AM-302 with tractor, etc. List $2,750  
System Hardware Cost $15,050
APPENDIX III

REAL ESTATE SOFTWARE VENDORS
APPENDIX IV

ACCOUNTING SOFTWARE VENDORS
Maxi Accountant
Business Division
155 Sabal Palm Dr.
Longwood, FL 32750

Ledger 1
Soft Lab
P.O. Box 2186
Bremerton, WA 98310

Fund Accountant
Computer Center
366 U.S. Rt. 1
Falmouth, ME 04105

Peachtree Accounting Software
Peachtree Software
3445 Peachtree Rd. NE
Atlanta, GA 30326

PeachPak 4
Peachtree Software, Inc.
3445 Peachtree Rd. NE
Atlanta, GA 30326

Cal-Plus, Full System
Micro Instructional
3453 N.W. 55th St.
Fort Lauderdale, FL 33309

HAI*Line
Holland Automation
3400 W. MacArthur Blvd., Ste.D
Santa Ana, CA 92704

Versa Business Series
H & E Computronics, Inc.
50 N. Pascack Rd.
Spring Valley, NY 10977

Real World General Accounting
Real World
Dover Rd., Willow Hill Bldg.
Chichester, NH 03263

Bonus Accounting
Programming Shop
1164 Umbarger Rd.
San Jose, CA 95121

CPAids Client Write-up
CPAids
1061 Fraternity Circle
Kent, OH 44240

TCS Total Accounting System
TCS Software, Inc.
3209 Fondren
Houston, TX 77063

Inventory Service, Inventory Stockroom
Fogle Computing Corporation
P.O. Box 5166
Spartanburg, SC 29304

Micro Ledger
Tiny Systems
660 N. Glenville Dr.
Richardson, TX 75081

Business Software Series
Spectrum Software
690 W. Fremont
Sunnyvale, CA 94087

Software Fitness Program
Open Systems
430 Oak Grove
Minneapolis, MN 55403

Powerful Business Software
Distributed Computing Systems
157 S. Martha St.
P.O. Box 185
Lombard, IL 60148

Big 012, Little Ledger
Software Solutions
P.O. Box 301
Muscatine, IA 52761

MCIA Accounting Series
Micro Associates, Inc.
2300 Highway 365 #510
Nederland, TX 77627

Complete Business System
Omni Software Systems
146 N. Broad St.
Griffith, IN 46319
OPERATION OF THE
MINORITY BUSINESS DEVELOPMENT AGENCY
RURAL ASSISTANCE PROGRAM

By
Frank B. Brown
Program Director

Arthur L. Brown
Project Manager

Under
Grant #04-10-82032-01

JULY 1984

GEORGIA INSTITUTE OF TECHNOLOGY
A Unit of the University System of Georgia
Engineering Experiment Station
Atlanta, Georgia 30332

1984
QUARTERLY NARRATIVE REPORT

OPERATION OF THE
MINORITY BUSINESS DEVELOPMENT AGENCY
RURAL ASSISTANCE PROGRAM
COOPERATIVE AGREEMENT #04-10-82032-01

Frank B. Brown
Program Director

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A-3360-000
July, 1984
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## APPENDIX I

## APPENDIX II
INTRODUCTION

This report describes activities and accomplishments of the Georgia Tech Rural Assistance Program during the third quarter of the 1984 fiscal year. The report covers the calendar period April 1, 1984 through June 30, 1984. The program provides for the delivery of management and technical assistance to minority-owned businesses and individuals in the Southeastern states of Alabama, Georgia, Mississippi, North Carolina, and South Carolina.

This narrative reviews program accomplishments during the quarter, highlights activities of staff and indicates the direction of the program through the seventh reporting period.

A substantial improvement in contract procurement and capital opportunities was achieved during this period of activity. These results are, however, reflective of efforts exerted and contacts made during previous quarters. They are also based upon the decision to selectively match a more sophisticated clientele with major corporate and government purchasers on a one-to-one basis.
PROGRAM ACTIVITIES

GENERAL

Program activities were more selective and concentrated during the third operating quarter of 1984. Although a total of 43 clients received assistance through the Rural Assistance Program:

- One-third of the clients serviced (15) received 78 percent of the assistance rendered. These firms were among those that were best able to absorb the assistance rendered and best fit the client profile established by program management;

- management and technical assistance was rendered in nearly a dozen different functional areas to program clientele;

- outreach activities included contact and interaction with more than 35 agencies, companies and brokered sources on behalf of RAP’s constituents.

Program management continued to emphasize the need to service as many qualified clients as possible while maximizing assistance to the more viable candidates.
Outreach Activities

Outreach efforts for the Rural Assistance Program continued the interaction with both public and private sources. These efforts were directed toward the identification of prospective clients, potential contracting sources and financial brokering opportunities.

Among its activities, staff members:

- served as participants in an economic development course sponsored by the Southern Industrial Development Council. This course was designed to accommodate, inform and enlighten economic developers on the most recent economic trends and techniques for attracting industry and resources to their respective locales. This information is required for the enhancement and development of minority-owned firms in the region.

- attended the Advisory Board meeting for the Hotel Restaurant and Management Institute at Morris Brown College in Atlanta, Georgia.

- Co-sponsored a Small Business Administration Strategic Business Development Seminar entitled "How To Turn Around A financially Troubled Company". This seminar centered around tools, techniques, systems and strategies for insuring the financial health and viability of small firms.

- served as hosts to Theron Bell, MBDA National Deputy Director, and Paul Jones, Atlanta Regional Director. The visit was intended to familiarize these officials with the resources of Georgia Tech and show how the MBDA-funded programs utilized this network of assistance and resources to aid the development of minority-owned businesses.

- attended the NEDCO "Marketplace 84" Conference to represent the portfolio of clients serviced by the Rural Assistance Program. This conference provided a number of contacts for potential business opportunities with federal agencies (primarily). These offices have been targetted for follow-up actions.
visited the Tuskegee Institute Agricultural Experiment Station as part of the effort to assist several RAP clients involved in the agribusiness field.

interfaced with a number of other management and technical assistance providers, including the Atlanta University EDA project, the Georgia State SBDC, University of Georgia SBDC, Garrett & Sullivan, (CPAs), SBA District Offices in Atlanta and Columbia, South Carolina, the Booker T. Washington Foundation and others.
Inquiries/Requests For Assistance

The following new requests for assistance were received during the quarter:

- David Carter
  Carter's Foodtown, Inc.
  Fort Valley, Georgia
  Product: Convenience Store

- Dr. George Baker
  Lagrange, Georgia
  Product: Shopping Center

- Mary Dawson
  Burton, South Carolina
  Product: Housing Development (proposed)

- Leroy Saylor
  Excel Manufacturing Corp.
  West Columbia, South Carolina
  Product: Metal Fabrication/Plastic Molding

- Earl Ishmael
  Neeses, South Carolina
  Product: Energy Conservation

- Dr. Lewis Lynn
  Lynn's Meats, Inc.
  Darlington, South Carolina
  Product: Beef and Pork Processing

- Clifford Wooden
  Albany, Georgia
  Product: Convenience Store (proposed)

- John Zippert
  Southwide Agricultural Marketing & Pro. Company
  Epes, Alabama
  Product: Agricultural Products

- Ellis Wayne
  Buick Dealership
  Bridgeville, Pennsylvania
  Product: Auto Distribution

- Otis McVeight
  Sellers Oil Company
  Bainbridge, Georgia
  Product: Fuel Distribution
o Doris Zellars  
Lincolnton Physical Fitness Center  
Lincolnton, Georgia  
Product: Health Center

o George Washington  
Premiere Energy Management  
Warner Robins, Georgia  
Product: Energy Conservation

o Mary Moseley  
Decatur, Georgia  
Product: Beauty Salon (proposed)

o Alvin Kinney  
Atlanta, Georgia  
Product: Construction
Program Accomplishments

Ten new clients were added to the client roster during the third quarter. This total included second requests from two clients that had previously received assistance through the Rural Assistance Program.

Activities during the quarter also included the gathering and submission of PROFILE enlistment forms, verification of firms already in the system and the inclusion of area personalities in WHO'S WHO IN MINORITY BUSINESS DEVELOPMENT.

Several procurement and financial brokering opportunities were successfully secured by clients with RAP's assistance. The status of task order and other assistance rendered to third quarter clients is listed categorically with a brief description.

CLIENTS ASSISTED

<table>
<thead>
<tr>
<th>Business Name</th>
<th>State</th>
<th>Type of Assistance</th>
<th>TOP Issued</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A&amp;B Consulting &amp; Contracting Company</td>
<td>NC</td>
<td>Follow-up Work</td>
<td>Completed during previous Quarter</td>
<td></td>
</tr>
<tr>
<td>A-1 Construction Company</td>
<td>GA</td>
<td>Follow-up Work</td>
<td>Completed during previous Quarter</td>
<td></td>
</tr>
<tr>
<td>Allen Welding</td>
<td>AL</td>
<td>Procurement/Finance Follow up</td>
<td>No New TOP Issued</td>
<td></td>
</tr>
<tr>
<td>Alvie Coes Funeral Home</td>
<td>GA</td>
<td>Financial</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>B.B. Hardy</td>
<td>AL</td>
<td>Feasibility</td>
<td>Yes</td>
<td>WIP (delayed)</td>
</tr>
<tr>
<td>B&amp;J Precision Machine Shop</td>
<td>SC</td>
<td>Plant Layout</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Bob's Service Center</td>
<td>AL</td>
<td>Financial</td>
<td>Yes</td>
<td>WIP (delayed)</td>
</tr>
<tr>
<td>Business Name</td>
<td>State</td>
<td>Type Assistance</td>
<td>TOP Issued</td>
<td>Status</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-------</td>
<td>--------------------------------------</td>
<td>------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>Carter's Foodtown, GA</td>
<td>GA</td>
<td>Business plan</td>
<td>Yes</td>
<td>TOP in Process</td>
</tr>
<tr>
<td>Chavis Tool &amp; Mfg. NC</td>
<td>NC</td>
<td>Procurement/ follow-up</td>
<td>No new TOP issued</td>
<td></td>
</tr>
<tr>
<td>Choctaw Indians MS</td>
<td>MS</td>
<td>Financial</td>
<td>No</td>
<td>Follow-up</td>
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<tr>
<td>Choctaw Meat Processing Plant MS</td>
<td>MS</td>
<td>Business Plan/ Financial</td>
<td>Yes</td>
<td>WIP</td>
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<tr>
<td>Clifford Wooden GA</td>
<td>GA</td>
<td>Feasibility</td>
<td>Yes</td>
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<tr>
<td>Collected Guild Ltd. NC</td>
<td>NC</td>
<td>Business Plan</td>
<td>Yes</td>
<td>WIP</td>
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<tr>
<td>Consolidated Industries AL</td>
<td>AL</td>
<td>Procurement/ Equipment Assessment</td>
<td>Yes</td>
<td>Completed</td>
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<tr>
<td>D&amp;D Specialty NC</td>
<td>NC</td>
<td>Equipment Assessment/Procurement</td>
<td>Yes</td>
<td>WIP</td>
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<tr>
<td>E's Fabric &amp; Novelty SC</td>
<td>SC</td>
<td>Follow-up</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>E&amp;R Associates GA</td>
<td>GA</td>
<td>Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Earl Ishmael SC</td>
<td>SC</td>
<td>Market Identification</td>
<td>Yes</td>
<td>TOP in Process</td>
</tr>
<tr>
<td>Edwards and Associates NC</td>
<td>NC</td>
<td>Financial/Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Emerson &amp; Sons GA</td>
<td>GA</td>
<td>Procurement/ Bonding</td>
<td>No</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Excel Manufacturing SC</td>
<td>SC</td>
<td>Plant Layout/Mktg.</td>
<td>Yes</td>
<td>TOP in Process</td>
</tr>
<tr>
<td>Fabulous Creations from EF NC</td>
<td>NC</td>
<td>Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Fine Vines, Inc. MS</td>
<td>MS</td>
<td>Follow-Up/ Procurement</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>George Baker GA</td>
<td>GA</td>
<td>Feasibility</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Business Name</td>
<td>State</td>
<td>Type Assistance</td>
<td>TOP Issued</td>
<td>Status</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>-------</td>
<td>--------------------------</td>
<td>------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Hilton Head Fishing Co-op</td>
<td>SC</td>
<td>Business Plan/ Finance</td>
<td>No</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Green Acres</td>
<td>SC</td>
<td>Best use Analysis</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Institutional Food Services, Inc. of Greenville</td>
<td>NC</td>
<td>Feasibility</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>International Plastics Manufacturer</td>
<td>AL</td>
<td>Business Plan/ Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Le-Flore Bolivar Catfish Processing Plant, Inc.</td>
<td>MS</td>
<td>Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Lynn's Meats, Inc.</td>
<td>AL</td>
<td>Procurement</td>
<td>Yes</td>
<td>TOP in Process</td>
</tr>
<tr>
<td>O.V. Campbell</td>
<td>GA</td>
<td>Procurement/ Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Perdido Vineyards</td>
<td>AL</td>
<td>Marketing</td>
<td>Yes</td>
<td>TOP in Process</td>
</tr>
<tr>
<td>Richardson Grading</td>
<td>GA</td>
<td>Marketing</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Rivers Carpet Mills, Inc.</td>
<td>GA</td>
<td>8(a) Business Plan</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Ruth Wardrobe II</td>
<td>SC</td>
<td>Financial</td>
<td></td>
<td>Completed during previous quarter</td>
</tr>
<tr>
<td>Samuel Hudson</td>
<td>SC</td>
<td>Best-Use Analysis</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpets</td>
<td>GA</td>
<td>Procurement</td>
<td>No</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Southwide Agricultural Mktg.</td>
<td>AL</td>
<td>Marketing</td>
<td>Yes</td>
<td>TOP in Process</td>
</tr>
<tr>
<td>Trianna Industries</td>
<td>AL</td>
<td>Procurement</td>
<td>No</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Triple D Agribusiness Center</td>
<td>AL</td>
<td>Feasibility/ Financial</td>
<td>Yes</td>
<td>Completed</td>
</tr>
</tbody>
</table>
### CLIENTS ASSISTED CONT'd

<table>
<thead>
<tr>
<th>Business Name</th>
<th>State</th>
<th>Type Assistance</th>
<th>TOP Issued</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Troy Young Realty</td>
<td>GA</td>
<td>Follow-up work</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
<tr>
<td>Universal Enterprises</td>
<td>GA</td>
<td>Procurement</td>
<td>No</td>
<td>TOP in Process</td>
</tr>
<tr>
<td>Workers Owned Sewing Company</td>
<td>NC</td>
<td>8(a) Business Plan</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Zimmerman</td>
<td>SC</td>
<td>Business Plan/Marketing</td>
<td>Completed during previous quarter</td>
<td></td>
</tr>
</tbody>
</table>

Note:  
TOP = Task Order Proposal  
WIP = Work in Process
<table>
<thead>
<tr>
<th>Category</th>
<th>Projected (Ytd)</th>
<th>Actual (Qtr)</th>
<th>Ytd</th>
<th>%Qtrly</th>
<th>%Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOPS Submitted During Quarter</td>
<td>40</td>
<td>10</td>
<td>31</td>
<td>75</td>
<td>57%</td>
</tr>
<tr>
<td>Assignments with BDRs But No TOPs During Quarter</td>
<td>-</td>
<td>18</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Assignments Completed During Quarter</td>
<td>-</td>
<td>28</td>
<td>42</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>No. WIP Cases</td>
<td>-</td>
<td>24</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>No. Business Expansions</td>
<td>12</td>
<td>3</td>
<td>13</td>
<td>75</td>
<td>81.3</td>
</tr>
<tr>
<td>No. Business Saves</td>
<td>12</td>
<td>2</td>
<td>7</td>
<td>50</td>
<td>43.8</td>
</tr>
<tr>
<td>No. New Business Starts</td>
<td>12</td>
<td>5</td>
<td>13</td>
<td>125</td>
<td>81.3</td>
</tr>
<tr>
<td>No. Profiles Submitted</td>
<td>15</td>
<td>6</td>
<td>18</td>
<td>150</td>
<td>90.0</td>
</tr>
<tr>
<td>No. Financial Packages Approved</td>
<td>-</td>
<td>4</td>
<td>5</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dollars in Approved Packages</td>
<td>$1,338,750</td>
<td>$625,000</td>
<td>$775,000</td>
<td>140.0</td>
<td>43.4</td>
</tr>
<tr>
<td>No. Approved Procurements</td>
<td>-</td>
<td>16</td>
<td>24</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dollars in Approved</td>
<td>$4,016,250</td>
<td>$1,974,561</td>
<td>$2,249,944</td>
<td>147.5</td>
<td>42.0</td>
</tr>
<tr>
<td>No. Direct Hours MSTA</td>
<td>-</td>
<td>506</td>
<td>1,474</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Program efforts during the quarter included assistance to 18 clients whose task order assistance had expired during previous periods. This assistance included aid in identifying and procuring contract opportunities, financial brokering, implementing earlier recommendations and referrals to other providers. Those firms are identified under "Clients Assisted".

Among requests received during the third quarter and prior periods, the following candidates were approved for task order assistance:

<table>
<thead>
<tr>
<th>CLIENT NAME</th>
<th>TYPE BUSINESS</th>
<th>ASSISTANCE APPROVED</th>
<th>1983 SALES</th>
<th>NUMBER EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carters Foodtown, Incorporated</td>
<td>Convenience Store</td>
<td>Business Plan Development</td>
<td>$245,000</td>
<td>3</td>
</tr>
<tr>
<td>Dr. George Baker</td>
<td>Property Development</td>
<td>Feasibility Study</td>
<td>New Start</td>
<td>3</td>
</tr>
<tr>
<td>Excel Manufacturing</td>
<td>Metal/Plastic Fabrication</td>
<td>Marketing and Plant Layout</td>
<td>New Start</td>
<td>7</td>
</tr>
<tr>
<td>Earl Ishmael</td>
<td>Energy Conservation</td>
<td>Market Identification</td>
<td>New Start</td>
<td>0</td>
</tr>
<tr>
<td>Lynn's Meats, Inc.</td>
<td>Beef/Pork Production</td>
<td>Markets Development</td>
<td>$117,835</td>
<td>7</td>
</tr>
<tr>
<td>Clifford Wooden</td>
<td>Convenience</td>
<td>Feasibility Study</td>
<td>New Start</td>
<td>0</td>
</tr>
<tr>
<td>Southwide Agricultural Marketing Co.</td>
<td>Sales</td>
<td>Markets Development</td>
<td>New Start</td>
<td>0</td>
</tr>
<tr>
<td>Perdido Vineyards</td>
<td>Winery</td>
<td>Markets Development</td>
<td>144,000</td>
<td>5</td>
</tr>
<tr>
<td>D&amp;D Specialties</td>
<td>Metal Door Manufacturing</td>
<td>Equipment Assessment/Mktg Assistance</td>
<td>1,054,659</td>
<td>24</td>
</tr>
<tr>
<td>Consolidated</td>
<td>Test Equip. Manufacturing</td>
<td>Equipment Assessment</td>
<td></td>
<td>22</td>
</tr>
</tbody>
</table>
BUSINESS STARTS

Dr. George Baker requested assistance in determining the feasibility of establishing a shopping center in Lagrange, Georgia. A dentist, by trade, Dr. Baker represents a group of local investors seeking to develop property to house a bank, dental facilities, a grocery store and other operations.

