



Pacific Coast Regional
Small Business Development Corporation
3255 Wilshire Boulevard, Suite 1501
Los Angeles, CA 90010
(213) 739-2999

Non-Profit Org.
U.S. Postage
PAID
Los Angeles, CA
Permit No. 1034

COAST

COMMENTS


Volume 14, No.3 SUMMER 2001
PACIFIC COAST REGIONAL SMALL BUSINESS DEVELOPMENT CORPORATION

LEGAL TIPS

continued from page 3


the opposing party to respond a vigorous prosecution or defense of the claim. If you are being sued, the most critical elements in evaluating the claim are the damages the plaintiff claims to have incurred, and whether the plaintiff can properly quantify and substantiate those damages. If you are prosecuting a claim for damages, the most important elements of evaluation are identifying all the potential defendants and their financial capacity to settle the claim, defend the lawsuit, or pay a judgment.

Finally, lawyers and law firms are frequently asked to provide budgets for each stage of the litigation. While no lawyer can accurately predict the tactics and strategies that will be used by the opposing party which makes overall budgeting difficult, a budget can be fairly established for the tactics and strategies to be employed by your lawyer in the prosecution or defense of a claim. Responsible monitoring and review of budgets will focus the lawyer on efficient case management and reduce legal costs.



www.wellsfargo.com

Wells Fargo Proudly Supports
**Pacific Coast Regional
Small Business Development
Corporation**
and the
Entrepreneurial Training Institute



MEMBER FDIC



Coast Comments is published quarterly by Pacific Coast Regional Small Business Development Corporation. The information given is not intended as legal or professional advice, and the publishers assume no liability in connection with its use. © Summer 2001.

President R.D. Lottie, Jr.	Editor Angela B. Winston	Layout and Printing by: Pacific Rim Printers • Mailers
-------------------------------	-----------------------------	---

Steven J. Cotè is of counsel to the Los Angeles law firm of Ivanjack & Lambith, LLP specializing in real estate and business litigation and general corporate, commercial and employment matters. You can reach Mr. Cote at (213) 624-0222.
E-mail: SCote@ivanjack.com.

Successful Library Plaza Project Grand Opening

The grand opening this summer of the new Library Plaza, a \$2.7 million retail development in the City of San Fernando culminated a tremendous effort in Pacific Coast Regional Corporation (PCR) history by combining federal, state, city and private industry financing sources for a project of such magnitude. PCR partnered with Comerica Bank in providing an Economic Development Administration's (EDA) Financial Restructuring Assistance Program loan, the Asian Pacific Revolving Loan Fund, the city of San Fernando and Pueblo Contracting Services Inc. owners Martha Diaz Aszkenazy and Severyn Aszkenazy to make this project possible.



Los Angeles County Head Librarian Margaret Donnellan Todd, San Fernando Valley Mayor Cindy Montanez, San Fernando Librarian Cathy Coakley, Los Angeles County Supervisor Zev Yaroslavsky, Pueblo Contracting Services Inc. Vice President Severyn Aszkenazy, and Field Representative from Congressman Howard Berman's office Fred Flores, cut the ribbon for the grand opening ceremony.

The development specifically includes a new library, coffee shop, flower shop, barber shop, fitness center, juice bar, mailbox service center, and parking lot.



Martha Diaz-Aszkenazy, President of Pueblo Contracting Services Inc., enjoys the festivities with PCR's Nestor Correa who was initially responsible for identifying the financing sources for the Library Plaza project.

Part-time artist and PCR President/CEO R.D. Lottie, Jr. was very proud and pleased to donate one of his many clown paintings to the children's section of the library.

The grand opening ceremony was well attended and included food, music and many special guests. In addition, a grand opening cocktail reception and formal dinner gala was hosted by the San Fernando City Mayor, Councilmembers, and the Friends of the San Fernando Library.



PCR President/CEO R.D. Lottie, Jr. donates one of his clown paintings to the new library which hangs in the children's books section to the delight of Los Angeles County Supervisor Zev Yaroslavsky.

PCR To Offer New SBA Microloan Program

Pacific Coast Regional Corporation (PCR) is now offering the Small Business Association (SBA) Microloan Program as an additional financing program available to small business owners. The new program includes small business loans up to \$35,000 with special emphasis on loans under \$7,500. Other attractions are loan terms up to six years with fixed interest rates, no loan fees or points, however, borrower may be responsible for costs associated with loan processing, and pre and post loan technical assistance and consulting.

