The Secret Sauce - Suggestions of a Serial Entrepreneur
Background

Kevin Shoemaker, P.E.
Founding Partner at BASICSOFT, Inc.
Professional Business Owner since 1992
Instructor: Treasure Valley Community College
University of Idaho – B.S. Electrical Engineering
Registered Professional Engineer
Kraft Engineering Excellence Award
Fasted Growing Business in Boise
100 Fastest Growing Engineering Firms in the US
15 Successful Business Ventures since 1992
Businesses

Founding Owner of Blue Chip Engineering, Inc. started as Shoemaker Engineering & Sales, Inc.
  (Sold with over 80 engineers to Power Engineers)
Owner Blue Chip Mechanical, LLC

Founding Owner of BASICSOFT, Inc. started as BASIC Engineering, Inc.
  Software as a service for regulatory compliance
  Software for grading raw food products for payment purposes

Owner The Construction Company, Inc.

Founding Owner of Seven Oaks Development, LLC - Upscale subdivision (132 lots)
Owner of BASIC Properties, LLC - 17 real estate properties

Owner of Middlefork Properties, LLC – managed forest property
Owner Fruitland Commercial Development, LLC
Owner Gem State Collection Agency, Inc.
Owner Shoemaker’s Acres, Inc. – Farming operations
Owner Gem State Property Management, Inc.
Owner E.P.P.C. Solutions, Inc.
Purpose of the session: To provide some considerations for being an entrepreneur.

What does that look like?

Merriam-Webster’s Dictionary Definition: one who organizes, manages, and assumes the risks of a business or enterprise.

Simply - “a person who starts a business and is willing to risk loss in order to make money”

Innovative? Far-Sighted?

I interviewed over a dozen self-employed professionals and here are some suggestions.
Self Employment Statistics

• Forbes
  – out of 400, 63 did not have college degrees
  – 90% of entrepreneurial business startups fail

• PEW Research Center (2016)
  – 10% of American Workforce Self-employed
  – 30% of American Workforce work in these businesses
  – 3.4% “One Man Show” Workforce

• SBA Advocacy
  – Declining since 2008
What does...
Entrepreneur
Mean to you?

How to choose which
Opportunity
To take advantage of?
How many:

- have worked for free
- have had a project fail
- have been harassed by the IRS
- have been harassed by local government employees
- have been responsible for payroll
- have been sued or filed against
- have had to sue someone
- know how to collect your payments
- know how to sell your ideas
Several Keys Thoughts - Pros

• Being Your Own Boss is Fantastic – Lifestyle choice or fast growth and firing a customer
• Flexibility in work schedule
• Traveling the USA
• First $1,000,000 check before age 35
• Had years with over $500,000 taxable income
• Writing off and reducing tax burden (keeping what you make)
• Flexible Income methods (retirement, income, benefits, profit sharing)
Several Keys Thoughts - Cons

- Cash flow is KING & Starting is Hard
- Are You Roller Coaster Ready?
- Employees are HARD – motivation, discipline
- You are the first person whose wages get cut during lean times
- Growing is HARD
- Research your exit strategies before you are thinking of exiting or before you are approached with an offer – be prepared to answer what do you want from your business?
- Selling is HARD – best tech doesn’t always win
How do I choose the best technology?
Choose Your Business Model Carefully - Fill Market Needs

- Recognizing a Market Need
- Creating your own market need
- Do your homework
- Use your own products
- The customer is not you
Be Aware of Compliance Liabilities

- Can’t do business without $10 M professional liability insurance
- Payroll taxes
- Unemployment taxes, workman’s compensation insurance
- Product Liability, General liability
- OSHA, DEQ, EPA
Build & Maintain Your Business/Professional Network

1. Who you know
2. Treat everyone professionally
3. Business is based upon relationships
4. Lower risk beats better product/service?
5. Toot your own horn
Develop a Plan but be Flexible

• Needs Assessment
• Strategic plan for implementation
• (KISS) Simple – less training required
• Reporting the news vs. making the news
• Customer service & continuous improvement
• Be OK with as soon as your plan is in place it will need to change - FLUID
Different Customer Skill Levels

• Writing your story
• Your elevator pitch
• You have 10 seconds
  – Web site
  – Trade Exhibition
• Is Paperless really Best?
Is Paperless Best?
Don’t Be Like This Dinosaur
Engage Social Connectedness

- Email Networks, Calendar Invites
- Shared Photos and Files
- Social Media – LinkedIn, Facebook, Twitter, Photo Sharing
- Web blogs
- Join ME, Webex, Go-to-Meeting
- SMS User forums
- User Conferences
The most important thing is to have fun and enjoy what you do!

Like School – Do your homework

Don’t be fooled into thinking something is real that is not – know when to throw in the towel!
Being Your Own Boss Can Be the Most Rewarding Job you will ever have!
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