The Excel Manufacturing Company is engaged in the business of metal fabrication/assembly and plastic injection molding. In May, 1984, Mr. Leroy Saylor effected a buy-out of the previously existing 30,000 square foot plant, the 4 acres of land on which it sits and all equipment/fixtures. A former executive with a major manufacturer of electronics equipment, Mr. Saylor has requested assistance in marketing the business and insuring a properly-designed layout of the facilities.

Mr. Earl Ishmael has invented a new central heating stove. His claims of a superior ability to deliver heat adequately and at a reduced cost appear accurate. The major concern to be addressed, with RAP's assistance, is the determination of his product's marketability. With a properly identified market, the appropriate engineering changes may, in fact, result in a more readily commercializable product.

Mr. Clifford Wooden's request for assistance will help determine the feasibility of his proposed retail grocery operation in Albany, Georgia.

The Southwide Agricultural Marketing and Processing Company is engaged in the processing and marketing of Agricultural products produced by small farmers and farm organizations. A for-profit creation of the Federation of Southern Cooperatives, this newly-formed company is requesting assistance in the identification and consummation of market opportunities.

EXPANSIONS

Lynn's Meats is a family-owned corporation engaged in the processing, curing and distribution (wholesale and retail) of meats, fresh fruits and vegetables. In existence since 1950, Lynn's meats recently received certification as a Small Business Administration Section 8(a) firm. Dr. Louis Lynn, President, has requested assistance in properly identifying new sources and opportunities for marketing the firm's products.
Carter's Foodtown, similar to Lynn's Meats, is a family-owned corporation. Located in Fort Valley, Georgia, this convenience store has served the college community at Fort Valley State College for the past 15 years. The family is now asking for help in developing a business plan to aid in its development and expansion.

Consolidated Industries previously received task order assistance through the Rural Assistance Program. Currently involved in the manufacture of test equipment, Consolidated is entering a level of technology that now requires an investment into wave soldering equipment. Prior to committing the necessary resources, an assessment of the industry and its equipment was required. Thus, RAP was asked to perform an assessment of the equipment necessary for the manufacture of printed circuit boards.

SAVES

D&D Specialties is engaged in the manufacture of hollow metal doors. Currently under the threat of losing its equipment, the company has requested RAP's aid in resolving this concern. An assessment of the equipment needs of the company is currently underway as part of D&D's efforts to maintain its production capabilities.

Mr. Jim Eddin's company, Perdido Vineyards, has filed for protection under the bankruptcy court's reorganization provision (Chapter 11). In order to effectively reorganize Perdido's operations, the Rural Assistance Program has agreed to provide assistance in the area of markets development for this farm winery.

CLIENT TERMINATIONS

Assistance to Workers Owned Sewing Company was terminated during the quarter because of non-responsiveness on the client's part. Information required to complete the company's business plan was not provided. After repeated attempts to secure this information, the client was informed of this program management decision. To-date, no further communication has been received.
PROCUREMENT ACTIONS

Procurement brokering efforts resulted in 16 successful contract opportunities totalling nearly $2 million during the quarter. Contract recipients included:

<table>
<thead>
<tr>
<th>CLIENT NAME</th>
<th>CONTRACT AMT.</th>
<th>CONTRACT SOURCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-1 Construction Company</td>
<td>$68,984</td>
<td>Fort Stewart</td>
</tr>
<tr>
<td>A-1 Construction Company</td>
<td>$81,617</td>
<td>Fort Stewart</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>$40,020</td>
<td>U.S. Post Office</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>$48,260</td>
<td>CECOM-Fort Monmouth</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>$51,020</td>
<td>Redstone Arsenal</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>$127,443</td>
<td>Naval Aviation Supply</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>$142,519</td>
<td>Redstone Arsenal</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>$173,536</td>
<td>Naval Aviation Supply</td>
</tr>
<tr>
<td>Chavis Tool</td>
<td>$19,000</td>
<td>John Deere Engine Works</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpeting</td>
<td>$13,806</td>
<td>Tennessee Valley Authority</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpeting</td>
<td>$14,250</td>
<td>Tennessee Valley Authority</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpeting</td>
<td>$16,800</td>
<td>Ocean Green Development</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpeting</td>
<td>$126,980</td>
<td>CI of Oklahoma</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpeting</td>
<td>$147,326</td>
<td>Tennessee Valley Authority</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpeting</td>
<td>$420,000</td>
<td>Blake Construction</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpeting</td>
<td>$483,000</td>
<td>J.W. Bateson</td>
</tr>
</tbody>
</table>

$1,974,561

Overall, a total of 23 public and private organizations (other than the above) were contacted directly on behalf of RAP clients. These contacts included personal visits, telephonic inquiries, written referrals and trade fair participation. Among sources contacted:

- Booker T. Washington Foundation
- Campbell Soup Company
- City of Wilmington, N.C.
- Consolidated Diesel Company
Goods, services and business capabilities of the following clients were represented as potential suppliers, contractors or subcontractors to the above organizations:

- A-1 Construction Company
- A&B Consulting
- Allen Welding Company
- B&J Precision Machine Shop, Inc.
- Chavis Tool
- Consolidated Industries
- D&D Specialty
- Edwards & Associates
- Emerson & Sons
- Excel Manufacturing
- Fabulous Creations from EF
- Fine Vines
Information sources utilized to furnish leads on potential contract opportunities included:

- F.W. Dodge Referral System
- DMS - Online System
- Commerce Business Daily System
- Control Data's X-Market
- MBDA's Electronic Mail System (interaction with other funded organizations)
- Direct contact with public and private sources

**APPROVED FINANCINGS**

Four financing requests totalling $625,000 were approved and disbursed to clients of the Rural Assistance Program during the quarter:

- the Farmers and Merchants Bank approved two separate loan requests of $10,000 and $15,000 to Allen Welding Company of Five Points, Alabama.

- A $500,000 loan application submitted by Choctaw Processing Plant (Meridian and Weir, Mississippi) was approved by the Southern Cooperative Development Fund.

- Smith & Smith Carpeting of Dalton, Georgia received assistance from RAP in securing a $100,000 SBA - guaranteed bond from the Norton Insurance Company.
Third quarters submissions to the Profile system included:

<table>
<thead>
<tr>
<th>CLIENT</th>
<th>LOCATION</th>
<th>TYPE BUSINESS</th>
<th>GROSS RECEIPTS</th>
<th>No. EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smith Alternator and Starter</td>
<td>Decatur, Ga.</td>
<td>Rebuilt Alternators and Starters</td>
<td>$65,000</td>
<td>4</td>
</tr>
<tr>
<td>B&amp;J Precision Machine Shop</td>
<td>Cheraw, S.C.</td>
<td>Mfg. Precision Machine Parts</td>
<td>$200,000</td>
<td>14</td>
</tr>
<tr>
<td>Planning Design and Build</td>
<td>Meridian, Ms.</td>
<td>Construction Planning and Consulting</td>
<td>new</td>
<td>14</td>
</tr>
<tr>
<td>The Kelley Company</td>
<td>Atlanta, Ga.</td>
<td>Wholesale Distribution</td>
<td>$30,000</td>
<td>2</td>
</tr>
<tr>
<td>Bankhead-West &amp; Company</td>
<td>Atlanta, Ga.</td>
<td>Specialty Contractor</td>
<td>$280,000</td>
<td>9</td>
</tr>
<tr>
<td>R&amp;E Electronics Incorporated</td>
<td>Wilmington N.C.</td>
<td>Communication Systems</td>
<td>$2,000,000</td>
<td>52</td>
</tr>
</tbody>
</table>

This total, added to the 12 Profile submissions reported during previous quarters, accounts for a grand total of 18 Profile submissions to-date.
In conformance with program directives, the Georgia Tech Rural Assistance Program also submitted the names, addresses and other pertinent information to include 22 key persons into the Who's Who in Minority Business Development system. Key persons involved in the advocacy, development or delivery of services to minority-owned business were submitted for inclusion. Persons submitted represented a broad spectrum of categories, including business firms (minority-owned and majority-owned), financial institutions, consulting firms, community leaders, educational institutions (minority and non-minority), legal representatives and others.

### PROFILE VERIFICATIONS

The Georgia Tech RAP was assigned 12 profile verifications. One of these was a duplication of the same client. A second was contacted and discovered to be non-minority. This firm was recommended for deletion from PROFILE on this basis.

Results of RAP contact with the remaining 10 firms showed the following:

<table>
<thead>
<tr>
<th>NAME VERIFIED</th>
<th>ACTION REQUIRED</th>
<th>CHANGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sutton Construction</td>
<td>None</td>
<td>See Appendix 1</td>
</tr>
<tr>
<td>Ebony Textile</td>
<td>Change</td>
<td>See Appendix 1</td>
</tr>
<tr>
<td>Plemons Engineered Prod.</td>
<td>Change</td>
<td>See Appendix 1</td>
</tr>
<tr>
<td>Davenport Elect. Serv.</td>
<td>Change</td>
<td>See Appendix 1</td>
</tr>
<tr>
<td>Roy Martin Leather</td>
<td>Change</td>
<td>See Appendix 1</td>
</tr>
<tr>
<td>Ware's Blacktopping</td>
<td>Delete</td>
<td>See Appendix 1</td>
</tr>
<tr>
<td>C&amp;S Service Co.</td>
<td>Delete</td>
<td></td>
</tr>
<tr>
<td>J&amp;W Upholstery</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Rivers Carpet Mills</td>
<td>Change</td>
<td>See Appendix 1</td>
</tr>
<tr>
<td>Organized Maintenance</td>
<td>Delete</td>
<td></td>
</tr>
</tbody>
</table>
CLIENT REPORT HIGHLIGHT

The Georgia Tech Rural Assistance Program completed assistance to Consolidated Industries during the quarter.

As a result of the firm's movement into a higher level of technological applications, Mr. Columbus Sanders requested a users' survey to gather information concerning state-of-the-art techniques, preferences and equipment used to service major users of printed circuit boards.

A report was generated (see Appendix 2) to familiarize Mr. Sanders and his staff with some of the major mass soldering techniques and other information to aid in selecting the appropriate wave soldering equipment.

Ultimately, Consolidated will be able to proceed more confidently with its developmental plans as a result of the assistance rendered by RAP. This aid was supplemented by assistance in securing nearly $600,000 in contract procurements for the firm.

Consistent with the capabilities of Consolidated Industries and its great potential, the Rural Assistance Program has decided to highlight this client for the third quarter.
**PROFILE VERIFICATION/CHANGE BATCH CONTROL FORM**

- **GRANTEE NAME:** Rural Assistance Program
- **SURVEY DISTRICT:** AT 333
- **CONTACT PERSON:** Arthur L. Brown
- **TELEPHONE NO.:** (404) 894 3843

<table>
<thead>
<tr>
<th>LIST BY COMPANY NAME</th>
<th>I. METHOD USED</th>
<th>J. ACTION REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LETTER</td>
<td>TELE</td>
</tr>
<tr>
<td>The Telesis Corp.</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

- **E. PROFILES ATTACHED:** 1
- **F. TOTAL VERIFIED TO DATE:** 10
- **G. PROFILES ASSIGNED:** 12

Date: July 11, 1984

- Page ___ of Page ___
Firm is not a minority
<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Name</td>
<td>SUTTON CONSTRUCTION CO</td>
</tr>
<tr>
<td>Address</td>
<td>333 SIMS STREET</td>
</tr>
<tr>
<td>City</td>
<td>BARNESVILLE</td>
</tr>
<tr>
<td>State</td>
<td>GA</td>
</tr>
<tr>
<td>Zip</td>
<td>30204</td>
</tr>
<tr>
<td>Business Phone No.</td>
<td>4043581238</td>
</tr>
<tr>
<td>Year Established</td>
<td>1979</td>
</tr>
<tr>
<td>Contact Person</td>
<td>CHARLES SUTTON</td>
</tr>
<tr>
<td>Title</td>
<td>OWNER</td>
</tr>
<tr>
<td>Ownership</td>
<td>BLACK</td>
</tr>
<tr>
<td>Business Type(s)</td>
<td>MANUFACTURING/SUPPLIES, CONSTRUCTION, RES. 8 DEVELOPMENT, SERVICES</td>
</tr>
<tr>
<td>% Manufacturer/Supplies</td>
<td>000</td>
</tr>
<tr>
<td>% Construction</td>
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<tr>
<td>SIC Codes</td>
<td>1542, 1521, 1522</td>
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**FIRM NAME**: EBONY TEXTILE INC

**ADDRESS**: P O BOX 5274

**CITY**: DALTON

**STATE**: GA

**ZIP**: 30720

**BUSINESS PHONE NO.**: 404-544-4400

**YEAR ESTABLISHED**: 1969

**CONTACT PERSON**: CHARLES L SMITH

**TITLE**: PRESIDENT

**MINORITY**: BLACK

**MANUFACTURING/SUPPLIES**: 100%

**CONSTRUCTION**: 0%

**RES. & DEVELOPMENT**: 0%

**SERVICES**: 0%

**MANUFACTURER**: YES

**MAX. BONDING**: $250,000

**NO. ENG.**: 0

**SPACE - SQ - FT**: 10,000

**REG. DEALER**: YES

**DISTRIBUTOR**: STING LABORATORY

**EXPORTING**:Reached

**INTERESTED IN EXPORT**: YES

**GROSS SALES**: $250,000

**GROSS YEAR**: 1983

**EMPLOYER I.D. NO.**: 8422540

**SMSA NO.**: 30121

**FIRM CAPABILITIES**: Carrying and manufacturing three types of carpeting: residential, commercial, and Astro Turf. 20 employees.

**STRATEGIC PLANNING**: Interests in growing the business.

**IF IN ERROR MAKE CORRECTION BELOW**: YES

**KEY WORDS**: Carpet

**FPD CODES**: 2212

**FSC CODES**: 2272

**SIC CODES**: 2272
FIRM NAME: PLEMMONS ENGINEERED PRODUCTS CO

ADDRESS: 103 FORREST ROAD
CITY: FORT OGLETHORPE
STATE: GA
ZIP: 30742

CONTACT PERSON: FRANK PLEMMONS, Steve Plemmons, Robert Burns, Greg Eller
TITLE: OWNER

MINORITY: NATIVE AMERICAN

MANUFACTURING/SUPPLIES: 010
CONSTRUCTION: 010
MANUFACTURER: YES
MAX. RADIUS: 010
MAX. BONDING: 12,000
SPACE-SQ-FT: MITA

EXPORTING: INTERESTED IN EXPORT
GROSS SALES: $429,500
GROSS YEAR: $500,500.00

NO. EMPLOYEES: 7
EMPLOYER I.D. NO.: 244247695
SMSA NO.: 0520

SALES AGENT AND DISTRIBUTOR FOR INDUSTRIAL AND COMMERCIAL MACHINERY AND EQUIPMENT

KEY WORDS: INDUSTRIAL MACHINERY, EQUIPMENT, OFFICES, FURNITURE, STEEL, FABRICATING

FPD CODES: 7110, 7420, 7430
FSC CODES: 7110, 7420, 7430
SIC CODES: 5021, 5081, 5083
FIRM NAME: DAVENPORT ELECTRICAL SERVICES INC

ADDRESS: 984 HOBSON AVENUE
CITY: ATHENS
STATE: GA
ZIP: 30601

BUSINESS PHONE NO.: 404-5435038
YEAR ESTABLISHED: 1980

CONTACT PERSON: HOWARD K DAVENPORT
TITLE: PRESIDENT

OWNERSHIP:
MINORITY: BLACK

BUSINESS TYPE(S):
MANUFACTURING/ SUPPLIES: 100
CONSTRUCTION: 100
RES. & DEVELOPMENT: 100
SERVICES: 100

MANUFACTURER: DAVENPORT ELECTRICAL SERVICES INC
MAX. BONDING: 45,000
MAX. RADIUS: U.S.

REG. DEALER: DAVENPORT ELECTRICAL SERVICES INC
DISTRIBUTER: DAVENPORT ELECTRICAL SERVICES INC

EXPORTING: INTERESTED IN EXPORT
NO. EMPLOYEES: 7
EMPLOYER I.D. NO.: 581490701
SMSA NO.: 7520

FIRM CAPABILITIES:
ELECTRICAL CONTRACTOR

KEY WORDS:
ELECTRICAL CONTRACTOR

FPD CODES: NO59, NO61
FSC CODES: 1731
SIC CODES: 1731
B025 U. S. DEPARTMENT OF COMMERCE
MBDA
LONG PROFILE LISTING
SORTED BY STATE

WRITE CORRECTED INFO BESIDE EACH ITEM

FIRM NAME: ROY MARTIN LEATHER CO
ADDRESS: 15 STANLEY STREET
CITY: BUFORD
STATE: GA
ZIP: 30518

BUSINESS PHONE NO.: 4049454971
YEAR ESTABLISHED: 1980

CONTACT PERSON: ROY MARTIN
CONTACT TITLE: OWNER

MINORITY: NATIVE AMERICAN

MANUFACTURING/SUPPLIES:
MANUFACTURER: YES
SPACE - SQ - FT: 9000

CONSTRUCTION:
_MAX. RADIUS : 000000

RES. & DEVELOPMENT:
_MAX. BONDING: 00000000

SERVICES:
_MAX. BONDING: 00000000

EXPORTING: ACTIVE EXPORTER
GROSS SALES: $61104.40
GROSS YEAR: 1982

EMPLOYEES: 2
EMPLOYER I.D. NO.: 581477903
SMSA NO.: 3001

MANUFACTURER OF LEATHER PRODUCTS, BELTS, POUCHES, DOG COLLARS, GUN HOLSTERS OR ANY PRODUCTS MADE OF LEATHER

KEY WORDS: LEATHER, PRODUCT, BELT, POUCH, DOG, COLLAR, GUN, HOLSTER

FPD CODES:
FSC CODES:
SIC CODES:
FIRM NAME: WARES BLACKTOPPING SEALING CO

ADDRESS: 590 TIMOTHY ROAD

CITY: ATHENS

STATE: GA

ZIP: 30606

BUSINESS PHONE NO.: 404-548-4335

YEAR ESTABLISHED: 1973

CONTACT PERSON: ISAAC WARE

TITLE: OWNER

OWNERSHIP:

MINORITY: BLACK

BUSINESS TYPE(S):

MANUFACTURING/SUPPLIES

CONSTRUCTION

RES. & DEVELOPMENT

SERVICES

MANUFACTURER:

MAX. BONDING:

MAX. RADIUS:

SPACE-SQ-FT:

REG. DEALER:

DISTRIBUTER:

EXPORTING:

NOT INTERESTED IN EXPORTING

GROSS SALES:

$36,000

GROSS YEAR:

1982

NO. EMPLOYEES:

2

EMPLOYER I.D. NO.:

581391617

SMSA NO.:

0520

FIRM CAPABILITIES:

ASPHALT PAVING AND SEALING OF PARKING LOTS, DRIVEWAYS, ENTRANCES, AND EXIT RAMPS

IF IN ERROR MAKE CORRECTION BELOW:

SEALING TRUCK, 2

KEY WORDS:

ASPHALT

PAVE

SEAL

PARKING

LOT

DRIVEWAY

ROAD

EQUIPMENT

DUMPING

FPO CODES:

Y222

Y224

FSC CODES:

SIC CODES:

1611
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<td>10</td>
<td>ADDRESS: P O BOX 476</td>
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<tr>
<td>11</td>
<td>CITY: STATHAM</td>
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<tr>
<td>12</td>
<td>STATE: GA</td>
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<td>13</td>
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<td>YEAR ESTABLISHED: 1983</td>
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<td><em><strong>SIC CODES</strong></em></td>
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**Notes:**
- If in error, make corrections below.
- Blacktopping, Landscaping, Tree Service, Drain Tile, Sewer Contracting
- Exporting: Not interested in exporting
- Gross Sales: $0
- Gross Year: 19
- Employer I.D. No.: 261225779
- SMSA No.: 5555
- FPD Codes: S208, Y244, N056
- FSC Codes: Y244, N056
- SIC Codes: 1611, 0782, 1623
Firm Name: J and W Upholstery Shop

Address: RTE 5 Mission Rd

City: Catersville

State: GA

Zip: 30120

Business Phone No.: 4043862517

Year Established: 1965

Contact Person: Horace Lee Jones

Title: Owner

Ownership:

Minority: Black

Business Type(s):

- Manufacturing/Supplies
- Construction
- RES. & Development
- Services

Manufacturing/Supplies:

% Manuf/Suppl: 100%

Manufacturer:

Max. Bonding: $0

Max. Radius: 0

Space-Sq-Ft:

Max. Radius: 0

Reg. Dealer:

Distributor:

Exporting: Not Interested in Export

Gross Sales: $40,000

Gross Year: 1983

Employees: 2

Employer I.D. No.: 253640390

SMSA No.: 0520

Firm Capabilities:

Upholstery, Refinishing and Repairs, All Types of Furniture, Truck Seat, Boat

Correction Below:

If in Error Make Correct

Seat and Restaurant

Key Words:

Upholstery Refinishing

Repairs

Furniture

Truck Boat Seats

Restaurant Booths

FPD Codes:

J071

FSC Codes:

SIC Codes:

7641
FIRM NAME: RIVERS CARPETS MILLS INC

ADDRESS: 313 GOODWILL DRIVE BOX

CONTACT PERSON: ROBERT RIVERS

CITY: DALTON

STATE: GA

ZIP: 30704-3070

BUSINESS PHONE NO.: 404-2266178

YEAR ESTABLISHED: 1979

MANUFACTURING/SUPPLIES:

MANUFACTURER: YES

MANUFACTURING/CONSTRUCTION:

% MANUF/SUPPL: 100

% MANUFACTURING: 100

% CONSTRUCTION: 0

MAX. RADIUS: 0150

MAX. BONDING: 00000000

% SERVICE: 0

% SERVICES: 0

MAX. BONDING: 00000000

% R & D: 0

% RES. & DEVELOPMENT: 0

NO. ENGINEERS: 0

GROSS SALES: $10,000,725

GROSS YEAR: 1983

EMPLOYER I.D. NO.: H44226617

SMSA NO.: 

NO. EMPLOYEES: 6

EXPORTING: INTERESTED IN EXPOR

FIRM CAPABILITIES:

MANUFACTURE CARPETS TUFTING OF SYNTHETIC YARNS TO GRASS CARPETS

KEY WORDS:

CARPET
TUFT
SYNTHETIC
YARN

FPO CODES:

FSC CODES:

SIC CODES:
FIRM NAME: ORGANIZED MAINTENANCE INC

ADDRESS: 1692 PRINCE AVENUE

CITY: ATHENS

STATE: GA

ZIP: 30606

BUSINESS PHONE NO.: 4045460788

YEAR ESTABLISHED: 1980

CONTACT PERSON: CLYDE PEEK

TITLE: PRESIDENT

MINORITY: BLACK

BUSINESS TYPE(S):
- MANUFACTURING/SUPPLIES
  - MANUFACTURER:
  - SPACE-SQ-FT:
  - REG. DEALER:

- SERVICES
  - MAX. BONDING:
  - MAX. RADIUS:

- CONSTRUCTION
  - MAX. BONDING:
  - NO. ENG.

EXPORTING: INTERESTED IN EXPORTS

GROSS SALES: $230,000

GROSS YEAR: 1982

NO. EMPLOYEES: 16

EMPLOYER I.D. NO.: 531383860

SMSA NO.: 59

FIRM CAPABILITIES:
- CONTRACT JANITORIAL SERVICES FOR BUILDINGS EXCEEDING 50,000 SQUARE FEET
  - CLEANING, WAXING, WINDOWS, FURNITURE

KEY WORDS:
- JANITORIAL
- SERVICE
- BUILDING
- CLEAN
- SEAL
- MAINTENANCE
- GUNITE HYDRAULICS

FPD CODES: 5201

FSC CODES

SIC CODES: 7349
MASS SOLDERING TECHNIQUES AND
EQUIPMENT FOR PCB MANUFACTURING

PREPARED FOR:
RURAL ASSISTANCE PROGRAM
FRANK B. BROWN, DIRECTOR
ATLANTA, GEORGIA

BY:
JAMES T. VARNADOE
HARRIS T. JOHNSON

ECONOMIC DEVELOPMENT LABORATORY
ENGINEERING EXPERIMENT STATION
GEORGIA INSTITUTE OF TECHNOLOGY

JUNE 1984
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<td>II. BASIC STEPS OF MASS SOLDERING</td>
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<td>III. DEFECTS ATTRIBUTED TO WAVE SOLDERING</td>
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<td>IV. OTHER SOLDERING TECHNIQUES</td>
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<td>VI. SUMMARY OF INFORMATION FROM SURVEY OF MANUFACTURERS</td>
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<tr>
<td>OF SOLDER, FLUX, WAVE SOLDERING EQUIPMENT, AND END USERS</td>
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<td>VII. THE FUTURE OF MASS SOLDERING</td>
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I. INTRODUCTION

Mass soldering techniques are necessary to accomplish increasing production volume requirements and address the increased density of printed circuits. The techniques have improved in recent years in terms of quality of the connections, i.e., less icicling and bridging. However, attention must be given to circuit layout and component orientation when designing the board to accomplish the goal of zero defects. In addition, precautions should be taken to ensure that the board is properly manufactured, stored, and handled to attain a solderable surface for any of the mass soldering techniques.

This report presents the major mass soldering techniques, their associated benefits and includes at least one equipment manufacturer for each system. A brief review of some of the major problems encountered by operators and the method(s) for correcting the problem(s) is also presented.

The project involved a tour of some of the major users of mass soldering systems in the Atlanta area. In addition, manufacturers of fluxes, solders, and equipment were contacted. The final section of the report reveals the results of these activities.

II. BASIC STEPS OF MASS SOLDERING

There are four basic steps in most mass soldering systems. The first step involves the application of flux. Fluxes remove oxides that inhibit solderability. The flux chemically interacts with contaminants, especially oxides, which results in a bare metallic surface for soldering. There are three types of flux: organic, chemical, and inorganic. Ordinarily, only the first two are used for electronic applications due to the highly corrosive nature of inorganic fluxes. Rosin type fluxes are the most widely used. However, organic water soluble fluxes are becoming more popular. These fluxes can be economically removed with water and will not be affected by potential environmental regulation. Rosin fluxes must be
enacted with an agent such as .5% concentration of anilene hydrochloride to enhance solderability. The flux residues must be removed via post-solder cleaning, especially with water soluble flux, because acids or salts can form conductive paths on circuit boards as well as corrode the board. Foam fluxing is the principle form of mass soldering flux application methods due to its ability to provide a thin and uniform coating. Other techniques include: spraying, brushing, rolling, and wave fluxing.

The second step in the process involves preheating the board. Some systems utilize preheat before the flux to facilitate a more uniform coating of the flux. The preheaters are primarily used prior to soldering to allow a uniform coating and to minimize icicling and bridging. The board is typically heated to a temperature range of 190°-210° F.

Applying the solder to the board is the third step in the process. The predominant method currently used is wave soldering. A molten bath of solder is propelled upward so that it forms a crest or solder wave as the solder falls to the solder bath. A conveyor used to carry the board through the various operations is angled at a 60°-80° approach to the solder wave to allow drainage and minimize icicling and bridge formation (see Figure 1). The conveyor carries the board through the wave allowing the solder to impinge against the board surface. Wave soldering is reported to minimize accumulation of dross and other contaminants in comparison to other methods due to the high flow velocity of the molten solder.

The last step in the process consists of cleaning the board after wave soldering (post-solder cleaning). Post-cleaning has become an integral part of the soldering process. Residues left on the board after the soldering process can be corrosive and/or can cause failure by attracting contaminants. Water soluble fluxes can be cleaned with soap and water, or in some cases water alone is sufficient. Rosin based, inorganic fluxes require some type of vapor degreaser cleaning using freon or 111 trichloroethylene. Figure 2 illustrates the typical sequence of operations involved in the wave soldering process.
Figure 2
Sequence of Operations in Wave Soldering Process

PREHEAT → FLUX → PREHEAT → WAVE SOLDER → POST SOLDER CLEANING
Defective solder joints attributed to the wave soldering process are frequently caused by other problems. One big reason, is the failure to design and layout the PC board with "productivity" in mind. The design should take into account orientation of conductors and components as they pass through the wave. Other problems, causes, and possible corrections are:

<table>
<thead>
<tr>
<th>Problem</th>
<th>Cause</th>
<th>Correction</th>
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<tbody>
<tr>
<td>1. Board and component solderability</td>
<td>Supplier materials and process problems</td>
<td>QC incoming boards and components.</td>
</tr>
<tr>
<td>2. Pin holes, blistering, separation of PC board laminants</td>
<td>Inadequate cure of PC boards during manufacture and moisture of solvent absorption prior to soldering</td>
<td>&quot;Timely bake out&quot; will minimize problem.</td>
</tr>
<tr>
<td>3. Failure of solder to &quot;Wet-thru&quot;</td>
<td>A) Excessive heat sinks from internal multi-layer board ground planes connected to thru-holes do not reach temperature necessary for solder penetration.</td>
<td>Must be corrected by PC board designer by employing the thinnest possible ground planes.</td>
</tr>
<tr>
<td></td>
<td>B) Very large leads, leads connected to massive metal parts and leads having high thermal conductivity.</td>
<td>Shorten leads and allow more time in preheat and solder.</td>
</tr>
<tr>
<td>4. Solder depletion</td>
<td>Small diameter leads in large diameter holes. Surface tension fails to support solder to keep hole filled.</td>
<td>Use &quot;tiplets&quot; on small diameter leads to fill gap.</td>
</tr>
<tr>
<td>5. Excessive gold in solder</td>
<td>Excessive gold platings on leads or PW boards results in frosty appearance on component side of solder joint where gold is not &quot;rinsed away.&quot; This cosmetic problem can be mistaken for a &quot;cold or disturbed&quot; joint by inspectors.</td>
<td>Solder dip leads prior to assembly in board for soldering. This is often required by military equipment customers.</td>
</tr>
</tbody>
</table>
IV. OTHER SOLDERING TECHNIQUES

Dip and Planar (Drag) Soldering

Dip and planar soldering are similar to wave soldering due to the stationary solder bath. In Dip Soldering, the board is immersed vertically into the bath. The board is moved tangentially across the surface of the the bath in Planar Soldering. The advantage of these techniques is the ability to accomplish a uniform application of heat to the entire surface. Solder side lead lengths are not restricted as
in a wave soldering system. Absence of motion of the solder results in less uniform solder joints as compared to wave soldering, and dross accumulation on solder points is more of a problem.

**Infrared and Vapor Phase**

These techniques can exceed the speed of wave soldering, but require prior application of the solder to the circuit for reflow. Preliminary solder application is accomplished via preforms, paste, and plating. The development of automatic machines for application of paste or preforms facilitates the use of these techniques. Uniform application of heat to assembly is also possible with these systems. Components, however, may have to withstand longer periods of heat application than required by other mass soldering techniques.

**V. EQUIPMENT SURVEY**

**Electrovert**

Various wave soldering systems are distinguished by the wave produced. The Electrovert System utilizes a "Lambda" wave which facilitates the application of thermal energy to the solder joints, as well as their entry, contact, and exit conditions. The wave is shaped like an inverted Greek letter Lambda. The fluid dynamics are such that the board exits from the wave in a way that minimizes the relative velocity between the board and the solder stream. Icing is reduced because drag between terminals or leads is minimized. The flow velocity is optimized because it is highest where the board enters the wave and minimum where it exits the wave. Dross formation, especially when utilizing oxide reducing agents in the bath, is negligible. Thus, the system eliminates the need for oil intermix (see below).

**Hollis**

The Hollis equipment has been known for its oil intermix system. The oil intermix serves as a wetting agent which lowers surface
tension at the point of wave contact, assuring solderability. The oil is usually combined with oxide inhibitor additives. Post-solder cleaning is required when using an oil intermix. The oil intermix is also reported to facilitate removal of flux residue in the cleaning operation. Hollis also offers a micro processor activated air knife to maximize debridging even on high density boards.

Zevatron GMBH

Zevatron is the leading manufacturer of drag soldering systems in Europe, where they are primarily manufactured. The systems are sold in the U.S. through Gardiner Solder's Electronic Production Automation Company Division (EPAC), and Zeva Electronic Corporation of Hanover, N.J. The main advantage of drag soldering is the ability to control time and temperature relationships of the process. Soldering time can be set independently of conveyor speed. The systems are supposed to be the fastest, reaching speeds of 20 ft./min.

Schleuniger Jet "Hollow Wave" System

This system involves moving solder at high velocities. A flat sheet of solder is propelled into the air to form a wave. The wave is hollow underneath. The wave can be formed rapidly (as little as 1-2 seconds) which allows activation of the propulsion system only when the PC board approaches the nozzle and shuts off after the cycle is completed. This reduces power consumption significantly. Dross formation is minimized because the solder is exposed only when propelled into the wave formation. The dynamics of high flow velocity wave ensure solder is dispersed evenly to all points even with sagging surfaces. One disadvantage of the system is that component leads cannot be longer than 1/3 inch to avoid icicling.

Argus

Argus makes conveyor infrared-reflow soldering equipment. The main advantages of this equipment involve its speed, cleanliness, and its ability to uniformly heat the surface and to adjust to a wide
variety of printed circuit designs. OAL Associates also manufactures similar equipment.

**HTC**

HTC manufactures vapor phase soldering systems which allow accurate temperature control and independence of component size and geometry. Regulation of reflow time for uniform soldering of parts is accomplished with a microprocessor.

**Technical Devices Co**

This company features an inexpensive wave soldering system. Quality is high without the need for oil. The system includes adjustable wave depth, infinitely variable conveyor speed, infrared preheat, foam flux, and an air filter. A hot air knife is also featured for removal of excess flux from the PC board.

**Lenape**

The Lenape wave soldering system is designed primarily for small users with many low quantity production runs. The system features a control console with memory to allow the operator to return to previous setups. The machine has been designed for use of organic acid fluxes.

**John Treiber**

Another manufacturer of soldering machine equipment for small users is John Treiber. These machines are designed to facilitate ease of maintenance, and again, feature accurate, repeatable, adjustments and settings for the solder wave.
VI. SUMMARY OF INFORMATION FROM SURVEY OF MANUFACTURERS OF SOLDER, FLUX, WAVE SOLDERING EQUIPMENT, AND END USERS

Equipment

There is a general trend toward greater automation of the wave soldering process via microprocessors. All of the sites visited employed either Hollis or Electrovert equipment and the latest models of these manufacturers feature microprocessor controls and in-line cleaners.

Solder

The predominant solder in use is 63% tin and 37% lead eutectic solder and is made by a variety of solder manufacturers.

Fluxes

Due to environmental pressures in the past three to four years, freon-based cleaners were supposed to be eliminated. This would have forced the use of water soluble fluxes. However, the proposed standards were withdrawn and, consequently, nonsoluble rosin based fluxes dominate. These fluxes require vapor degreaser cleaning incorporating either freon or 111 trichloroethylene. The cleaners must be disposed of under hazardous waste regulations. California has recently banned the use of freon cleaners and as a result, there is a trend toward water soluble fluxing and soap and water cleaning. Water soluble fluxing is more cost effective in the long run due to the elimination of chemical cleaners and related disposal cost.

Operating Parameters

The following is a low-high range of operating parameters observed at the plants visited:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Setting Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Board Speed</td>
<td>1.25 ft/min - 5 ft/min</td>
</tr>
</tbody>
</table>
2. Time in Solder 1.5 - 2.5 seconds
3. Temperature of Melted Solder 490°F - 509°F
4. Maximum Board Size 16 inches
5. Board Temperature Prior to Solder via Preheaters 175°F - 210°F
6. Angle of Conveyor Approach to Solder 6% - 7%

**Military End Users**

The general specification for soldering for military end users requires the use of mild fluxes, i.e., rosin based, no water soluble or organic fluxes. The reason as mentioned earlier, water soluble or organic fluxes are more active and more corrosive. Therefore, if these fluxes are not completely removed from the board after solder, corrosion will occur. Mil specification Mil-F-14256 should be referenced for information about requirements for military end users.

**Density Measure of Flux**

A machine used to measure the density of the flux in use was observed at two of the plants visited. Specific gravity is a critical parameter to measure the quality of the flux in terms of activation and uniformity of application. It is suggested that a density measure be used in any mass soldering operation.

**VII. THE FUTURE OF MASS SOLDERING**

Future board manufacturing will involve chip soldering. The chips or leadless components will be attached with epoxy, then soldered. This technology will require reflow soldering, i.e., infrared or vapor soldering. Although it may be three or four years before this technology is employed extensively, a new company might consider gaining expertise in this area in the interim and thus be positioned for the future demand.
BIBLIOGRAPHY


QUARTERLY NARRATIVE REPORT
Project A-3360-000

OPERATION OF THE
MINORITY BUSINESS DEVELOPMENT AGENCY
RURAL ASSISTANCE PROGRAM

By
Frank B. Brown
Program Director
Arthur L. Brown
Project Manager

Under
Grant #04-10-82032-01

November 1984

GEORGIA INSTITUTE OF TECHNOLOGY
A Unit of the University System of Georgia
Atlanta, Georgia 30332

1984
QUARTERLY NARRATIVE REPORT
OPERATION OF THE MINORITY BUSINESS DEVELOPMENT AGENCY
RURAL ASSISTANCE PROGRAM
COOPERATIVE AGREEMENT #04-10-82032-01

Frank B. Brown
Program Director

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GEORGIA INSTITUTE OF TECHNOLOGY
Georgia Tech Research Institute
Economic Development Laboratory
Atlanta, Georgia

A-3360-000
November 1984
This report was submitted under terms, conditions, and requirements of a cooperative agreement with the U.S. Department of Commerce, Minority Business Development Agency. Material included herein is the result of tax-supported assistance and is not protected by copyright laws.
# Table of Contents

## INTRODUCTION

## PROGRAM ACTIVITIES
- General
- Outreach Activities
- Inquiries/Requests for Assistance
- Program Accomplishments
  - Clients Assisted
  - Task Orders/Assistance Rendered
  - Program Statistics
  - Procurement Actions
  - Approved Financings

## PROJECT HIGHLIGHTS
- Client Report Highlight
This report describes activities and accomplishments of the Georgia Tech Rural Assistance Program during the fourth quarter of the 1984 fiscal year. The report covers the calendar period July 1, 1984 through September 30, 1984. The program provides for the delivery of management and technical assistance to minority-owned businesses and individuals in the Southeastern states of Alabama, Georgia, Mississippi, North Carolina, and South Carolina.