To apply for an SBA Microloan, you should include:

- SBA Micro Loan Application (available at PCR)
- Three (3) years (or those available) of business tax returns
- Three (3) years (or those available) of business financial statements which contain, at a minimum, balance sheets, and profit and loss statements
- Personal financial statement, not more than 90 days old, from principals with 10% or more ownership of the business
- Three (3) years of personal tax returns from principals owning 10% or more
- Signed Financial Statement Certification from principals owning 10% or more
- Signed IRS Form 8821 authorizing PCR to obtain verification of personal and corporate tax returns directly from the IRS
- Business plan with financial projections (see business plan outline)
- Proof of hazard and liability insurance (Declaration pages)
- Accounts receivable and accounts payable agings
- Schedule of debts to include amounts owed, current portion due, repayment schedules, interest rate and specific collateral if applicable
- Copy of premises lease if applicable

Check Out the Fall Lineup of Business Information Classes. Enroll Today!

- Class #1 "Everything You Need To Know To Start A Small Business"
Saturday, Sept. 8, 2001 9 a.m. - 4 p.m. (\$50)
- Class #2 "Putting Your Financial House In Order"
Saturday, Sept. 15, 2001 9 a.m. - 1 p.m. (\$30)
- Class #3 "Developing Your Business Plan" Part I
Saturday, Sept. 22, 2001 9 a.m. - 1 p.m.
- "Developing Your Business Plan" Part II
Saturday, Sept. 29, 2001 9 a.m. - 1 p.m. (\$50)

Enroll in all three classes for \$100 Save \$30!
That's like getting one class FREE!!

For more information,
please call (213) 739-2999 ext. 236 or ext. 228.


PCR Vice President & Chief Credit Officer **Mark Robertson** explains, "We strive at PCR to continue to provide financing options for small business owners that meets their needs. This new SBA Microloan Program can possibly open some doors for entrepreneurs that still remain shut."

Welcome New PCR Board Member



PCR Board Member
Tom Tomlin


Pacific Coast Regional Corporation (PCR) is pleased to welcome Tom Tomlin, President of Tom Tomlin Associates, a public relations firm, as its newest member to PCR's Board of Directors. Mr. Tomlin is a nationally recognized expert in marketing, strategic planning and public relations. For more than 30 years, he has developed and directed total public relations and communications for more than 500 prestigious corporations and businesses in various industries. In addition to serving on many boards of directors, he has authored dozens of articles in consumer and trade publications on public relations, community affairs and real estate consensus building.



CONSIDER THIS AS A ROUND OF APPLAUSE.

At Washington Mutual,
we believe in making
our community a better place.

FDIC Insured



LET US MAKE A FAN OUT OF YOU.

FIVE EASY STEPS TO REDUCE YOUR LEGAL COSTS

By: *Steven Coté*

The 1990's witnessed a dramatic rise in the use of alternative strategies for minimizing and managing litigation for small businesses. There are several easy steps that a business should use to reduce the risk of litigation, or when litigation is inevitable, to streamline the process to reduce its disruptive impact on your business and reduce your legal costs.

The first step to reducing your legal costs is the preventative measure of having a legal audit performed on your business. A legal audit is an on-site, comprehensive scrutinization of your licensing and registration requirements, significant contracts, leases, standard documents and invoices, insurance coverage, employment contracts and practices, corporate structure, contingencies for death or disability of key officers, and review of pending or threatened litigation. Properly conducted, a legal audit is a practical way to stay on top of your legal affairs and help minimize legal problems, particularly where the company cannot justify the cost of an in-house counsel.

The second step in streamlining the litigation process is through contractual protections. Following the extraordinary recoveries of customers against businesses from generous jury verdicts in the last two decades, businesses began to experiment with the inclusion of Alternative Dispute Resolution (ADR) provisions in their contracts. ADR has three basic forms: mediation, arbitration, and judicial reference.

The least formal type of ADR is mediation which generally takes the form of non-binding voluntary settlement conference before an experienced jurist with special expertise in the area of dispute. The parties take a pro-active role in the mediation process often without the assistance, or with the limited assistance, of counsel.

