SMALL BUSINESS NEWS

CENTER *for* RURAL AFFAIRS

WINTER 2021

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Red Road Herbs able to purchase land thanks to Center microloan program. Read more inside.

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Mary Rosa and Eduardo Morales' work is crucial to the future prosperity of rural communities in Nebraska.

Rachel Liester started Red Road Herbs nearly 20 years ago. With the help of REAP, she was able to purchase the land she uses for her business. | Photo by Kylie Kai

GARDENS SERVE AS LIVING TEXTBOOKS FOR HERBALIST EDUCATOR

BY LIZ STEWART

An appreciation for nature, herbs in particular, led to a lifelong passion and career for Rachel Liester, owner of Red Road Herbs Retreat & Learning Center LLC, near Stanton, Nebraska. She teaches classes, offers tours, and sells fresh and dried herbs, as well as handmade herbal products.

Rachel started Red Road Herbs nearly 20 years ago, and it's now a family-run business. Three generations–Rachel, her daughter, and granddaughter—take care of plant growing and harvesting, merchandise production, and marketing. Rachel's husband and son help with events, building projects, and maintenance of the property.

"The way I got interested in herbs was through Native American culture," Rachel said. "I wanted to pay honor to that background and learn as much as I could about it."

Throughout the years, not only has her knowledge of herbs expanded, so has her business thanks in part to the Center for Rural Affairs. What started off as a few gardens at her home and teaching a few small classes has grown into a full-time passion.

With the tremendous growth Red Road Herbs has seen during the last few decades, Rachel says she wouldn't have gotten to where she is now without help.

"I've taken out a few loans through the Center for Rural Affairs," she said. "They have been the knight in shining armor that came to my rescue."

The Center has provided Rachel with one-on-one counseling and microloans to purchase a computer, get technical assistance on website development, develop marketing materials, and make a few small fixes to outbuildings at Red Road Herbs.

After being very pleased with the help she received, she again reached out to the Center when she and her husband faced their most challenging business venture to date—buying the acreage their business and home sat on.

"We found out our landlord wouldn't accept the assessor's quote. He wanted $15,000 more," Rachel said. "It was $15,000 we didn't know how to come up with. That's when I thought I'd reach out to the Center."

The Center's loan specialists assisted Rachel with business coaching and providing technical assistance. This time, Rachel hoped to get a $20,000 loan through the Center to help with repairs and ongoing business expenses.

Rachel has held an interest in plants since she could remember, and used her time outside of work to educate herself on their different medicinal and herbal uses. One of the first plants she explored for that purpose was a raspberry bush.

"At first, I just ate the berries," she said. "But the more I learned, the more I discovered what I could do with the plant. Now, I use the leaves, too, by harvesting them for medicinal uses."

Rachel uses Red Road Herbs to showcase the uses of naturally growing plants. People can use herbs for health purposes, emergencies, and preventative care, as well as eat them. She also offers herbal education, nature experiences, handmade products, herb garden consultations, and more.

"I saw there was a need for this business. A growing need, not only in Nebraska, but worldwide," Rachel said. "My joy and hope is to continue sharing with more and more people. Seeing people learn about the land and the plants that grow in their own yards is why I do this."

Rachel Liester shows the uses of naturally growing plants. | Photo by Kylie Kai

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On the cover: Rachel Liester, of Red Road Herbs, and granddaughter | Photo by Kylie Kai

SMALL BUSINESS ASSISTANCE

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✓ Housing Loan

Mortgage loans of between $5,000 and $100,000 are available for rural Nebraskans who dream of owning a home.

**Eligible small business borrowers may qualify for six months of payment relief from the SBA under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Businesses who do not receive relief through the SBA may qualify for up to six months of Center for Rural Affairs deferred repayment.*

BUSINESS DEVELOPMENT SERVICES

Business counseling

Business development specialists are available for consultations on business troubleshooting, cash flow and budget, loan packaging, and more.

Loan specialists

We have a statewide network of loan specialists, ready and willing to help you along your small business journey. Find your specialist on pages 10 and 11.

Start-up checklist

You have a great idea for a new small business. Congratulations! That's the first step. But, you need to do a few other things to turn that idea into a business. We offer an online checklist with actions to get you started. Visit cfra.org/business-start-checklist.

Events and networking

We host various workshops and networking opportunities focused on emergency preparedness, marketing, business plans, social media, specific industries, and more. To stay up to date, visit cfra.org/events.