This narrative reviews program accomplishments during the quarter, highlights activities of staff, and indicates the direction of the program through the eighth reporting period.

Significant results were achieved in the brokering of contract procurement and capital opportunities during this period of activity. These results are reflective of efforts exerted and contacts made during previous quarters. An increasing number of private and public sector organizations are utilizing the services and products of client referrals received through the Rural Assistance Program.
PROGRAM ACTIVITIES

General

Program activities were purposely restricted during the fourth operating quarter of 1984. As such, activities were oriented primarily towards clients already accepted into the intake system. The principal concern was to provide the maximum assistance possible to these firms, prior to the scheduled termination of the Rural Assistance Program at the end of the quarter.

Overall, outreach efforts were reduced. Similarly, the number of new clients added to the client roster declined. All activities were oriented toward an orderly close-out of the program.

More than 100 organizations were contacted on behalf of RAP clients during the period. While many of these were follow-up contacts, a large number of new sources were initiated for the first time.
OUTREACH ACTIVITIES

Outreach activities were minimized during the fourth quarter because of phase-out requirements for the program.

Efforts were directed primarily towards identifying public and private sector sources of procurement opportunities and then matching with appropriate RAP clients.

Other outreach activities during the quarter included:

- Co-sponsorship of a seminar on "Expanding Black Participation in Atlanta’s Industrial Development." The program was held in conjunction with the Atlanta Marketing and Industrial Development Council and the Booker T. Washington Foundation;
- participated in the National Alliance of Management and Technical Assistance Coordinators (NAMTAC) conference held in Atlanta, Georgia;
- served as a presenter at a Minority Business Seminar sponsored by Georgia’s 6th District Congressman, Newt Gingrich. The seminar was held in Carrollton, Georgia to brief rural minority-owned businesses on MBDA and SBA programs for business development;
- served as guest speaker for the Southeastern Area Small Business Advisory Council meeting. This group is composed of representatives of various federal contracting agencies located in the southeastern region;
participated in the SBA Region IV 8(a) contractors meeting. Also met with SBA Region IV administrator for the 8(a) program;

attended the Georgia Department of Community Affairs workshop on the Employee Incentive Program for promoting local government economic development projects;

attended the Minority Business Development Agency's national conference;

involved in Minority Enterprise Development Week planning activities throughout the quarter;

attended the Department of Defense Procurement Conference in Charlotte, N.C. and the Federal Procurement Conference (Brunswick, GA) sponsored by the Coastal Area Planning and Development Commission.
Requests for assistance were received from the following sources during the quarter:

Henry Brown
Brown's Carpet Outlet
Hardeeville, S.C.

Brenda Bass
(no business name)
Albany, GA

Ed Mayorga
R&S Electronics
Wilmington, N.C.

George Barlow
(no business name)
Hardwick, GA

Kermith Morgan
LeMans Apparel, Inc.
Ashburn, GA

Robert Hubbard
Convenience Store
Albany, GA

Perry Grier
Perry Grier Contractors
Breman, CA

Warren Cokley
Cokley's Restaurant
Tallapoosa, GA

Malcolm Stanford
(no business name)
Warsaw, N.C.

Leroy Almon, Sr.
Unity Concrete Co.
Tallapoosa, GA

Philbert Brown
(no business name)
Greenwood, S.C.

Larry Mance
(no business name)
Toccoa, GA
PROGRAM ACCOMPLISHMENTS

Seven new clients were accepted into RAP during the fourth quarter.

Several brokering opportunities were successfully secured on behalf of RAP clients. Task order and other assistance rendered during the quarter are listed categorically.

<table>
<thead>
<tr>
<th>Business Name</th>
<th>State</th>
<th>Type Assistance</th>
<th>TOP Issued</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A&amp;B Consulting &amp; Contracting Company</td>
<td>NC</td>
<td>Procurement</td>
<td></td>
<td>CDPQ</td>
</tr>
<tr>
<td>A-1 Construction Company</td>
<td>CA</td>
<td>Procurement</td>
<td></td>
<td>CDPQ</td>
</tr>
<tr>
<td>Allen Welding</td>
<td>AL</td>
<td>Procurement</td>
<td>No new TOP issued</td>
<td></td>
</tr>
<tr>
<td>Alvie Coes Funeral Home</td>
<td>GA</td>
<td>Financial Mgmt.</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>B&amp;J Precision</td>
<td>SC</td>
<td>Plant Layout/Procurement</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Carter's Foodtown</td>
<td>CA</td>
<td>Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Clifford Wooden</td>
<td>GA</td>
<td>Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Collected Guild Ltd.</td>
<td>NC</td>
<td>Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Consolidated Industries</td>
<td>AL</td>
<td>Procurement</td>
<td>Yes</td>
<td>CDPQ</td>
</tr>
<tr>
<td>D&amp;D Specialty</td>
<td>SC</td>
<td>Equipment Assessment</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>E&amp;R Associates</td>
<td>GA</td>
<td>Procurement/Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Earl Ishmael</td>
<td>SC</td>
<td>Market ID</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Emerson &amp; Sons</td>
<td>GA</td>
<td>Procurement</td>
<td>No</td>
<td>No new TOP Issued</td>
</tr>
<tr>
<td>Excel Manufacturing</td>
<td>SC</td>
<td>Plant Layout/Mktg.</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Business Name</td>
<td>State</td>
<td>Type Assistance</td>
<td>TOP Issued</td>
<td>Status</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>-------</td>
<td>-----------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>Fabulous Creations from EF</td>
<td>NC</td>
<td>Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>George Baker</td>
<td>GA</td>
<td>Feasibility</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Green Acres</td>
<td>SC</td>
<td>Financial Mgmt.</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Institutional Food Services, Inc. of Greenville</td>
<td>NC</td>
<td>Feasibility/Loan</td>
<td>Yes</td>
<td>Follow-up</td>
</tr>
<tr>
<td>International Plastics Manufacturer</td>
<td>AL</td>
<td>Business Plan/Financial</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Larry Mance</td>
<td>GA</td>
<td>Feasibility</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>LeMans Apparel, Inc.</td>
<td>GA</td>
<td>Procurement</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Lynn's Meats, Inc.</td>
<td>SC</td>
<td>Procurement</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Malcolm E. Stanford</td>
<td>NC</td>
<td>Business Plan</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Lincolnton Phy.Fit.Ctr.</td>
<td>GA</td>
<td>Financial</td>
<td>No</td>
<td>WIP</td>
</tr>
<tr>
<td>Perdido Vineyards</td>
<td>AL</td>
<td>Marketing</td>
<td>Yes</td>
<td>TOP in Process</td>
</tr>
<tr>
<td>Philbert Brown</td>
<td>SC</td>
<td>Equipment ID</td>
<td>Yes</td>
<td>TOP In Process</td>
</tr>
<tr>
<td>R&amp;E Electronics</td>
<td>NC</td>
<td>Marketing</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Rivers Carpet Mills, Inc.</td>
<td>CA</td>
<td>Business Plan/Procurement</td>
<td>Yes</td>
<td>Completed</td>
</tr>
<tr>
<td>Ruth's Wardrobe II</td>
<td>SC</td>
<td>Financial</td>
<td>Yes</td>
<td>CDPQ</td>
</tr>
<tr>
<td>Samuel Hudson</td>
<td>SC</td>
<td>Best-Use Analysis</td>
<td>Yes</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Smith &amp; Smith Carpets</td>
<td>CA</td>
<td>Procurement</td>
<td>No</td>
<td>Follow-up</td>
</tr>
<tr>
<td>Southwide Agricultural Marketing</td>
<td>AL</td>
<td>Procurement</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Universal Enterprises</td>
<td>GA</td>
<td>Procurement</td>
<td>Yes</td>
<td>WIP</td>
</tr>
<tr>
<td>Zimmerman</td>
<td>SC</td>
<td>Business Plan/Marketing</td>
<td>Yes</td>
<td>CDPQ</td>
</tr>
</tbody>
</table>

NOTE: TOP = Task Order Proposal; WIP = Work in Process; CDPQ = Completed During Previous Quarter.
TASK ORDERS/ASSISTANCE RENDERED

Among those clients receiving assistance during the quarter, 27 were carry-overs from previous periods.

The assistance provided to carry-over and new clients was rendered in eight basic categories:

<table>
<thead>
<tr>
<th>Type of Assistance</th>
<th>No. Requests</th>
<th>% of Requests</th>
<th>No. Man-hours</th>
<th>% of Man-hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement</td>
<td>14</td>
<td>37</td>
<td>118</td>
<td>30</td>
</tr>
<tr>
<td>Financial Management</td>
<td>8</td>
<td>21</td>
<td>55</td>
<td>14</td>
</tr>
<tr>
<td>Feasibility Study</td>
<td>2</td>
<td>5</td>
<td>50</td>
<td>13</td>
</tr>
<tr>
<td>Equipment Identification</td>
<td>1</td>
<td>3</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Business Plan Development</td>
<td>5</td>
<td>12</td>
<td>82</td>
<td>20</td>
</tr>
<tr>
<td>Markets Development</td>
<td>6</td>
<td>16</td>
<td>38</td>
<td>10</td>
</tr>
<tr>
<td>Highest &amp; Best Use</td>
<td>1</td>
<td>3</td>
<td>22</td>
<td>5</td>
</tr>
<tr>
<td>Loan Proposal</td>
<td>1</td>
<td>3</td>
<td>24</td>
<td>6</td>
</tr>
</tbody>
</table>

In both the number of requests and the man-hours of assistance, procurement brokering assignments accounted for one-third or more of the time.

Of those prospects requesting assistance, the following task orders were submitted and approved:

<table>
<thead>
<tr>
<th>Client Name</th>
<th>Type Business</th>
<th>Assistance Approved</th>
<th>1983 Sales</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hub 1 and 2*</td>
<td>Convenience Store</td>
<td>Financial Assistance</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Larry Mance</td>
<td>PCB Mfg.</td>
<td>Feasibility Study</td>
<td>New Start</td>
<td>0</td>
</tr>
<tr>
<td>LeMans Apparel, Inc.</td>
<td>Apparel Mfg.</td>
<td>Procurement</td>
<td></td>
<td>50</td>
</tr>
<tr>
<td>Philbert Brown</td>
<td>Dry Cleaning</td>
<td>Equipment ID</td>
<td>New Start</td>
<td>0</td>
</tr>
<tr>
<td>R&amp;E Electronics</td>
<td>Eqpmt. Mfg.</td>
<td>Market Development</td>
<td></td>
<td>40</td>
</tr>
<tr>
<td>Universal Enterprise</td>
<td>Painting Contractor</td>
<td>Procurement</td>
<td></td>
<td>2</td>
</tr>
</tbody>
</table>

NOTE: No assistance delivered during the quarter. Client already on roster of a MBDC.
BUSDINESS STARKS

Larry Mance requested assistance in determining the feasibility of establishing a facility for manufacturing printed circuit boards. The operation, if feasible, would be located in Toccoa, Georgia.

Malcolm Stanford's request for assistance was based upon his efforts to establish a housing development. His need is for aid in creating a business plan to achieve the desired results.

Philbert Brown needed assistance in determining the equipment required to establish his dry cleaning operation in Greenwood, South Carolina.

EXPANSIONS

LeMans Apparel is a SBA 8(a) certified firm engaged in the apparel manufacturing business. The firm is seeking to reestablish itself in the industry after losing contract support from major customers. Assistance was requested in assessing its ability to handle potential contract support through the SBA.

R&E Electronics requested assistance in identifying potential procurement opportunities for expanding their communications and computer systems manufacturing company. Established in 1952, this Wilmington, North Carolina firm manufactures telephone interconnect systems, microprocessor-based access control systems, closed circuit TV security systems, internal/external commercial and industrial communications systems and audio/visual telecommunications systems.
Universal Enterprises is seeking aid in identifying additional procurement opportunities in the area of industrial painting. The firm is located in Donaldsonville, Georgia.

**SAVES**

The RAP was contacted by Ms. Doris Zellars, proprietor of the Lincolnton Physical Fitness Center to address the need to generate additional income for the operation. The initial request regarded financial assistance as a primary concern for continued operation. A prime requirement for this 8-month old firm, however, is the development of a workable business plan.
<table>
<thead>
<tr>
<th>Category</th>
<th>Projected (YTD)</th>
<th>Actual (Qtr)</th>
<th>YTD</th>
<th>% Quarterly</th>
<th>% Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOPS Submitted During Quarter</td>
<td>54</td>
<td>7</td>
<td>38</td>
<td>50</td>
<td>70.4</td>
</tr>
<tr>
<td>Assignments with BDRs But No TOPS</td>
<td>-</td>
<td>1</td>
<td>19</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td># Business Expansions</td>
<td>18</td>
<td>2</td>
<td>15</td>
<td>50</td>
<td>83.3</td>
</tr>
<tr>
<td># Business Saves</td>
<td>18</td>
<td>1</td>
<td>8</td>
<td>25</td>
<td>44.4</td>
</tr>
<tr>
<td># New Business Starts</td>
<td>18</td>
<td>3</td>
<td>16</td>
<td>75</td>
<td>88.8</td>
</tr>
<tr>
<td># Financial Packages Approved</td>
<td>-</td>
<td>1</td>
<td>6</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dollars in Approved Packages</td>
<td>$1,785,000</td>
<td>$32,000</td>
<td>$807,000</td>
<td>7.2</td>
<td>45.2</td>
</tr>
<tr>
<td># Approved Procurements</td>
<td>-</td>
<td>7</td>
<td>31</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dollars in Approved Procurements</td>
<td>$5,355,000</td>
<td>$3,407,692</td>
<td>$5,657,636</td>
<td>254.5</td>
<td>105.7</td>
</tr>
<tr>
<td># Direct Hours MSTA</td>
<td>-</td>
<td>397</td>
<td>1,871</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
PROCUREMENT ACTIONS

Procurement brokering efforts resulted in 7 successful contract opportunities totalling more than $3.4 million during the quarter. Contract recipients included:

<table>
<thead>
<tr>
<th>Client Name</th>
<th>Contract Amount</th>
<th>Contract Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-1 Construction Co.</td>
<td>$600,000</td>
<td>Kings Bay Naval Base</td>
</tr>
<tr>
<td>LeMans Apparel, Inc.</td>
<td>$563,000</td>
<td>Defense Personnel Support Center</td>
</tr>
<tr>
<td>LeMans Apparel, Inc.</td>
<td>$1,900,000</td>
<td>Defense Personnel Support Center</td>
</tr>
<tr>
<td>Rivers Carpet Mills</td>
<td>$4,263</td>
<td>Harper Enterprises</td>
</tr>
<tr>
<td>Rivers Carpet Mills</td>
<td>$4,794</td>
<td>United Textile</td>
</tr>
<tr>
<td>Rivers Carpet Mills</td>
<td>$5,635</td>
<td>Hamilton Textile</td>
</tr>
<tr>
<td></td>
<td>$3,407,692</td>
<td></td>
</tr>
</tbody>
</table>

Overall, a total of 101 public and private organizations were contacted directly on behalf of RAP clients. These contacts included personal visits, telephonic inquiries, written referrals and trade fair participation. A listing of those firms is available from project files.

Information sources utilized to furnish leads on potential contract opportunities included:

- F.W. Dodge Referral System
- DMS - Online System
- Commerce Business Daily System
- Control Data's X-Market
- MBDA's Electronic Mail System (interaction with other funded organizations)
- Direct contact with public and private sources
One financing request for $32,000 was approved for Ruth's Wardrobe II. This SBA-guaranteed loan was offered by the Hampton (S.C.) County Bank. Proceeds from the loan were scheduled to be used to meet working capital needs and aid in financing the company's growth. However, Ruth's Wardrobe elected to not accept the loan as offered. The firm's decision was based upon the fact that the amount approved did not include working capital, as initially requested.
October 11, 1984

Dr. George Baker
P.O. Box 2228
La Grange, GA 30241

Dear Dr. Baker:

Enclosed you will find the results of a feasibility study performed by the Rural Assistance Program. This report provides background, research, methodology, analysis, and our conclusions and recommendations for the project.

A review of the information collected shows that a retail facility located at the proposed site could be feasible. Further study needs to be performed to determine the financial success of any particular tenant-type to be located there.

It was our pleasure to have assisted you with this effort. We ask that you review the enclosed material carefully.

If, after your review, further clarification is needed or questions arise, do not hesitate to contact our office.

Respectfully,

Arthur L. Brown
Project Manager

ALB:dkr

Enclosure

cc: William Brewster, MBDA
FEASIBILITY STUDY
FOR A
RETAIL SHOPPING OPERATION
TO BE LOCATED IN
LA GRANGE, GEORGIA

PREPARED FOR:
DR. GEORGE BAKER

PREPARED UNDER CONTRACT
THROUGH THE
U.S. DEPARTMENT OF COMMERCE
MINORITY BUSINESS DEVELOPMENT AGENCY

RURAL ASSISTANCE PROGRAM
GEORGIA TECH RESEARCH INSTITUTE
GEORGIA INSTITUTE OF TECHNOLOGY
ATLANTA, GEORGIA

September, 1984
# FEASIBILITY STUDY
FOR A
RETAIL SHOPPING OPERATION
TO BE LOCATED IN
LAGRANGE, GEORGIA

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<table>
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</table>
I. SUMMARY

The Rural Assistance Program has conducted research to determine the need for additional retail facilities located in La Grange (Troup County), Georgia. This analysis utilized a combination of on-site surveys of existing businesses and secondary research of demographic and economic data.

The Rural Assistance Program has concluded this assignment. Our analysis from the information collected shows that a shopping center at the proposed location could be successful. Secondary research material shows a need for additional retail development in La Grange, Georgia which could be supported by several market segments in the local area.

Supporting material to justify these conclusions are found in the body of this report.
II. INTRODUCTION

A. Background
A group of individuals have banded together for the purpose of furthering economic development in LaGrange, Georgia. The group is composed of three local persons who are respected within the La Grange, Georgia area. They are Dr. George Baker, Dentist; Mr. Charles Milligan, Westinghouse Executive; and Mr. Ralph Page, Federation of Southern Cooperatives Director.