Arbitration is the most common form of ADR. Arbitration may vary from an informal hearing before an industry representative to an extended formal hearing before a panel of retired judges selectively chosen because of their expertise in the law and the industry involved in the dispute. The principal benefits of arbitration are the reduced costs of trial preparation, the experience of the arbitrator in the area of dispute, and the convenience of selecting location and scheduling the hearing. Another advantage of binding arbitration (which may also be its biggest disadvantage) is that there is no right to appeal.

A third form of ADR is a judicial reference under the California Code of Civil Procedure §638. The judicial reference permits the parties to utilize

the traditional court system without the right to a jury trial and, similar to binding arbitration, the litigants may select a private judge based upon experience in a particular area of dispute.

The third step towards reducing your legal cost is to be able to identify problems immediately. Frequently, a serious problem that is addressed immediately can be resolved much more efficiently than a minor problem that is allowed to ripen into a more serious problem.

A fourth step to reducing your legal costs is the proper selection of a lawyer or law firm. Before hiring a lawyer or law firm, it is important to be an assertive consumer by asking questions concerning experience, references, staffing and resources. Too often, billing rates are the predominant focus of the selection process. However, the experience and integrity of the lawyer has the greatest impact on costs. Remember, a \$200 per hour lawyer that bills you two hours to accomplish a task is more expensive than a \$300 per hour lawyer that bills you one hour to accomplish the same task.

A fifth step to reducing your legal costs is pro-active litigation planning once a lawsuit has been threatened or filed. This includes a proper evaluation of the merits of the claim and determining the financial capacity of

Continued on page 8

**As a preferred lender, Comerica
can help you get an SBA loan.**

It's quite simple, really. The Small Business Administration loan process with Comerica. Our team of SBA loan specialists really know the business of SBA. And as an SBA Preferred Lender, we're able to streamline the approval process down to just a few steps – so you'll get a much faster response. You can act sooner on important things such as financing start-ups, purchasing fixed assets or purchasing building. To set up an appointment with one of our SBA specialists, call us today at 1-800-888-3595. It's as simple as that.

Comerica

We listen. We understand. We make it work.™

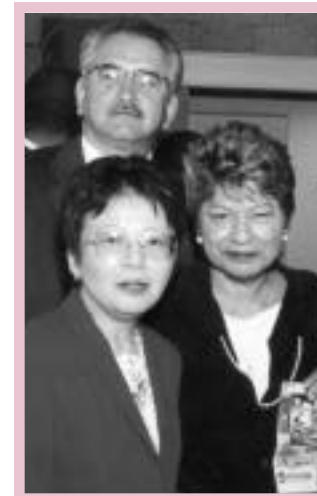
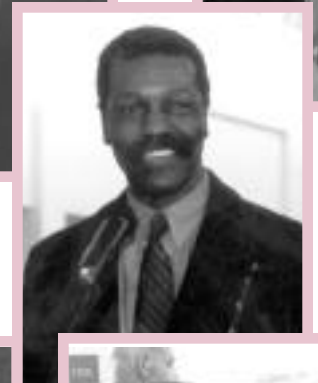


Comerica Bank-California. Member FDIC. Equal Opportunity Lender.

www.comerica.com

PCR's Benefit Screening & Reception - May 3, 2001

Pacific Coast Regional Corporation's (PCR) second annual fundraiser was a bit different from the previous year's luncheon event. This year, PCR presented a movie screening of "Adventures in Wild California" at the IMAX Theatre with a hosted reception immediately following in the California Science Center which is adjacent to the IMAX. The venue was greeted with overwhelming positive response and the event was a tremendous success. Many thanks to all of the event sponsors and to those who attended. Your support is graciously appreciated!



Lead With Sugar, Not Salt

(Enlist allies by sweetening your personality)

If you asked your peers and employees for words that describe you, what would they say? If engaging, genial, warm, friendly and enthusiastic come up the most, you're probably a strong leader. If calculating, stubborn, loner, demanding, cold and boring head the list, you're in trouble.

The more others like you, the greater your influence over them. Here's how to upgrade your likability and lead more effectively:

Stay on the sunny side. Smiling signals support and shows you appreciate others, enjoy their company and are eager to listen. If smiling doesn't come naturally, practice in a mirror. That may sound silly, but many professionals, from attorneys to teachers, say they have perfected a listening pose that features a genuine smile.

