



Mike McCollum

Consultant Maria Castro discusses business options with El Pollero restaurant owner Isabel Garza, left.

A tough sell

Small businesses resist free consultant services

By EMILIO ALVARADO
STAFF WRITER

Maria Castro thought her new job was going to be so easy: Offer Watsonville's Latino merchants free professional consulting services to help them improve their businesses. It was, in fact, one of the toughest jobs she has ever had.

Castro is one of three outreach workers hired by the Central Coast Small Business Development Center at Cabrillo College about two months ago. SBDC offers a wide variety of free consulting services for small business owners in Santa Cruz and Monterey counties.

Castro, who works three days a week, tries to persuade Latino business owners in Watsonville to use SBDC's free services. But she is having a difficult time getting these merchants to participate.

What's so hard about giving away something as valuable as business advice?

"Entrepreneurial cultural," Castro said. In other words, pride.

To elaborate: "I've had people actually say, 'I've pulled myself up by my bootstraps.' They are very proud that nobody has helped them, that they did it themselves," Castro said.

Unfortunately, business owners most resistant to accepting help are the ones that need it the most, she said.

Larger, more successful businesses readily accept help from consultants, and even consider it a normal part of doing business, Castro said. But small business owners, particularly Latinos, consider the idea of getting outside help a new concept, one that is sometimes viewed as intrusive, she said. Bringing in a consultant can give the impression that the merchant is having trouble run-

ning his or her business, she said.

Many of the people that reject help are business owners that have been in business for many years, Castro said. They had little or no business experience or training when they started, she said.

"Some people say, 'I learned the hard way, I learned the best

sonville more than 17 years and he knows a good deal when he sees one.

"I think (SBDC services) are a good idea," Garza said. "The more people hear about it, the more people will use it."

Garza hopes SBDC consultants will help him acquire a loan to buy the building on Main Street that houses his restau-

a loan. A consultant experienced in putting together such a plan could prove invaluable to small business owners such as Garza.

Over the past 1½ years SBDC has seen an increase in the number of Latino business owners participating in the program, said Elza Minor, director of Cabrillo's SBDC. The number of Latino merchants using SBDC has gone from 100 to about 157, most of whom are from the Watsonville area, he said. And he hopes that number will continue to grow.

Black merchants in Santa Cruz County only make up about 1 percent of the business force, but Minor said he has seen an increase of about 150 percent in the number of black business owners participating in the program.

Last year SBDC helped 362 small businesses. This year that number has shot up to 700, said Minor, who became SBDC director in January 1992. He credits an aggressive recruitment effort and word-of-mouth for the SBDC's success.

According to Castro, about 35 percent of SBDC's clients are from Watsonville.

Established at Cabrillo in 1985, SBDC is one of about two dozen branches statewide that have offices in community colleges, Minor said. SBDC's funding comes from the community colleges, the state's Commerce and Trade Commission and the Small Business Administration. Minor said the local SBDC's annual budget is about \$200,000.

SBDC has more than 30 business experts with a wide variety of backgrounds. Consultants are paid about \$25 an hour by SBDC. Several of SBDC's consultants are from the Watsonville area and speak Spanish.

For more information, call 479-6136 or 1-800-464-6136.

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— Maria Castro, small business consultant

way,' " Castro said.

That may be true. But it's not necessary to take all those bumps along the way, Castro said.

That's what she and the two other outreach workers, Mary Myles and Liliana Poppen, are trying to convey to minority business owners. Myles, who is black, works in the Seaside area and Poppen, who speaks Spanish, works in the Santa Cruz and Castroville areas.

In the past two months, Castro has contacted more than 50 merchants in Watsonville, persuading about a dozen to participate in the program. Chavelo Garza is one of them.

Garza, 59, owns three businesses in Watsonville: El Pollero restaurant and two bars, El Tenampa I and El Tenampa II. He has been in business in Wat-

rant. In all, Garza's three businesses provide work for up to 20 employees.

He learned the restaurant and bar business by working in those type of establishments for years before taking over El Monterey Club on Main Street many years ago. The bar has since closed and now houses Pasatiempo bar.

The hands-on experience of running one's own business is truly valuable, but it may prove insufficient when business owners have to deal with banks and other lending institutions.

John Blundell, one of the SBDC's consultants, said doing business today is a fairly complicated endeavor.

For example, most lending institutions require that business owners submit a multi-year business plan when applying for