The group is interested in the retail sales potential of an area located in a Southeastern section of the city. The specific area in mind is located at the intersection of Hamilton and Davis Roads (See Exhibit 1). The Red Barn Propane Gas Service operation is currently located on the proposed site. The site is approximately 2.5 miles south of the center of downtown La Grange, and about 3.5 miles east of the intersection of Highway 109 and Davis Road where the West Georgia Commons Mall is located. To the south, I-85 crosses Hamilton Road approximately .7 mile from the proposed site and is 2.5 miles west of Calloway Airport.

B. Approach and Methodology
The group requested assistance from the Rural Assistance Program in determining the site's retail potential. Our objective in determining the retail potential of the proposed site was to analyze the area's retail trends. This data would then be analyzed with present retail facilities to determine if additional retail potential exists or is projected for the future.

C. Objective
The objective of our assistance is to determine the retail sales potential of the proposed site. If the site shows a sufficient amount of retail potential being generated in the surrounding area, steps would be taken to acquire the land and pursue retain development potentials.
III. GENERAL AREA CHARACTERISTICS

La Grange, the county seat of Troup County, appears to be a thriving city with a population of over 24,000 people. The surrounding area is widely known for its varied textile products as it sits in the industrial center of West Georgia. Located just several miles from the Chattahoochee River which serves as the boundary line between Georgia and Alabama, residents of both states look toward La Grange for leadership in the fields of culture, business, and industry.

La Grange has the tools which make it an ideal and attractive place to live. Industrially, the city is centered in the Georgia-Alabama textile belt. The educational system provides a preparatory curriculum for students who wish to continue their education, or prepares them to enter the business world. La Grange College, chartered as the third oldest women's college in the country, now coeducational, provides an assorted number of Bachelor of Arts degrees as well as advanced degrees in nursing and education. The West Georgia Medical Center is an accredited hospital which has maintained high standards of patient care.

La Grange and the surrounding area is filled with sites to see and things to do. West Point Lake, a 26,000-acre lake offers public beach access, playground facilities, and concession stands. The City of La Grange is noted for its wide thoroughfares lined with elm trees and original colonial homes. Located nearby is the well known Calloway Gardens noted for its beautifully landscaped gardens planted with shrubbery from every region of the United States.
IV. MARKET AREA CHARACTERISTICS

Various demographic and economic characteristics are analyzed here to determine market potential.

A. Primary Market Area

The primary area to be served by the retail center would be residents, employees, and travelers through the southern half of La Grange. The southwestern boundary of the proposed market area would begin at the intersection of Jenkins Street and Roanoke Road, and extend through downtown La Grange. Roanoke Road becomes Greenville Road at downtown La Grange and the market boundary extends along this highway to the intersection of Davis Road.

The market area is then projected to go southwesterly along Davis Road to Whitesville Road. The La Grange Industrial Park is located west of the intersection of Davis Road and Whitesville Street; however, there is no direct access to the industrial park from this intersection. The boundary is then projected to cross at this intersection into the industrial park and continue along Orchard Hill Road and back to Jenkins Street into Roanoke Road. This area is outlined in Exhibit II.

B. Secondary Market Area

The secondary market area for the retail center is chosen as the remaining area of the City of La Grange and Troup County. Of particular importance is the I-85 expressway which is located within one mile of the proposed site. Neither of the four entry ways from I-85 to La Grange are sufficiently developed. It is possible that a segment of this retail center could be developed to take advantage of traveler needs such as food and drink.

C. Troup County Population Characteristics

Census data for 1980 show four principal census tracts comprising the primary market area for the retail center. The total population in these census tracts is 14,289 persons.
Total population within the City of La Grange is 24,204 persons. Therefore, secondary market population in the City of La Grange totals 9,915 persons. The remaining Troup County population is 25,799 persons.

Troup County population has grown since 1970 and is projected to grow through 1988 per Exhibit III. Total population for 1970 was 44,466 persons; the population grew to 50,003, an increase of 12%. Population for 1983 was estimated as 51,611, and increase of 3% over 1980. A continued growth in population is projected to 1988 with total Troup County population projected at 54,555. This represents an increase of 9% over 1980 population levels.

D. Income and Retail Sales Analysis
Household median income has also shown positive growing trends for Troup County as shown in Exhibit III. In 1970, 57% of the population had income less than $7,500. In 1980, 30% of households fell in this category. By 1988, only 19.6% of households are projected to remain in this category.

The income category showing the largest growth was in the $15,000 to $24,999 range. In 1970, 5.5% of households had incomes in the $15,000 to $24,999 range. By 1980, 25.9% households showed incomes in this range, a significant increase.

Median household income also showed significant growing trends per Exhibit III. Median household income doubled from 1970 to 1980, increasing from $6,113 to $13,258. This was a growth of 116%.

Estimated median household income for 1983 is $15,723, an increase of 18% over 1980. Median household income for 1988 is projected as $18,783, again, an increase of 42% over 1980.

Consistent with increasing household income levels, retail sales increased also for Troup County. Exhibit IV shows the major retail categories and sales for 1977 and 1982.
# Exhibit III

**Donnelley Marketing Information Services**  
A Company of The Dun & Bradstreet Corporation

**American Profile 04/09/84**  
**** Trend Report ****

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Population</strong></td>
<td>44466</td>
<td>50003</td>
<td>51611</td>
<td>54555</td>
</tr>
<tr>
<td><strong>White</strong></td>
<td>68.2%</td>
<td>68.4%</td>
<td>69.3%</td>
<td>69.9%</td>
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<tr>
<td><strong>Black</strong></td>
<td>31.8%</td>
<td>31.3%</td>
<td>30.3%</td>
<td>29.7%</td>
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<tr>
<td><strong>Other</strong></td>
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<td>17455</td>
<td>18503</td>
<td>20103</td>
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<td>49127</td>
<td>50735</td>
<td>53679</td>
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<td>2.81</td>
<td>2.74</td>
<td>2.67</td>
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<td><strong>Total Population by Age</strong></td>
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<td>50003</td>
<td>51611</td>
<td>54555</td>
</tr>
<tr>
<td>0 - 5</td>
<td>10.6%</td>
<td>9.3%</td>
<td>9.3%</td>
<td>9.4%</td>
</tr>
<tr>
<td>6 - 13</td>
<td>15.3%</td>
<td>13.4%</td>
<td>12.7%</td>
<td>11.9%</td>
</tr>
<tr>
<td>14 - 17</td>
<td>5.4%</td>
<td>6.9%</td>
<td>6.4%</td>
<td>6.2%</td>
</tr>
<tr>
<td>18 - 24</td>
<td>10.9%</td>
<td>12.2%</td>
<td>11.7%</td>
<td>11.1%</td>
</tr>
<tr>
<td>25 - 34</td>
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<td>15.9%</td>
</tr>
<tr>
<td>35 - 44</td>
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<td>11.2%</td>
<td>13.2%</td>
</tr>
<tr>
<td>45 - 54</td>
<td>12.0%</td>
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<td>9.2%</td>
<td>8.9%</td>
</tr>
<tr>
<td>55 - 64</td>
<td>11.2%</td>
<td>10.1%</td>
<td>9.7%</td>
<td>8.6%</td>
</tr>
<tr>
<td>65 +</td>
<td>10.6%</td>
<td>13.1%</td>
<td>13.8%</td>
<td>14.4%</td>
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<tr>
<td><strong>Female Population by Age</strong></td>
<td>23541</td>
<td>26423</td>
<td>27262</td>
<td>28774</td>
</tr>
<tr>
<td>0 - 5</td>
<td>9.7%</td>
<td>8.6%</td>
<td>8.7%</td>
<td>8.9%</td>
</tr>
<tr>
<td>6 - 13</td>
<td>13.9%</td>
<td>12.4%</td>
<td>11.8%</td>
<td>11.1%</td>
</tr>
<tr>
<td>14 - 17</td>
<td>7.8%</td>
<td>6.2%</td>
<td>6.1%</td>
<td>5.7%</td>
</tr>
<tr>
<td>18 - 24</td>
<td>11.6%</td>
<td>11.8%</td>
<td>11.6%</td>
<td>10.3%</td>
</tr>
<tr>
<td>25 - 34</td>
<td>10.3%</td>
<td>14.8%</td>
<td>15.4%</td>
<td>15.4%</td>
</tr>
<tr>
<td>35 - 44</td>
<td>11.3%</td>
<td>9.6%</td>
<td>10.9%</td>
<td>12.9%</td>
</tr>
<tr>
<td>45 - 54</td>
<td>12.5%</td>
<td>10.2%</td>
<td>9.4%</td>
<td>8.9%</td>
</tr>
<tr>
<td>55 - 64</td>
<td>11.7%</td>
<td>10.7%</td>
<td>10.3%</td>
<td>9.4%</td>
</tr>
<tr>
<td>65 +</td>
<td>12.2%</td>
<td>15.6%</td>
<td>16.4%</td>
<td>17.3%</td>
</tr>
<tr>
<td><strong>Median Age Total Pop.</strong></td>
<td>29.3</td>
<td>30.4</td>
<td>31.2</td>
<td>32.2</td>
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<tr>
<td><strong>Median Age Adult Pop.</strong></td>
<td>45.3</td>
<td>42.8</td>
<td>42.3</td>
<td>42.0</td>
</tr>
<tr>
<td><strong>Household Income:</strong></td>
<td></td>
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<td></td>
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<tr>
<td>$0 - $7,499</td>
<td>57.2%</td>
<td>30.0%</td>
<td>25.3%</td>
<td>19.6%</td>
</tr>
<tr>
<td>$7,500 - $9,999</td>
<td>17.1%</td>
<td>9.4%</td>
<td>7.5%</td>
<td>5.7%</td>
</tr>
<tr>
<td>$10,000 - $14,999</td>
<td>18.4%</td>
<td>16.2%</td>
<td>14.7%</td>
<td>12.4%</td>
</tr>
<tr>
<td>$15,000 - $24,999</td>
<td>5.5%</td>
<td>25.9%</td>
<td>25.0%</td>
<td>32.4%</td>
</tr>
<tr>
<td>$25,000 - $34,999</td>
<td>8.9%</td>
<td>11.7%</td>
<td>14.6%</td>
<td>15.7%</td>
</tr>
<tr>
<td>$35,000 - $49,999</td>
<td>6.5%</td>
<td>4.8%</td>
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<td>$50,000 - $74,999</td>
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<td>$75,000 +</td>
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<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
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<tr>
<td><strong>Median Household Income</strong></td>
<td>$6113</td>
<td>$13259</td>
<td>$15723</td>
<td>$18783</td>
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<tr>
<td><strong>Aggregate HH Income $(000)</strong></td>
<td>102290</td>
<td>232040</td>
<td>365040</td>
<td>460560</td>
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</tbody>
</table>

1.0.0 :  
**Definition by County**

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EXHIBIT IV
1977 & 1982 Troup County Retail Sales
by Retail Category

<table>
<thead>
<tr>
<th>Retail Category</th>
<th>1977 (000)</th>
<th>1982 (000)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supermarkets</td>
<td>$35,683</td>
<td>$47,003</td>
<td>32%</td>
</tr>
<tr>
<td>Eating &amp; Drinking Places</td>
<td>8,133</td>
<td>15,467</td>
<td>90%</td>
</tr>
<tr>
<td>Department Stores</td>
<td>10,811</td>
<td>14,909</td>
<td>40%</td>
</tr>
<tr>
<td>Apparel &amp; Accessories</td>
<td>13,785</td>
<td>22,249</td>
<td>61%</td>
</tr>
<tr>
<td>Furniture &amp; Home Furnishings</td>
<td>8,415</td>
<td>11,206</td>
<td>33%</td>
</tr>
<tr>
<td>Automotive Dealers</td>
<td>29,347</td>
<td>36,905</td>
<td>26%</td>
</tr>
<tr>
<td>Service Stations</td>
<td>12,518</td>
<td>22,819</td>
<td>82%</td>
</tr>
<tr>
<td>Building Materials &amp; Hardware</td>
<td>8,014</td>
<td>15,967</td>
<td>99%</td>
</tr>
<tr>
<td>Drug Stores</td>
<td>5,724</td>
<td>10,988</td>
<td>92%</td>
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<tr>
<td>Total Retail Sales *</td>
<td>$153,784</td>
<td>$235,347</td>
<td>53%</td>
</tr>
</tbody>
</table>

Source: Sales and Marketing Management.

*The above retail areas represent only a portion of all retail categories measured for Troup County. The total shown here represent the additive total of all retail categories and not those shown in this analysis.
All retail sales categories shown in Exhibit IV show increases in 1982 over 1977 levels. However, several categories made significant gains. These are eating and drinking places, apparel and accessories, service stations, building materials and hardware, and drug stores.

Exhibit V provides a comparison of retail units available in Troup County for 1977 and 1981. Several interesting observations are worth noting here. Though each retail category from Exhibit IV shows positive sales growth trends, several retail establishments decreased in numbers from 1977 to 1981. Supermarkets, furniture and home furnishings, automotive dealers and service stations all decreased in numbers of establishments from 1977 to 1981. The number of department stores and drug stores remained the same for 1981 as 1977.

The only establishments which increased in total numbers in 1981 over 1977 were eating and drinking places, apparel and accessories, and building materials and hardware establishments.

Exhibit VI provides some descriptive information on several major Troup County retail operations. Included in the table are department stores, supermarkets/grocery stores, eating and drinking places, and drug stores. The table identifies names and addresses, telephone numbers, sales data, and number of employees of each establishment.
### EXHIBIT V

**Number of Troup County Retail Establishments**

*1977 and 1981*

<table>
<thead>
<tr>
<th>Retail Category</th>
<th>1977</th>
<th>1981</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supermarkets</td>
<td>41</td>
<td>37</td>
<td>(10%)</td>
</tr>
<tr>
<td>Eating &amp; Drinking Places</td>
<td>43</td>
<td>47</td>
<td>9</td>
</tr>
<tr>
<td>Department Stores</td>
<td>2</td>
<td>2</td>
<td>--</td>
</tr>
<tr>
<td>Apparel &amp; Accessories</td>
<td>42</td>
<td>47</td>
<td>12</td>
</tr>
<tr>
<td>Furniture &amp; Home Furnishings</td>
<td>34</td>
<td>33</td>
<td>(3)</td>
</tr>
<tr>
<td>Automotive Dealers/Ser. Stations*</td>
<td>73</td>
<td>57</td>
<td>(22)</td>
</tr>
<tr>
<td>Building Materials &amp; Hardware</td>
<td>22</td>
<td>27</td>
<td>23</td>
</tr>
<tr>
<td>Drug Stores</td>
<td>18</td>
<td>18</td>
<td>--</td>
</tr>
</tbody>
</table>

**Sources:** 1977 and 1981 County Business Patterns.

*Note:* Automotive Dealers and Service stations were totaled together in the document from which this information was taken. Therefore, no analysis can be made about each individually.
<table>
<thead>
<tr>
<th>RANK</th>
<th>SIC</th>
<th>CODE NAME OF ESTABLISHMENT</th>
<th>ADDRESS</th>
<th>CITY</th>
<th>STATE</th>
<th>ZIP TELEPHONE</th>
<th>EMPLOY</th>
<th>SALES</th>
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<tr>
<td>1</td>
<td>5311</td>
<td>K MART CORP</td>
<td>K MART SHPG CNTR</td>
<td>LA GRANGE</td>
<td>GA</td>
<td>30240 404-884-8602</td>
<td>65</td>
<td>$28.9</td>
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<tr>
<td>2</td>
<td>5311</td>
<td>MANHOURS INC</td>
<td>W CTR 50 -VERNON-BROA</td>
<td>LA GRANGE</td>
<td>GA</td>
<td>30240 404-884-7305</td>
<td>100</td>
<td>$7.1</td>
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<tr>
<td>3</td>
<td>5411</td>
<td>KROGER CO</td>
<td>216 BULL</td>
<td>LA GRANGE</td>
<td>GA</td>
<td>30240 404-882-1105</td>
<td>32</td>
<td>$4.3</td>
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<td>4</td>
<td>5311</td>
<td>BELK-GALLANT CO</td>
<td></td>
<td>LA GRANGE</td>
<td>GA</td>
<td>30240 404-882-5576</td>
<td>20</td>
<td>$3.8</td>
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<td>5</td>
<td>5311</td>
<td>J C PENNEY CO INC</td>
<td></td>
<td>WESTPOINT</td>
<td>GA</td>
<td>31833 404-645-1171</td>
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<tr>
<td>6</td>
<td>5411</td>
<td>LITTLE JOHNS SHOPPETTE</td>
<td>HWY 29</td>
<td>WESTPOINT</td>
<td>GA</td>
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<td>7</td>
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<td>701 FOURTH AVE</td>
<td>LA GRANGE</td>
<td>GA</td>
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</tr>
<tr>
<td>8</td>
<td>5411</td>
<td>PITTMAN'S SUPERETTE</td>
<td>13 SOUTH HWY</td>
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<td>GA</td>
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<td>$2.9</td>
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<tr>
<td>9</td>
<td>5541</td>
<td>JOHN J NAKOOL SERVICE STA 189 E EIGHTH</td>
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<td>GA</td>
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<td>20</td>
<td>$2.8</td>
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<tr>
<td>10</td>
<td>5311</td>
<td>H KESLER &amp; CO</td>
<td>811 THIRD AVE</td>
<td>WESTPOINT</td>
<td>GA</td>
<td>31833 404-645-1385</td>
<td>36</td>
<td>$2.6</td>
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<td>LA GRANGE</td>
<td>GA</td>
<td>30240 404-882-7766</td>
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<td>$2.0</td>
</tr>
<tr>
<td>12</td>
<td>5912</td>
<td>LASATER DRUGS</td>
<td>22 E MAIN</td>
<td>HOGANSVILLE</td>
<td>GA</td>
<td>30230 404-637-8663</td>
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<td>$1.8</td>
</tr>
<tr>
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<td>5311</td>
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<td>COMMERCE AVE/LA GRANGE PLZ</td>
<td>LA GRANGE</td>
<td>GA</td>
<td>30240 404-882-0164</td>
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<td>$1.2</td>
</tr>
<tr>
<td>14</td>
<td>5812</td>
<td>DAVIS STEAK &amp; PIZZA HOUSE</td>
<td>NEW FRANKLIN RD</td>
<td>LA GRANGE</td>
<td>GA</td>
<td>30240 404-884-5035</td>
<td>25</td>
<td>$0.6</td>
</tr>
</tbody>
</table>
V. SALES POTENTIAL OF TRADE AREA

Exhibit III indicates that the population of Troup County is expected to grow throughout 1983. With population growth, the number of households continue to increase. Constant with national trends, the number of persons per household continues to decrease, giving rise, again, to an increasing number of households.

The number of households was not provided in our analysis for the primary market area. However, we can estimate the number of households in this area given average household size data from Exhibit III. Average household size is shown as 2.81 persons for 1980; therefore, dividing our primary market area population of 14,289 persons by this total, we have approximately 5,085 households within the primary market area for 1980.