Limit your complaints. Every time you bellyache, you risk driving away positive people. And they're the ones you want on your side. Vent safely. Write what irritates you in a diary so that no one else has to hear it. If you must grumble aloud, allow yourself just one gripe a day.

Prolong the laughs. When colleagues tell a funny story, wait for the laughter to subside before you change the subject. Reflect the speaker's delight. Don't be so focused on work that you cast gloom over the conversation.

To get an SBA loan, you need the right numbers.

213 347-2430

At City National Bank, we're big on small business. We offer Small Business Administration (SBA) 7A and 504 loan programs that can help you expand your business. SBA loans can help you purchase inventory, new equipment, real estate, or provide working capital.

We have competitive interest rates and longer loan terms.

To find out how our SBA loans can work for you, call Francisco Navas at 213-347-2430.

We'll show you how quickly the numbers can add up in your favor.

CITY NATIONAL BANK
The way up.

Member FDIC Equal Opportunity Lender cnb.com

LEADERS VERSUS FOLLOWERS

Your speech habits and body language reveal whether you're a leader or a follower.

Leaders:

*State strong opinions and cite cogent evidence as support.

*Choose diplomacy over attack mode (example: They say, "I have an idea that might solve these problems", not "I think you're totally wrong.")

*Absorb criticism or bad news calmly and ask follow-up questions.

*Balance their weight on both feet and remain erect when standing and talking.

Followers:

*Piggyback constantly on what others say (example: They say "As Bill said" or "I pretty much see Mary's point") rather than speaking independently.

*Overdose on disclaimers such as "I'm out of my league here but..." or "I may be way off base in saying this..."

*Show fear, panic or hesitancy when a higher-up asks for an opinion.

*Slouch, lean against walls and adopt nervous tic s- such as fingering a paper clip - when talking.

The Manager's Prayer

Dear Lord:

Please keep me from overexplaining the obvious, or being possessed with the idea that no one can do anything as well as I can.

Release me from the desperate need to straighten out everyone else's work, especially when there isn't really anything wrong with it.

Make me helpful, not bossy.

Teach me the glorious lesson that - once in a while - I can be wrong.

Help me to have an open door, a willing ear, and a cautious tongue.

Grant me the good sense to recognize more than I criticize.

Lead me to remember that on my deathbed, I won't be wishing I had worked more- and I won't be wishing my staff had, either.

With my vast experience and wisdom, it sometimes seems a pity not to use it all.

But, then again, I would like to have a few friends at the end.

Amen.

"A woman is like a tea bag - only in hot water do you realize how strong she is."

- NANCY REAGAN

"Years and sins are always more than admitted to."

- ITALIAN PROVERB

"The only thing worse than hearing the alarm clock is not hearing it."

- UNKNOWN

"Not everything that is faced can be changed, but nothing can be changed until it is faced."

- JAMES BALDWIN

"Success is 99 percent failure."

- SOICHIRO HONDA

"There is only one boss. The customer. And he can fire everybody in the company from the chairman on down, simply by spending his money somewhere else."

- SAM WALTON

"It's hard to detect good luck - it looks so much like something you've earned."

- FRANK A. CLARK

"I pointed out to you the stars and the moon, and all you saw was the tip of my finger."

- TANZANIAN SAYING

"It's not so much how busy you are, but why you are busy. The bee is praised. The mosquito is swatted."

- MARY O'CONNOR

"There are only two basic ways to establish competitive advantage: do things better than others or do things differently."

- KARL ALBRECHT

"When your work speaks for itself, don't interrupt."

- HENRY J. KAISER

"Experience is not what happens to a man, it is what a man does with what happens to him."

-ALDOUS HUXLEY

Take a bow.
The spotlight is on you.

Sanwa Bank California
solutes
Pacific Coast Regional.

DKB Business Loans...

WE'LL LEND YOU MORE THAN A HAND.

Dai-ichi Kangyo Bank of California is in the business of helping you succeed. Our flexible lending programs and customized financing serve your needs today with an eye on tomorrow. So if you are ready to take on the world or the competition across the street, call DKB of California. Put the world in your hand.

Lines of Credit
Trade Finance
SBA Loans
Equipment Financing

DAI-ICHI KANGYO BANK OF CALIFORNIA

Los Angeles (213) 612-2700 Silicon Valley (408) 487-1788 Torrance (310) 540-7554

www.dkbca.com Member FDIC