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PANDEMIC DOESN'T STOP PHARMACY FROM FILLING PRESCRIPTION FOR SUCCESS

BY LIZ STEWART

Throughout the COVID-19 pandemic, small businesses have encountered a great deal of conflict, particularly those that are new or relatively new. Even without a global health crisis, not many people are able to make their business dreams come true, especially within a few short years.

Tim Kotschwar is one of the lucky few whose hard work and dedication led to his business not only surviving its early years, but thriving during the pandemic.

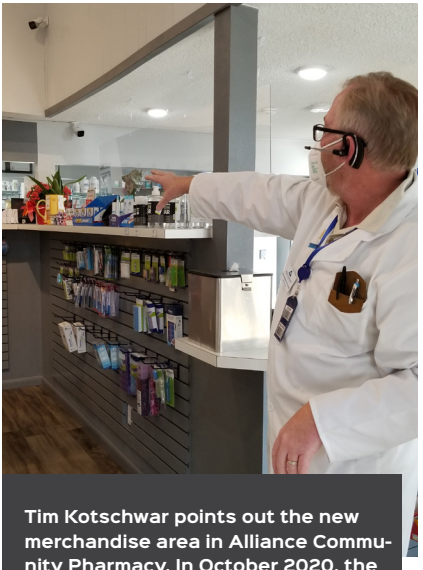
Owner of Alliance Community Pharmacy in Alliance, Nebraska, Tim's vision started edging its way into reality after a contact in his local economic development corporation recommended the Center for Rural Affairs' Rural Enterprise Assistance Project (REAP).

After one phone call with the Center, Tim was ready to chase his dream.

"When I first had the idea to open my own pharmacy, the Center helped me," he said. "Without them, I would've had a very hard time getting started."

The Center's small business program offers four essential services: financing (microloans), business training, technical assistance, and networking. Entrepreneurs can create business plans, research potential markets and marketing ideas, discuss management issues with experienced business specialists, and apply for small business loans.

Those business specialists helped him gather what he needed to get funding and create a business plan. Through financing from the Center, Tim purchased a building for the pharmacy, as well as equipment such as computers in June 2018. In October 2020, he relocated his business.



Tim Kotschwar points out the new merchandise area in Alliance Community Pharmacy. In October 2020, the business was relocated. | Photo by Anthony Gurrola

Tim continues to work with Center Loan Specialist Anthony Gurrola.

"Anthony comes in and touches base on a routine basis just to see how we're doing," said Tim. "It's great to have someone check on our progress, someone who has our best interests in mind."

Anthony said Tim has made smart decisions that have helped him stay open and support his community.

"He recently upgraded, and is doing really well, especially in the COVID-19 era," said Anthony. "Tim has adapted

services to include testing and vaccinations, once they become available, and his business continues to grow."

The pharmacist says he feels lucky to have been able to stay open.

"Except for Thanksgiving and Christmas, we haven't closed our doors one single day during the pandemic," said Tim. "Business has been pretty good, we haven't noticed much of a dip."

That's due, in part, to a drive-through lane that allows customers to practice social distancing, as well as free prescription deliveries on request.

The growth also includes a boost in staff numbers. Tim opened the pharmacy with one part-time and three full-time staff members, including himself. Now, he has three part-time and five full-time employees.

Tim acknowledges this growth and success began with the assistance he received through the Center, and keeps that in mind for the future.

"If it weren't for the assistance, I probably wouldn't be here, I wouldn't be doing what I'm doing today," he said. "The staff have been extremely helpful. I always know they will be there if I need to expand."

Through financing from the Center for Rural Affairs, Tim Kotschwar purchased a building and computers. He continues to receive business counseling. | Photo by Anthony Gurrola

COLUMBUS BUSINESS OWNERS RECEIVE ENTREPRENEURIAL SPIRIT AWARD

BY LIZ STEWART AND VERONICA REYES SPINDOLA

With dreams of becoming successful entrepreneurs, Eduardo and Mary Rosa Morales opened their photography business, Venemex Productions, in Columbus, Nebraska, in 2008.

A year later, they discovered their business could benefit from training and guidance from the Center for Rural Affairs' Rural Enterprise Assistance Project (REAP). Through years of hard work, commitment to their business, and some help along the way, their entrepreneurial dreams have come true, and the business owners are being recognized for their dedication.

Mary Rosa and Eduardo were chosen to receive the 2019 Entrepreneur Award which is presented annually to an individual or individuals who best exemplify the entrepreneurial spirit that defines and is crucial to the future prosperity of Nebraska's rural communities.