Total Troup County population is estimated to grow at a rate of 3% from 1980 to 1983 and 9% from 1983 to 1988. This represents, when applied to the primary market area population, an increase to 14,717 persons in 1983 and a projected population of 16,042 persons in 1988. The number of households, again, are expected to increase with the number of persons per household continuing to decrease; 2.74 persons in 1983 and 2.67 persons in 1988. Therefore, the number of households for the primary population for 1983 and 1988 is 5,371 and 6,008, respectively.

Given this information, we can now estimate household consumption of select retail items. Exhibit VII shows a select group of retail types with the average annual expenditure per household. With household size information just calculated, retail potential for the primary and total trade areas can be prepared. These calculations are shown as Exhibit VIII. Each retail category is expected to grow with an increased household population base.
EXHIBIT VII

DONNELLEY MARKETING INFORMATION SERVICES
A COMPANY OF THE DUN & BRADSTREET CORPORATION

MARKET POTENTIAL 04/09/84
1983 ANNUAL SHOPPING CENTER

DONNELLEY EXPENDITURE POTENTIAL INDEX
REGIONAL U.S.
90.5 83.4

<table>
<thead>
<tr>
<th>EXPENDITURE POTENTIAL GROWTH</th>
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</thead>
<tbody>
<tr>
<td>RATE (1970-83)</td>
</tr>
<tr>
<td>PER HOUSEHOLD</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL POPULATION</th>
<th>HOUSEHOLDS</th>
<th>TOTAL HOUSEHOLDS</th>
<th>HOUSEHOLD AVERAGE</th>
<th>MEDIAN HH. INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>50003</td>
<td>17455</td>
<td>49127</td>
<td>2.81</td>
<td>$13258</td>
</tr>
<tr>
<td>1983</td>
<td>51611</td>
<td>18503</td>
<td>50735</td>
<td>2.74</td>
<td>$15722</td>
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</table>

<table>
<thead>
<tr>
<th>ANNUAL EXPENDITURE POTENTIAL INDEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>GROCERY STORE</td>
</tr>
<tr>
<td>AUTO AFTER STORE</td>
</tr>
<tr>
<td>FAST FOOD REST.</td>
</tr>
<tr>
<td>FULL SERV. REST.</td>
</tr>
<tr>
<td>DRUG STORE</td>
</tr>
<tr>
<td>FURNITURE STORE</td>
</tr>
<tr>
<td>DEPARTMENT STORE</td>
</tr>
<tr>
<td>GIFT CATALOG</td>
</tr>
<tr>
<td>LIQUOR STORE</td>
</tr>
<tr>
<td>VARIETY STORE</td>
</tr>
<tr>
<td>SHOE STORE</td>
</tr>
<tr>
<td>APPAREL STORE</td>
</tr>
<tr>
<td>JEWELRY STORE</td>
</tr>
<tr>
<td>APPLIANCE STORE</td>
</tr>
<tr>
<td>HARDWARE STORE</td>
</tr>
<tr>
<td>HOME IMPROVEMENT CENTER</td>
</tr>
<tr>
<td>TOY STORE</td>
</tr>
<tr>
<td>PHOTO STORE</td>
</tr>
<tr>
<td>ICE CREAM STORE</td>
</tr>
<tr>
<td>CONVENIENCE STORE</td>
</tr>
</tbody>
</table>

MARKET POTENTIAL | 182951 | 9888 |

+ EXPENDITURE POTENTIAL INDEX - SHOWS THE AMOUNT BY WHICH AREA PER HOUSEHOLD EXPENDITURES DIFFER FROM THAT WITHIN THE REGION & THE NATION. VALUES BELOW 100 SIGNIFY THAT AREA IS BELOW REGIONAL OR NATIONAL PER HHLD EXPENDITURES.

AREA ID: 1 0 0

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## EXHIBIT VIII

Retail Potential of Primary and Total Market Area

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Supermarkets</td>
<td>$18,223,803</td>
<td>$20,385,144</td>
<td>$62,780,679</td>
<td>$68,209,479</td>
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<tr>
<td>Eating/Drinking Places¹</td>
<td>4,312,913</td>
<td>4,824,424</td>
<td>14,857,909</td>
<td>16,142,709</td>
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<tr>
<td>Department Stores</td>
<td>7,755,724</td>
<td>8,675,552</td>
<td>26,718,332</td>
<td>29,028,732</td>
</tr>
<tr>
<td>Apparel &amp; Accessories²</td>
<td>2,766,065</td>
<td>3,094,120</td>
<td>9,529,045</td>
<td>10,353,045</td>
</tr>
<tr>
<td>Furn./Home Furnishings</td>
<td>1,052,716</td>
<td>1,177,568</td>
<td>3,626,588</td>
<td>3,940,188</td>
</tr>
<tr>
<td>Automotive Dealers</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Service Stations</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Bldg. Mat./Hardware³</td>
<td>2,105,432</td>
<td>2,355,136</td>
<td>7,253,176</td>
<td>7,880,376</td>
</tr>
<tr>
<td>Drug Stores</td>
<td>2,610,306</td>
<td>2,919,888</td>
<td>8,992,458</td>
<td>9,770,058</td>
</tr>
</tbody>
</table>

(N/A - Not Available)

1 Per household sales for fast food restaurants and full service restaurants from Exhibit III were added together to determine per household sales for eating and drinking places.

2 Per household sales for apparel and jewelry stores from Exhibit III were added together to determine per household sales of apparel and accessories establishments.

3 Per household sales for hardware stores and home improvement centers from Exhibit III were totaled to form the building materials and hardware category.
VI. CONCLUSIONS AND RECOMMENDATIONS

The results of this analysis indicates that a retail area located at Highway 14 and Hamilton Road would be successful. As with any business, success will be dependent upon several interacting variables. Changing economic conditions, consumer preferences, capital requirements/costs, and other considerations must be weighed for each retail type to be considered.

Population, income levels, and household establishments show positive growth trends throughout this analysis. Each factor is important when analyzing a venture of this type. Two factors in our analysis lead to conflicting conclusions; therefore, extreme caution must be taken when analyzing these variables.

Exhibit IV provided a comparison of retail growth from 1977 to 1982 by retail category. Each area exhibited growing trends with several showing very strong growth trends. These strong growth retail areas are eating and drinking places, apparel and accessories, service stations, building materials and hardware and drug stores.

Exhibit V provides a similar comparison, identifying the number of retail establishments for 1977 and 1981 by retail category. Even though each category showed sales to increase per Exhibit IV, several areas lost establishments from 1977 to 1981. Those categories which lost establishments were supermarkets, furniture and home furnishings, automotive dealers and service stations. Department and drug stores showed no change in numbers during this period while eating and drinking places, apparel and accessories, and building materials and hardware stores increased in numbers.

From the analysis presented, additional retail shopping in Troup County is needed. This analysis shows that eating and drinking places, apparel and accessories, and a building materials and hardware operation could be successful in the proposed retail center. A drug store and department store would offer moderate chances for success. Further study would be necessary to determine the success of other establishments.
The success of a particular retail location will depend upon a variety of factors. One very important factor is the availability of competitor operations for the proposed retail site. A site survey revealed that the major competitor operations for the proposed site would be the West Georgia Commons Mall and downtown La Grange. Several convenience stores and small restaurants exist along Hamilton Road to downtown La Grange. Success of the retail center would be somewhat dependent upon attracting consumers to this site as opposed to shopping at West Georgia Commons Mall, downtown La Grange, or at the small operations along Hamilton Road.

The area around the proposed site shows a significant amount of infrastructure activity. Hamilton Road, from approximately one mile north of the intersection at Davis Road to I-85, is being widened. Troup County High School is being relocated on Hamilton Road between Davis Road and I-85. Several new industrial concerns are planning to locate in the industrial park adjacent to the airport according to Chamber of Commerce officials. Each of these developments indicate future possibilities for industrial development; and hence, commercial development needs.

Interstate 85 is less than one mile from the proposed site. None of the four interchanges from I-85 to La Grange are sufficiently developed to take advantage of passerby traffic. It is conceivable that the proposed retail site could satisfy some unmet need of north and south bound travelers as well as traffic to and from the expressway. Further study would be necessary to determine specific retail needs of this market segment. However, from our site survey and information provided in this analysis, it would appear that some type of eating and drinking facility could be needed by this market segment.

Finally, as of the writing of this document, the availability and cost of the proposed site had not been determined. Should the site not be available for sale or the cost be prohibitive, financial success of this project would be questionable. Additional study is needed by the proposed owners to first, determine site availability; and second, if available, prepare proforma projections of revenues and expenses for operating a retail facility at this location.
OPERATION OF THE MINORITY BUSINESS DEVELOPMENT AGENCY RURAL ASSISTANCE PROGRAM

By
Frank B. Brown
Program Director

Arthur L. Brown
Project Manager

October 1, 1983 through November 30, 1984

Under
Cooperative Agreement #04-10-82032-01

January 1985

GEORGIA INSTITUTE OF TECHNOLOGY
A Unit of the University System of Georgia
Atlanta, Georgia 30332
OPERATION OF THE MINORITY
BUSINESS DEVELOPMENT AGENCY
RURAL ASSISTANCE PROGRAM
COOPERATIVE AGREEMENT #04-10-82032-01

FINAL REPORT

October 1, 1983 Through November 30, 1984

Frank B. Brown
Program Director

Arthur L. Brown
Project Manager

GEORGIA INSTITUTE OF TECHNOLOGY
Georgia Tech Research Institute
Economic Development Laboratory
Atlanta, Georgia

A-3360000

January, 1985
RURAL ASSISTANCE PROGRAM
Submitted to
Minority Business Development Agency
Cooperative Agreement
#04-32031-01
FINAL REPORT
OCTOBER 1, 1983 THROUGH NOVEMBER 30, 1984

This report was submitted under terms, conditions, and requirements of a cooperative agreement with the U.S. Department of Commerce, Minority Business Development Agency. Material included herein is the result of tax-supported assistance and is not protected by copyright laws.
INTRODUCTION

General
In October 1982, the U.S. Commerce Department's Minority Business Development Agency (MBDA) appropriated funding for the operation of a Rural Assistance Program (RAP). Developed initially as a pilot project, RAP provided management and technical assistance services to minority-owned businesses located outside major metropolitan areas.

The MBDA awarded four rural assistance contracts to cover rural and smaller metropolitan areas in the Atlanta, Dallas and San Francisco regions. The Alaska RAP provided coverage for that entire state.

In the Atlanta region, a cooperative agreement was signed with the Georgia Tech Research Institute (GTRI), formerly the Engineering Experiment Station, to deliver a wide range of services to program recipients located in a five-state servicing area. As a matter of convenience, clients were not required to visit the RAP center. The GTRI staff provided assistance primarily through visits to the client's location.

The Rural Assistance Program was officially terminated at the end of November, 1984 because of budgetary problems at MBDA.

Geographical Territory
The Atlanta Region's Rural Assistance Program provided assistance to minority-owned businesses located in those areas of Alabama, Georgia, Mississippi, North Carolina and South Carolina not served by Minority Business Development Centers.

Some 3.5 million (60% of the 5.8 million) minority persons reside in the territory served by RAP. Of this number, nearly 2.9 million live in sectors populated by less than 50,000 persons. Exhibit 1 shows (a) the total minority population in each state in the Atlanta Region; (b) the portion serviced by MBDCs; and (c) the minority population in areas covered by RAP.
**Services Provided**

A wide range of assistance was available to clients in RAP's geographical territory. Through a project team approach, GTRI personnel provided management and technical assistance in several areas, including:

- financial management
- accounting services
- management systems
- advertising and promotion
- product development
- business computer selection
- financial packaging
- engineering studies
- production management
- market planning
- segmentation studies
- pricing strategies
- marketing research
- business planning
- feasibility studies

In addition to management and technical assistance, clients received the direct benefit of brokering services designed to identify capital resources, contract procurements and new business opportunities.

For those persons who did not require direct assistance and those that could benefit most from the assistance of other providers or agencies, RAP maintained a referral service.
Minority Population Statistics
Southeastern United States

<table>
<thead>
<tr>
<th>State</th>
<th>Total</th>
<th>MBDC</th>
<th>RAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>AL</td>
<td>0.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA</td>
<td>1.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MS</td>
<td>0.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NC</td>
<td>0.7</td>
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</tr>
<tr>
<td>SC</td>
<td>1.1</td>
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</tr>
<tr>
<td>FL</td>
<td>1.2</td>
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<tr>
<td>KY</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>TN</td>
<td>0.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
PROGRAM IMPLEMENTATION

Control Systems
Similar to other programs of management and technical assistance, the successful operation of the Rural Assistance Program was heavily dependent upon the ability to attract and serve quality clients and projects within the target area.

Because of the widely dispersed population, the diversity of needs, and the differences in economic and social resources, the program directed special attention to the careful selection of clients. Program Management developed a number of control systems to assist in the identification, selection and servicing of the most viable candidates. Centered around a pre-established Client Priority Profile, those systems included:

- Outreach - program structured to broadly publicize the services available through the Rural Assistance Program. Information was disseminated through seminars, workshops, conferences, news media, mailings, and individual referrals.

- Client Intake - designed to allow the selective servicing and priority classification of work assignments and the maximum leveraging of program resources. This system included forms, policies and procedures that greatly simplified administrative requirements of the program.

- Project Implementation - requirements for a delivery system necessitated the development of a procedure for assigning personnel and providing quality service. The project team approach proved to be both practical and efficient in providing the appropriate expertise at a manageable price and time frame.

- Program Administration - provisions for overseeing the entire program and meeting total objectives included administrative coordination; insurance of proper service; generation of outreach activities; control of program resources; timely completion of reports; and other requirements set by the Minority Business Development Agency. Other portions of the system were designed to help leverage program funds and to provide client access to information and data bases.
o Performance Measurement/Reporting - this system was used to help establish and track goals, objectives and accomplishments through a time-phased performance plan. The reporting system required a method of documentation and filing to allow reporting of performance measurement results, problems/recommendations, success stories, brokering activities, leveraging actions, networking/advocacy functions and other significant accomplishments.

o Program Adjustments - this system was developed to maintain continuous monitoring of program performance and the quality of results. Other adjustment factors included the distribution of client loads within the territory; types of project assignments scheduled; type of business clients accepted; changes in revenue and employment levels; and types of outside resources used.

Exhibit 2 illustrates the program work flow and shows the progression from intake through implementation. The results of this process were:

o better prepared, higher quality clients with a higher probability of successfully absorbing the assistance rendered;

o more efficient operations based upon leveraged resources and more timely feedback on program results; and

o more easily defined efforts to match clients with procurement opportunities.
ACCOMPLISHMENTS

Outreach Activities
During the contract year, RAP staff actively publicized the program, identified public and private sector sources of procurement opportunities and matched resource providers with a roster of appropriate clients.

Among their activities, staff members participated in 20 seminars and/or conferences, maintained a continuous dialogue with more than 70 providers of economic or business development services and initiated direct contact with nearly 200 sources of procurement or contract opportunities.

Outreach activities generated more than 400 inquiries and requests for assistance.

Program Statistics
Minimum performance requirements were included in the time-phase performance plan developed by MBDA for the Atlanta regional program.

The agency stipulated six categories of measurement in the cooperative agreement signed by Georgia Tech. These included target figures for number of new business starts, business expansions and existing businesses saved, as well as dollar targets for financial packages approved and contract procurements.

Several other target areas included in statistical reports were not part of the signed agreement. Statistics were reported for the number of new firms added to the PROFILE system, number of PROFILE verifications, number of financial packages approved, number of contract procurements secured and number of hours of management and technical assistance provided by staff members.

Among program statistics reported, there were:
- 63 new client assignments submitted;
- 16 new business starts;
- 15 expansions of existing businesses;
- 8 distressed businesses assisted;
- 18 PROFILE submissions;
- 6 financial packages approved;
- financial packages approved with total value of $807,000;
- 31 contract procurements secured;
- $5,657,636 in contract dollars obtained on behalf of clients;
- 1,871 hours of direct assistance provided by staff.

Firms with employees (28) indicated a total employment of 481 people, an average of 17 employees per company. Gross revenue reported by those firms with gross revenue in 1982 (33 firms) totaled $17.93 million, an approximate receipt of $543,000 per company.

Thus, the $200,000 invested by MBDA in RAP to assist rural firms cost less than $420 per job maintained. The $17.93 million in gross revenue from these firms represented a return of $89.70 per MBDA dollar invested to help maintain these businesses.

CLIENTS ASSISTED PREVIOUSLY

The following are representative of those clients helped through the Rural Assistance Program.

MOP, Inc.
The principals of this newly created, Dublin, Georgia, electronics manufacturing firm requested assistance in determining the marketing and financial feasibility of a printed circuit board facility. The RAP personnel conducted a market research study, developed financial statements, provided general counseling, and initiated contract solicitation efforts on behalf of the firm.

Choctaw Tribal Council
This Philadelphia, Mississippi band of Choctaws was assisted in determining the feasibility of constructing a retail shopping center on their reservation. The 5,000-member tribe, the only federally recognized Indian tribe within RAP's operating region, had a net outflow of $24 million per annum. This project was part of the Choctaws' self-help determination efforts that have increased employment at reservation-based facilities from one employee in the early 1960s to 954 in 1983. Eighty percent of the employees are Indians. The assistance provided by RAP was an instrumental part of information submitted to a federal commission established to aid native American citizens.
Equifund CDC
The client requested an engineering feasibility study for setting up a vegetable/fruit canning plant in Alabama. The project officials required this information to attract additional financing. This effort served the interests of several landowners, farmers, and a produce marketing company.

Edwards & Associates
This 25-year-old company received assistance in determining the feasibility of establishing a shopping plaza. The study was an instrumental part of the company's successful efforts to secure financing for developing an 18-acre tract in Garysburg, North Carolina.

Culpepper's Supermarket
This Thomson, Georgia supermarket, in operation since 1969, was suffering a 3-year decline that reduced sales from $30,000 to $18,000 per week. The RAP personnel diagnosed the problems and recommended pertinent resolutions.

Allen Welding
Mr. Allen's metal fabrication shop was in danger of losing several new contracts because of inadequate financing and operating inefficiencies. The client requested aid in reviewing, evaluating, and revising a loan package for submission to a local state bank. Help was provided in developing a business plan and in assessing the firm's equipment needs. Mr. Allen, successful in securing financing, was able to continue work on his contracts.

D & D Specialty
Located in Union, South Carolina, D & D manufactures custom steel frames for hollow metal doors used in office buildings, hospitals, factories, schools, and other facilities. The company received assistance in restructuring its existing debt, securing an infusion of new capital, soliciting contracts, and maintaining its equipment.

Consolidated Industries
The RAP performed a marketing study on a product intended to automatically test cable wiring harnesses and cable assemblies at the flip of a switch.

-8-
This Huntsville, Alabama Department of Defense contractor initially solicited assistance from Georgia Tech's Technology Utilization and Commercialization Center, which favorably evaluated the new product.

The study determined a need and a marketing niche that Consolidated could fill. The prototype is being built now for ultimate marketing to aerospace contractors, the military, automobile manufacturers, and other potential users.

Additional RAP assistance included procurement brokering and a study on mass soldering techniques and equipment for printed board manufacturing. The study was part of efforts to evaluate certain equipment and state-of-the-art techniques necessary for manufacturing printed circuit boards.

**Others**

RAP's roster of clients includes an impressive array of new and established firms, representing a wide diversity in terms of types, skill level, work force, and revenue level. Among these are:

- health fitness centers
- wholesale grocers
- retail & wholesale gift shops
- test equipment manufacturer
- roofing & painting contractors
- a radio station
- meat processing plants
- industrial hardware merchandise
- a host of retail operations
- electrical contractors
- carpet manufacturers
- chemical processors
- electronic components manufacturer
- fisheries
- agricultural cooperatives
- vegetable processing plant
- poultry farms
- a variety of manufacturing, service, and construction clients
Compared to time-phase performance requirements, the Atlanta RAP reached 77 percent of its overall goal. A comparison against individual goals showed:

<table>
<thead>
<tr>
<th>Goal</th>
<th>% of Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>number of business starts</td>
<td>89%</td>
</tr>
<tr>
<td>number of distressed firms</td>
<td>44%</td>
</tr>
<tr>
<td>number of business expansions</td>
<td>83%</td>
</tr>
<tr>
<td>dollars in approved packages</td>
<td>45%</td>
</tr>
<tr>
<td>dollars in contract procurements</td>
<td>106%</td>
</tr>
</tbody>
</table>

In addition to the client-related assistance discussed above, RAP staff prepared two documents to specifically assess the needs of minority-owned businesses located in the Atlanta region. These documents compared the Atlanta MBDA Region to others and recommended changes beneficial to minority-owned businesses and rural communities. These findings were offered to MBDA as a rationale for continuing a rural initiative in the region. A copy of this rationale was included in the second quarterly narrative as an appendix.

The RAP also provided assistance with specialized studies that proved invaluable to clients. An example of these reports is included as Appendix I. This task resulted in assistance to a small real estate firm involved in sales and rentals in Macon, Georgia. Its conclusion resulted in the client business' introduction to "the new information age". Subsequently, several other firms received assistance in improving their competitive positions by using computers.
APPENDIX I
SELECTING A SMALL COMPUTER FOR
REAL ESTATE OFFICES
SMALL COMPUTERS
FOR
REAL ESTATE OFFICES

Prepared for:
Rural Assistance Program
Atlanta, GA

By:
Harris T. Johnson, III
William C. Darley, Jr.
George H. Lee

Economic Development Laboratory
Engineering Experiment Station
Georgia Institute of Technology

March 1984
SMALL COMPUTERS FOR REAL ESTATE OFFICES

Small individual and multiuser computers are a rapidly developing technology which has direct application in many small businesses and industries. Among smaller firms where owners and managers often wear many hats, there is not time for these managers to keep abreast of rapid changes in a number of different fields. This report is designed to assist the manager or owner of a small real estate firm in understanding some options available to him in the utilization of a small computer in his firm to improve his productivity. A few system cost examples have been included to give some idea of the cost of these options. Small computers have direct applications in five general areas of the small to medium real estate office operation. These applications include:

**Accounting** - including payroll and associate expense tracking and budget analysis.

**Marketing** - including generation of "personalized" form letters, mailing list upkeep, and sales analyses.

**Electronic Multilists** - particularly in major metropolitan markets.

**Client Support Functions** - including loan analyses and comparative costs, buyer/seller matching, tax and growth analyses, and loan qualification.

**Property Management** - for rental properties.

At the outset an initial decision must be made based on how many people will need access to the computer at one time. As you proceed further in evaluating your real needs versus cost, this decision will become very apparent. In general, if your needs can be met by one-person access at a time, then this indicates a personal size computer like an IBM-PC, Zenith Z100, or TI-Professional. If you foresee a short term need (2-3 years), for two to eight people to use the computer at one time then a multiuser supermicro is indicated. Examples of this type computer are Northstar, ALTOS, Molecular Computer, and Alpha Micro.
The recommended procedure is to pick the software that effectively fills your needs and then select an appropriate computer to run that software. We will discuss a selection procedure in more detail later, but the first step in that process is to learn a little about small computers. You are beginning that process here. Other steps you might take involve perhaps spending some time at a computer store, purchasing a very small home computer to learn some computer basics, or taking a computer course at a local college or vocational-technical school.

As you begin to learn a little about small computers, you will explore several generalized programs. These programs (various "electronic spreadsheets", word processors, and communications programs) are generalized because they apply to many small businesses and can be used to perform a variety of tasks from communicating with other users to electronic bulletin boards to maintaining mailing lists to forecasting sales and budgets.

Specialized applications programs which also perform the tasks first mentioned in this article will be discussed briefly along with examples of several actual programs.

SOFTWARE PACKAGES

Accounting Packages

There are numerous accounting packages which can be used by small real estate firms. Some packages have been written specifically for real estate firms. The difference generally falls into the category of whether or not accounts are preset for such things as commissions receivable or commissions payable and how effectively the programs adjust for such things as prepaid expenses, etc. Many accounting packages not written specifically for real estate operations will work just fine. These packages are purchased in modules as follows: general ledgers (GL), accounts payable (AP), accounts receivable (AR), payroll (P), and inventory (Inv.). The packages will generally stand alone (that is will operate without any other packages), but an important feature that is recommended for
real estate operations is that the various modules can be integrated. That is, for example, can data from accounts receivable be posted to the general ledger without rekeying the data, and will changes in the inventory of property held for resale be automatically posted to general ledger? Many early programs did not do this and thereby defeated a major advantage of using the computer. This may still be a problem if you purchase a specialized package from one vendor, say property analysis, and accounting from another vendor. Check with your vendor before you buy to insure compatibility.

Quality general ledger packages produce the following type of reports:

- **Chart of Accounts** - Some handle with or without balances. Most are customizable.

- **Journal Listings** - A list of posted transactions by journal. A chronological record.

- **Posting Summary** - By account.

- **Trial Balance**

- **Balance Sheet** - Listing assets and liabilities. Some packages show comparative data.

- **GL Report** - Showing each account with opening balance, current activity, and closing balance.

- **Operating Statements** - May be by department - to record profit and loss statement. Often accompanied by a percentage breakdown for each item. Many packages offer comparative statements allowing month-to-month or year-to-year comparison of operations.

- **Account Summaries** - Used to review detailed account expenses, income, assets, and liabilities.
Some of the things you may want to check in a GL program include:

Maximum number of accounts?
Number of digits in account?
Double entry system?
End of period processing?
Subaccounts?
Ratios on financial reports?
Account inquiry?
Transaction register?
Cash disbursements and receipts journal?
Trial balance and balance sheet?
Depreciation schedule?
Cash report?
Month-to-month and year-to-date report?
Interface with AR, AP, inventory, payroll?

An accounts payable program records invoices and processes payments quickly and accurately. They often make available detailed information including year-to-date purchases, prior year purchases, and contact persons for each vendor. Better packages provide discount reports to prompt you about available discounts. Cash requirements reports show planned cash needed for each day to aid in cash flow management. Often aged trail balances are automatically computerized. Important questions include whether or not both open item and balance forward accounts are handled. An important audit feature is a monthly check register showing checks printed during the month.

Accounts receivable programs handle customer accounts in very much the same manner as AP programs handle vendors. Sales data is entered and appropriate entries are made in various accounts and journals.

Better programs provide easy maintenance of customer files and can be interfaced with word processors for mailing list use. Payments and credits are entered and recorded as in other programs and are automatically posted to the proper ledgers at the end of period processing. Aging reports and transaction listings are common.
Things you may want to look for in AR and AP programs include:

- Maximum number of customers/vendors?
- Maximum number of invoices/vouchers?
- Customer billing?
- Sales/receipts entry and posting?
- Customer information update?
- Sales analysis?
- Balance forwarded?
- Open item accounts?
- End of period processing?
- Discount dates, carrying charges?
- Returns and allowances?
- Inventory interface?
- Aged accounts?
- Cycle billing?

Payroll recordkeeping is often the first packaged software purchased. These packages input time and/or sales data and compute gross pay; net pay; deductions; and federal and state withholding. They automatically print checks and check registers and post to appropriate accounts. Most programs also automatically generate 941's and W-2's.

Some questions to consider in packages include:

- Uses your type payroll?
- Handles regular, overtime, shift pay? Bonuses?
- Pay periods match?
- Maximum number of employees?
- Tax calculation, tax table maintenance?
- Allowance for manual checks, voided checks?
- Attendance, withholding, government reports?
- Employee file maintenance?
- GL interface?
- Labor reports?
- One time deductions?
Inventory recordkeeping for small real estate firms is oriented primarily toward property held for resale, office furniture and fixtures, rental property, and other equipment. Some questions to consider in inventory packages include:

- Maximum number of items?
- Multiple price levels?
- Receiving entry?
- Credit and returns?
- Adjustments?

When small real estate firms use a computer to aid in marketing, they most often utilize either an explicit market program or a word processor with perhaps a spelling checker and mail list merger. Word processors allow firms to generate letter perfect documents, to automatically and repeatedly generate letters, and even to merge them with mailing lists to generate "customized" form letters.

**WORD PROCESSING SYSTEMS**

Among the most important word processing features are the following:

<table>
<thead>
<tr>
<th>Features</th>
<th>Functions/Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automatic title and page numbering</td>
<td>Automatically prints page numbers with headers and footers on multipage documents. Reduces repetitive keystrokes and increases throughput of large documents.</td>
</tr>
<tr>
<td>Document assembly</td>
<td>Allows operator to assemble standard paragraphs, sections, or pages into a new document. No need to retype commonly used text. Produces documents in a fraction of the normal time.</td>
</tr>
<tr>
<td>Global hyphenation</td>
<td>Scans an entire document to allow hyphenation decisions. Perfect copy on the screen before printing produces professional looking documents and saves time.</td>
</tr>
<tr>
<td>Feature</td>
<td>Description</td>
</tr>
<tr>
<td>------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Global Replace</td>
<td>Gives the operator the option of automatically replacing a defined character sequence with another throughout a document. No need to manually replace every instance of a word or phrase.</td>
</tr>
<tr>
<td>Global Search</td>
<td>Searches for and highlights every instance of a specified character sequence in a document. Saves a great amount of editing time.</td>
</tr>
<tr>
<td>Powerful editing capabilities</td>
<td>Insert or delete characters, words, lines, paragraphs, or entire sections of text quickly and easily. Eliminate time consuming retyping because of minor or major changes.</td>
</tr>
<tr>
<td>Replace</td>
<td>Searches to a defined character sequence within a document and allows the operator to replace it. This flexible editing feature saves time.</td>
</tr>
<tr>
<td>Text Copy</td>
<td>Copies portions of text from one location in a document to another, or from another document. Easily duplicates sections of text. Saves time and effort.</td>
</tr>
<tr>
<td>Text Movement</td>
<td>Moves portions of text within a document or from another document. Changes sequence of text quickly without retyping. Increases typing productivity.</td>
</tr>
<tr>
<td>Spelling Checkers</td>
<td>Proofreads documents to check words against a sorted dictionary to reduce editing time.</td>
</tr>
</tbody>
</table>
Real Estate Applications Programs

Some specialized packages have been written to provide marketing assistance to small real estate firms. These packages produce information similar to the following:

<table>
<thead>
<tr>
<th>Sales reports</th>
<th>to summarize the activity of firms, offices, associates, and co-op brokers. These reports often allow year-to-year comparison.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential reports</td>
<td>to project potential revenue from existing listing inventory. These reports help set budgets for advertising, office, and other expenses.</td>
</tr>
<tr>
<td>Associate commission reports</td>
<td>in terms of sales per period, commissions and sales pending.</td>
</tr>
<tr>
<td>Profitability reports</td>
<td>to measure contribution by associate to company sales dollars and to relate that performance against costs.</td>
</tr>
<tr>
<td>Sales by market area</td>
<td>an analysis by geographic area of sales activity.</td>
</tr>
<tr>
<td>Sales transaction directories</td>
<td>buyer printouts, seller printouts, market area printout, co-op printout, office printout, associate printout, and prospect printout.</td>
</tr>
</tbody>
</table>

A related function to the marketing efforts discussed previously is the ability to access various area-wide listing services. For example, in Georgia metropolitan areas two electronic media listing services are available. These are Redi Data operated out of Miami, FL and Metro-Multilist from Decatur. In this instance, the real estate firms with their own computer (and using a communications program and a "modem") would call the data bank via telephone and transfer current data to their own computer for rapid update and analysis. There are also electronic yellow pages, listings, and various national data banks on a wide variety of subjects.
In the area of industry specific software the primary applications are in client support functions, such as loan analysis and comparative costs (designed to appraise new listings and assist potential purchasers in evaluating their investments). Some specific applications which are available for real estate offices are listed as follows:

Loan Qualification  
- Assists the agent in asking awkward questions, about the buyer's income for instance. Once the buyer's loan qualification is known (FHA, VA, or conventional) the agent can help select the most attractive, yet realistic, home to show. This also helps prevent a sale from falling through when a buyer applies for, but cannot qualify for, financing. This type application can also help clarify for sellers what type of prospect it will take to buy their home.

Tax and Growth Analysis  
- To show progressive equity buildup, tax benefits, and the effects of appreciation. Assists in supporting the economic logic of buying.

Loan Analysis  
- Includes amortization schedules.

Comparative Data  
- Searches previously stored data on similar properties (often 10 or more characteristics per transaction) to select similar sales for use in appraising properties and showing buyers and sellers that the price is not out of line.

Buyer and Seller Matching  
- Allows storage of details of your listings, followed by multilistings and by the specific needs of prospective buyers for rapid matching.

Forms Generation  
- Many packages have a capability to print standard forms and merge this information with purchaser data to rapidly print purchase agreements, estimated closing costs, and others.
Finally, for those firms which manage rental property there are many property management programs. These programs track rent, deposits, credits, late rent, balances due, number of keys issued, car license numbers, lease dates, rent increases, vacancies, names, addresses, phone numbers, and other things like repairs, maintenance, utilities, and advertising.

When unusual conditions exist, some programs allow specialized accounts such as pet deposits, reserved parking, and storage. Some areas of concern to investigate on a package by package basis include the number of properties permitted, the number of units per property, that all of your required type charges are permitted, that the program does or does not interface with a standard accounting package, or that sufficient provision is made to store information about specific tenants and specific units (things like emergency numbers, inducements to rent, family size and notes like 1 bedroom/2 baths single, fully furnished, refrigerator, etc.).

**SOME EXAMPLE PROGRAMS AND THEIR LIST PRICE (Jan. '84)**

**ACCOUNTING**

Peachtree Accounting Software  
Peachtree Software - Atlanta, GA  
GL, AR, AP, P, Inv. at $595 per module

Real-World General Accounting  
Real World - Chichester, NH  
GL, AR, AP, P, Inv. at $650 per module

TCS Total Accounting  
TCS Software - Houston, TX  
GL, AP, AR, P, Inv. at $350 per module

MICA Accounting Series  
Micro Associates - Nderland, TX  
GL, AP, AR, P, Inv. at $395 per module
BPI Accounting
CL, AR, P, Inv. at $425 per module

Many others are available.

WORD PROCESSORS

Datatext word processing with mailing list
Datatek, Inc. - Greenwich, CT $600

Rediwriter document formatter
Rediware Systems, Inc. - West Readin, Ct $125

Writer II and Easy Speller
Information Unlimited Software - Sausaliton, CA $350

Wordstar with Mailmerge and Spelstar
Micropro - San Rafael, CA $845

Finalword
Mark of the Unicorn, Inc. - Arlington, MA $300

Volkswriter
Lifetree Software - Monterey, CA $195

COMMUNICATIONS PROGRAMS
(for use with modems)

Smartcom II
Hayes Microcomputer Products - Atlanta, GA $119

Asynchronous Communications Support
IBM - Boca Raton, FL $60

PC COM I
Rixon, Inc. - Silver Spring, MD $89
Adcom
Dynamic Microprocessor Assoc. - New York, NY $175

Communicator/Text Editor
Electronic Data Systems - Dallas, TX $125

Telecommunications
Peachtree Software, Inc. - Atlanta, GA $150

CLIENT SUPPORT FUNCTIONS

Fox Real Estate Management System $5,995
IBM - Boca Raton, FL
(requires IBM System 23)

Real Estate Sales Production System $4,000
Control Data Corporation - Atlanta, GA
(requires CD 110 micro)

NRE - Real Estate $3,690
NRE Systems - Maitland, FL

Real Base $3,300
Lee Arnold Management Systems, Inc. - Clearwater, FL

Realsoft Integrated Form System $3,990
Realsoft Systems, Inc. - Aspen, CO

PROPERTY MANAGEMENT PACKAGES

Property Management $ 695
Continental Software Co. - Los Angeles, CA

Apartment House Manager $ 395
User-Friendly Software - Melville, NY
HARDWARE CONSIDERATIONS

Once you select the software which is most appropriate for your business there are normally several brands of hardware which will run that software. Some considerations you might make include:

**Terminals** get information in and out of the computer. You have a choice between CRT terminals and hard copy terminals. CRT terminals combine a television-like screen display with a keyboard for input. A hard copy terminal is essentially a typewriter connected to the computer.

Unless your business is a lot different from most, you should choose the CRT-style terminals. They eliminate paperwork. They also allow instant corrections. You can display an entire form on the screen at once. While both types of terminals allow you to input information to the computer through a keyboard, the CRT terminal allows the computer to feed information back to you far more easily.

Pick a CRT that can display at one time at least 24 lines of 80 characters each. Ten or 12 lines is not enough for most business applications. Similarly, pick a CRT with a full-size screen; a five-inch screen is probably too small for business use, no matter how much data you can put on it. Small screens are fine for hobbists, but a poor choice for business.

Some systems use displays that are basically modified television sets. These units may also have poor picture quality and limited display capability and may therefore sacrifice operator productivity.
Especially after a long day's use, text display must be clear and comfortable to read. Comfort includes an aesthetic component and individual preference. Some displays are unsatisfactory for most users. The minimum number of dots needed for a reasonable typeface is 5 dots wide by 7 dots high plus 2 more dots below the baseline for descenders (the lower case p, g, q, and y)—a total 5 x 9 character matrix. A one-dot descender forces the p, g, q, and y up one line making a "bumpy" typeface that is difficult to read. Including a separator line, a screen with 25 text lines calls for 250 scan lines. Having fewer scan lines sacrifices text lines, degrades the typeface, or gives up the separator line. Designers use all three compromises.

Some computers have an alternate condensed mode of text display. By reducing typeface size and legibility, a year's worth of financial tables can be packed into one picture. But its standard characters are very small, and may users will prefer an alternate larger typeface.

The CRT terminal's keyboard should be setup as nearly like a typewriter as possible. If it's not (some with teletypewriter keyboards), operators will need to be retrained, and the level of errors and frustration will rise. A terminal with a separate calculator keyboard or numeric pad can increase productivity significantly when you're working with numbers.

Keyboards. As with the display, you will spend a lot of time with the keyboard. A good keyboard will make that time pleasant; a bad one is a burden. Detachable keyboards, now common, adapt more easily to individual work habits. Low profile keyboards with keys an inch or two above the desk surface allow more comfortable placement of hands than traditional higher keyboards. Only after typing for some time can you judge keyboard comfort and feel. While Japanese designers concentrate on high quality graphics because of their script, they usually make poorer keyboards because few Japanese type.

For better or worse, we are stuck with the QWERTY keyboard, designed not for efficiency but to avoid jammed keys on mechanical typewriters. Although every machine has such a keyboard, many differ in detail.
One problem is that a typewriter typically has 88 characters, but a computer has 94, 96, or more and so needs more keys. These rarely used keys should be placed outside the typewriter keyboard area, but many designers try to squeeze them inside by moving the backspace or carriage return key to the right.

There is only partial agreement on where to place two important computer keys, CONTROL and ESCAPE. The CONTROL key works like a second shift key; you hold it down while typing something else. Most keyboards place it on the left near the shift key. ESCAPE is a special character often used for a command; it should have its own key, usually above the TAB key.

Other keyboards have similar changes from that which a typist expects. Some have extra keys between the "Z" and left or right shift key. There is little agreement on where the "BACKSPACE" key should be.

**Soft Keys.** Outside the main keyboard area, all the second-generation machines have secondary keys. Function keys ("soft keys") can be defined in software for any purpose. They provide quick access to special commands, moving the text forward or backward or deleting a sentence or paragraph. For an adequate number of commands, you need at least ten soft keys, and the more the better. Keyboards which do not have separate cursor control keys are more difficult to use than those that do.

**Printers.** If you want printed copies of documents (and you probably do), you will need a printer. A few years ago, all printers were expensive, noisy, and needed an operator. Today, there are inexpensive, smaller machines better suited to small business applications. There are three different basic types of printers to consider. Your choice will be determined largely by your applications and personal preferences.

**Letter-Quality Printers.** Letter-quality printers are generally slow (they print 25-60 characters per second) and expensive, but, as the name suggests, they deliver pages that look as though they came off a typewriter. A letter-quality printer may be the best choice for word processing applications, for reports that go to clients, or for sales letters.
Inexpensive Printers. Generally costing under $1,000, these printers are faster than letter-quality printers (50-100 characters per second), and print in an 80-column wide format with fair quality. Some are available in a 132-column format, but they achieve the higher column count simply by squeezing 132 columns into the same space normally occupied by 80, sacrificing print quality. There's also a limit on how hard you can drive an inexpensive printer. They are not designed to run for several hours straight. If print quality is not a problem, and if you have a limited amount of printing to do each day, then a basic, low-cost printer will get the job done for the lowest cost.

Heavy-Duty Printers. If you need better print quality, or if you need a printer that's designed to work 8 hours a day, you will need a heavy duty printer. Heavy duty printers are considerably more expensive and faster (75 to 150 characters per second) than the alternatives. They usually print in a 132-column format, the best format for most business reports.

Before picking a printer, figure out if you need any special forms. Can you use continuous forms, or must forms be sheet-fed? Do you need multipart forms? Can they be tractor-fed? Go over these requirements carefully, in the end, they make the decision for you.

FINDING OUT WHAT YOU NEED

How should you proceed? The first thing to do is to organize your own thinking. There are three basic steps. Step 1 is problem identification. Step 2 is requirements analysis, and Step 3 is feasibility assessment.

You should be able to explain to a computer vendor what you want the computer to do for you. This will save a lot of time (and possibly money as well), and you will wind up with a machine and software that is better suited to you and your operation.

Your business is both standard and unique at the same time. It is standard from the viewpoint that your business receives and disburses cash or credits and it receives and dispurses assistance. However, there are some parts of
your business that you run quite differently from every other office in the world. Therefore, you need to know how much of your business is standard so that you can use prepared software programs as much as possible, but at the same time you need to be aware of how much of the business is unique.

Problem Identification. In order to deal with a problem, especially a complex problem, give it a name. That makes it much more tractable. Write down everything that you want the computer to do for you, including some of the things that you might think might be overambitious and everything that you think might be too trivial for the computer to tackle. Ask each of your associates to do the same thing. Ask them to say why they want the computer and what they could do with it if they had it. To give them useful guidance, suggest to them that they stay strictly within the limits of their area of responsibility.

Even if you never buy a computer, it will be extremely helpful to you to analyze the various "systems" within your business. You may find out some very interesting things as a result. To help you in assessing data processing and how it can aid your business, it will be necessary to write down a few things.

Take each and every functional area within your business and label it. Although each area or potential application will be different for different businesses, such a list might include:

- receipts and disbursements
- accounts receivable and billing
- accounts payable
- inventory control
- budgeting
- customer mailing list
- payroll

For each of these activities now draw a "flowchart" of how information and data flows from one function to another.
Requirements Analysis. Having identified the problems that the computer might tackle, the next thing to do is to get rigorous. Determine sizes, priorities, and costs. Write down how many items must be handled. This is volume, the parameter of size or volume. This kind of information will be vital later on when you attempt to do benchmarks to find out how fast a computer you need and also how large the storage disks will have to be.

In order to do this for each transaction on your flow chart you will have to determine the frequency that an event occurs, either by the hour, day, or week. You will also need to start writing down specific numbers. How many invoices? How many purchase orders? How many line items of inventory? The purpose of this kind of detailed study is to help the company identify those areas best suited to computerization and to clarify requirements.

If the company decides to use computers, the information above will be valuable to vendors in the selection and design of the computer system.

The study's purpose is to decide whether electronic data processing is worth a substantial investment in time and money. The following points should be considered:

. Can worthwhile savings be generated by simply automating such functions as accounting, billing, or payroll?

. What new information could help the business operate more efficiently and economically?

. Can these new types of information be developed by collecting, reorganizing, and processing available data? (If not, then even the most sophisticated data processing techniques won't be able to solve your information problems).

. Can needed data be collected more efficiently and accurately by manual or automated methods?
. How frequently would the company use the new types of information generated by a computer? What are speed requirements when information is requested?

Review the effectiveness of the current information system. Evaluate all forms being used to record data and all pertinent company reports. Analyze all company functions such as inventory control, accounts receivable, and payroll from a systems perspective.

Such functions are typically analyzed in terms of transaction frequency, volume, and anticipated growth. Determine the output of information required. What reports, invoices, and schedules are needed? Output reporting must be defined in terms of nature and frequency of information. The timeliness and accuracy standards must always be defined.

Determine the input data required. Note exceptions such as special order forms. What are the number of transactions needed per time period? Will there be weak or slack periods? What are the sources of input data? What specific operations are necessary to convert input to reach the required output? What mathematical operations are necessary? When are they performed and how often? What are the sizes and numbers involved? How accurate must output be? Will audit checks be necessary? What type of reference data is checked as part of the procedure (price lists, etc)? What comparisons are made in the procedure and what are the possible alternatives (actual versus budget, etc.)? How many times do they occur?

From this study, certain data processing errors and duplications of effort will probably come to light. Now is the time to correct them, whether the company decides to computerize or not.

Feasibility Assessment. Now it is time to analyze the facts. At each point in the business system we need to ask the following questions:

. What is being done and why? Can it be eliminated?
. Could it be done elsewhere?
. Should it be done elsewhere?
Should it be done at a particular time?
Should it be done by a particular person?
Should it be done in a certain way?

As we look at each application, keep in mind several alternative conclusions that could result:

1. A continuation of the present system with possibly some modification, or the addition of minor data processing equipment such as bookkeeping machines.

2. The computerization of the specific areas within the company, for instance payroll or accounts payable.

3. The total computerization of all applicable functions either through a centralized computer system or through one or more individual microcomputers.

As you consider the way data is collected and transferred from department to department, you will undoubtedly develop some possible improvements. Implement these improvements immediately.

As an example of the type data you will be collecting, two examples of a payroll file are exhibited below:

**EXAMPLE ONE**

*Employee File.* This file contains information about the employees and their rate and frequency of pay and is used to prepare paychecks. The table below shows some elements that might be contained in a file and the maximum number of characters that would be allowed for each of the records:
### Item | Maximum Record Length (character)
--- | ---
1. Employee name | 25
2. Street Address | 25
3. City | 20
4. State | 2
5. Zip Code | 5
6. Social Security Number | 9
7. Number of dependents | 2
8. Rate of pay | 6
9. Frequency of pay | 2
10. Various codes for deductions (bonds, insurance) | 20
11. Miscellaneous codes | 20
12. Total | 136 characters

**EXAMPLE TWO**

Check File. This file is essentially an image of the check and check stub that is produced for the employee:

### Item | Maximum Record Length (character)
--- | ---
1. Name (payee) | 25
2. Social Security Number | 9
3. Check number | 5
4. Date of check | 6
5. Amount of check (net pay) | 8
6. Gross pay | 8
7. Federal income tax | 8
8. State income tax | 8
9. FICA | 8
10. Period worked | 6
11. Miscellaneous | 20
12. Total | 111 characters
Summary. Employee file (15 employees x 136 characters) = 2,040 characters.
Check file (52 weeks x 15 employees x 111 characters) = 86,580 characters.

Main memory is measured in terms of 1,000 characters (bytes) at a time. You need enough main memory for the operating system (the program which runs the computer itself), the applications program, and the largest file you will be using at one time.

The check file's size of 86,580 characters will be the absolute minimum required since employees may be replace or new employees hired, which will necessitate adding new information. The best rule is simply to double the count to 173,160 characters. If the owner of this business is looking at a floppy disk capable of storing 300 K characters, there would be plenty of room for an entire year's transactions.

Once the size of each file in your business is determined, the sum of all of those files determines how much mass (disk) storage you need. Small non-rigid mylar disks 3½ to 8" in diameter (most often 5½") offer reasonable capacity (80,000 to 1,250,000 characters) and reasonable cost. If you store a sizable amount of data, you will need a "hard" disk. These disks are sealed, fast, and large. They range from 5,000,000 characters up.

The best way to buy a computer is to purchase the computer that is most cost effective for the software you selected. The primary questions concerning the machine itself involve whether or not you will have one or more simultaneous users, compatibility with the software you select, and size of the main memory (RAM).

A few example systems' prices for typical small business systems' setups are presented in Appendix 1. A similar example is presented in Appendix 2 for small multiuser systems (3 to 20 users).

In addition to software and hardware you will need general supplies (paper, printer ribbons, diskettes—about 40 to start) and any specialized supplies called for by the software you purchase.
Finally, let's review twelve basic steps for you to take in selecting a small computer.

1. Learn a little about small computers.
2. Learn about various applications like those discussed earlier.
3. Develop a "wish list" of applications that might help you better conduct business.
4. Document how information is collected, where it goes, and how it is reported in your business.
5. Determine the number of characters in each report, each document, and each file and the number of times each piece of information occurs.
6. Restate your "wish list" in terms which better match your idea of computer use after you see how much information is involved.
7. From vendors, get preliminary prices and a list of what functions are performed by each piece of hardware/software you are considering using.
8. Prioritize your "wish list" in terms of how each potential application is economically justified.
9. Explore the vendors in your area:
   . What are they proposing - how much does it cost?
   . What support do they offer?
   . What are the contract terms?
   . What is the vendor's expertise (particularly in your specialized business)?
   . What is the vendor's financial status, size, stability?
10. Produce a written requirements statement:
    . Programs of interest
    . Size of storage
    . Amount and quality of printing
    . Hardware support
    . Software support
    . Training
    . Installation
    . Any unusual supplies
APPENDIX I

TYPICAL SINGLE USER HARDWARE CONFIGURATIONS
TYPICAL SINGLE USER HARDWARE CONFIGURATIONS

System I

CPU: Apple II plus - professional pack $1,995
includes: the CPU, 128 K RAM, green CRT terminal, two
    diskette drives of 320 K each

Printer: Epson MX-100 F/T - 80 character per second $665
        Dot matrix - 15-inch wide dot matrix printer

Hard Disk: Davong 5 million character $1,395

Comments: Separately housed CPU, monitor, disk drives.
           Simple keyboard.

          System Hardware Total $4,055

System II

CPU: Tandy (TRS-2000) $4,250
    includes: the CPU, 128 K RAM, color CRT terminal, one
              320 K diskette drive and 10 million characters
              of hard disk storage.

Printer: Tandy DMP-2100 $1,995
        160 character per second, heavy-duty dot matrix
        printer, 15-inches wide

Comments: Tandy corporation's newest entry into the small
           business market.

          System Hardware Total $6,245

System III

CPU: Zenith Z-120 $5,599
    includes: the CPU, 192 K RAM, green CRT terminal, one
              diskette drive of 320 K, 11 million characters
              of hard disk storage built in.

Printer: Diablo 630 - 40 characters per second, letter quality, $1,940
        15-inch wide, heavy duty printer with tractor feed.

Comments: Three units - separately housed CPU, monitor, and printer.
           A solid, business oriented system with versatile keyboard
           including numeric keypad and functions keys.

          System Hardware Total $7,539
System IV

CPU: IBM/XT
includes: the CPU, 128 K RAM, one diskette drive of 360 K, 10 million character built-in hard disk. $4,995

Monitor: IBM green CRT terminal with display adaptor $680

Printer: NEC 3550 - 33 character per second, letter quality, 15-inch wide heavy duty printer with tractor feed. $2,000

Comments: Typical three-unit configuration with CPU, monitor, and printer housed separately. A solid, business oriented system with mid-range keyboard.

System Hardware Total $7,675

System V

CPU: TI-Professional
includes: the CPU, 128 K RAM, one diskette drive of 320 K, 5 million characters of built-in hard disk storage. $4,690

Monitor: 13-inch Amdek green CRT terminal $154

Printer: Data South - 180 characters per second, heavy-duty dot matrix, 15-inch wide printer with tractor feed. $1,995

Comments: Three-unit configuration with CPU, monitor, and printer housed separately.

System Hardware Total $6,839

NOTE: To communicate via telephone with national/regional data bases and multilisting services any of the above systems will require a modem, cable, and communications package. Modems with cables are priced between $200 and $700 depending on features and speed.
APPENDIX II

TYPICAL SMALL MULTIUSER HARDWARE CONFIGURATIONS
TYPICAL SMALL MULTIUSER HARDWARE CONFIGURATIONS

System I

CPU: Altos computer 5-50
Maximum users: 8
Maximum storage: 6 million characters
Workstation: typical setup of 3 CRT's using televideo 910's at $699 each
Printer: NEC 7730 - 55 characters per second, letter quality, 15-inch wide printer

System Hardware Cost $11,172

System II

CPU: Molecular computer 10-8
Maximum users: 20
Maximum storage: 15 million characters included. Expandable to 60 million characters
Workstations: 3 CRT's using televideo 910's at $699 each
Printer: Pagemark 2410, 350 characters per second, tractor feed, 15-inch wide industrial printer with correspondence mode.

System Hardware Cost $12,587

System III

CPU: Northstar Horizon
Maximum users: 16
Maximum storage: 30 million characters
Workstation: 3 QUME QBT 102's with interface cards. Additional workstations with cards at $1,297 each.
Printer: QUME Sprint II, 40 characters per second, letter quality, 15-inch wide printer.

System Hardware Cost $11,417

System IV

CPU: Alpha Micro AM 1000 E
Maximum users: 7
Maximum storage: 30 million characters
Workstation: 3-AM-60 Video Display Terminal List $1,000 each
Printer: AM-302 with tractor, etc. List $2,750

System Hardware Cost $15,050
APPENDIX III

REAL ESTATE SOFTWARE VENDORS
Real Realtor
Software Solutions, Inc.
P.O. Box 301
Muscatine, IA 52761

Sell-a-House
Software Solutions, Inc.
P.O. Box 301
Muscatine, IA 52761

Superval
Real Estate Applications Software
12 Manor Rd.
Smithtown, NY 11787

Real Estate Models for the '80s
Commercial Software Systems, Inc.
7689 W. Frost Dr.
Littleton, CO 80123

QuickCalc Real Estate Investor
Simple Soft, Inc.
480 Eagle Dr. #101
Elk Grove, IL 60007

DFP Real Estate Investment Analysis
Dominion Financial Projection
P.O. Box 846
Virginia Beach, VA 23451

Real Estate Analysis Package
Aeronca, Inc.
Execuware Division
7415 Pineville-Matthews Rd.
Charlotte, NC 28226

Real Estate Consultant
Consultant System Inc.
3704 State St. #311
Santa Barbara, CA 93105

Real Estate Office Accounting
MicroVenture
211 Business Center Dr. #220
Irvine, CA 92715

Investment Property Cash Flow Analysis
Distributed Computing Systems
P.O. Box 185
Lombard, IL 60148

Residential Financial Analysis
MicroVenture
2111 Business Center Dr. #220
Irvine, CA 92715

Real Estate Investment Comparisons
Software Models
P.O. Box 1029
Crestline, CA 92325

Real Estate Tools I
Ansonn Software Inc.
2801 N. Surrey Dr.
Carrollton, TX 75006

Real Estate Analysis
Sydney Development Corporation
600-1385 W. Eighth Ave.
Vancouver, B.C.
V6H 3V9 Canada

Real Estate Investor
Omni Software Systems, Inc.
146 N. Broad St.
Griffith, IN 46319
APPENDIX IV

ACCOUNTING SOFTWARE VENDORS
<table>
<thead>
<tr>
<th>Company</th>
<th>Address</th>
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<tbody>
<tr>
<td>CPAids Client Write-up</td>
<td>1061 Fraternity Circle</td>
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<td>Tiny Systems</td>
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</tbody>
</table>
ACCOUNTING

AMI
Automation Management
5718 Westheimer #410
Houston, TX 77057

AMI Manufacturing Package
Automation Management
5718 Westheimer #410
Houston, TX 77057

Basic Accounting
Computer Systems Design, Inc.
P.O. Box 735
Yakima, WA 98907

PC Accounting Pack
Micro Business Applications
12281 Nicoller Ave. S
Burnsville, MN 55337

Eazyacct
Miracle Computing
313 Clayton Ct.
Lawrence, KS 65044

Solomon III
Computech
Main Line Industrial Pk.
Lee Blvd.
Frazer, PA 19355

Money Minder
Intelligent Software
4947 Mercury St.
San Diego, CA 92111

Point of Sales/Inventory Control
Intelligent Software Systems
P.O. Box 308
Montgomery, WV 25131

General Ledger
P.B.H.
P.O. Box 485
Morrison, CO 80465

Big Five Accounting System
Sunburst Software
2696 N. University Ave. #250
Provo, UT 84604

Star System I General Accounting
Star Software Systems
20600 Gramercy Pl. #103
Torrance, CA 90501

Easy Business Accounting Series
Information Unlimited Software
2401 Marinship Way
Sausalito, CA 94965

Hardisk Accounting Series
Great Plains Software
123 N. 15th St.
Fargo, ND 58102

Insoft Accountant
Insoft
P.O. Box 19208
Portland, OR 97219

Micro Biz
Compumax
P.O. Box 7239
Menlo Park, CA 94025

PC-Fund
Northwest Systems, Ltd.
P.O. Box 773028
Steamship Springs, CO 80477