"As soon as we learned about the courses offered by the Center for Rural Affairs, we did not hesitate to take them, knowing the importance of training for any entrepreneur," said Mary Rosa. "And, we were not mistaken—the trainings and technical assistance have been very useful for our growth as owners of a small family business."

Venemex Productions offers services such as photography and video for weddings, quinceañeras, and anniversaries, among other social events. They also offer studio and outdoor photography sessions for maternity, newborns, families, seniors pictures, sporting events, and more.

Through Center financial assistance and training, the business owners are now able to offer the option to shoot and edit videos in high definition for social, commercial, sports, musical, and fashion shows, and have hopes to open an education department to provide guidance for photographers in training.

"Mary Rosa and Eduardo are well known in the community, and right now have ranked first position with Facebook followers compared to other local photography businesses,"

Mary Rosa and Eduardo Morales opened Venemex Productions in 2008. | Photo by Kylie Kai

said Veronica Reyes Spindola, Latino loan specialist with the Center. "Venemex Productions has grown little by little with a lot of effort on their side and through Center guidance and financial support."

Eduardo says receiving the Entrepreneur Award has encouraged them to continue working hard to grow their business.

"I want to thank the Center for the recognition they gave us as entrepreneurs," said Eduardo. "We are very excited because we see in this the fulfillment of many of our dreams and the achievement of many of our goals. Without their support, we would not be what we are today. This award is very motivating for us and for our family."

The couple also credits the Center with helping Venemex Productions and other small businesses like theirs succeed.

"We have seen other businesses benefit from the Center's services, and have better and greater results in the community," said Eduardo. "We are very grateful to the Center because of all the work they have done in Nebraska. We are totally convinced that without the Center the growth of our business would be very slow."

0% INTEREST RECOVERY LOANS NOW AVAILABLE

BY RHEA LANDHOLM

The Center for Rural Affairs has launched a recovery loan program to help Nebraska businesses and local economies recover from the pandemic. Loans of up to $50,000 will qualify for 0% interest through 2021, and loans of up to $250,000 are available at reduced rates.

"Small businesses in almost every industry continue to cope with the economic impact of COVID-19," said Kim Preston, Center for Rural Affairs' Rural Enterprise Assistance Project (REAP) director. "The Center for Rural Affairs has assisted in many ways during this last year, from payment relief to disaster recovery trainings. We know this is a difficult time for many, and we hope these specialized loans will help out."

Loan uses can include business recovery, business growth, new business start, working capital, equipment, inventory, and real estate. Up to $2 million will be deployed to qualified borrowers.

Eligible borrowers may qualify for six months of payment relief from the U.S. Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Businesses who do not receive relief through the SBA may qualify for up to six months of Center for Rural Affairs deferred repayment.

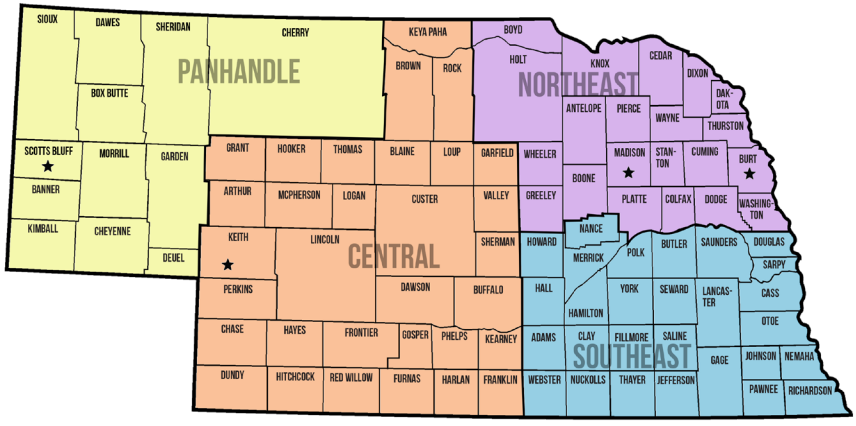
At the beginning of the pandemic, the Center for Rural Affairs made emergency credit available to all qualifying Nebraska small business owners with Express Loans. These loans are still available for new and returning borrowers with credit needs of $15,000 or less.

In addition, staff working remotely as much as possible continue to provide coaching and resources to small business owners. These services are offered in both English and Spanish.

Visit cfra.org/loans to apply. Current borrowers can contact their loan specialist or call 402.687.2100.

SMALL BUSINESS LENDING STAFF

SERVICES PROVIDED IN ENGLISH



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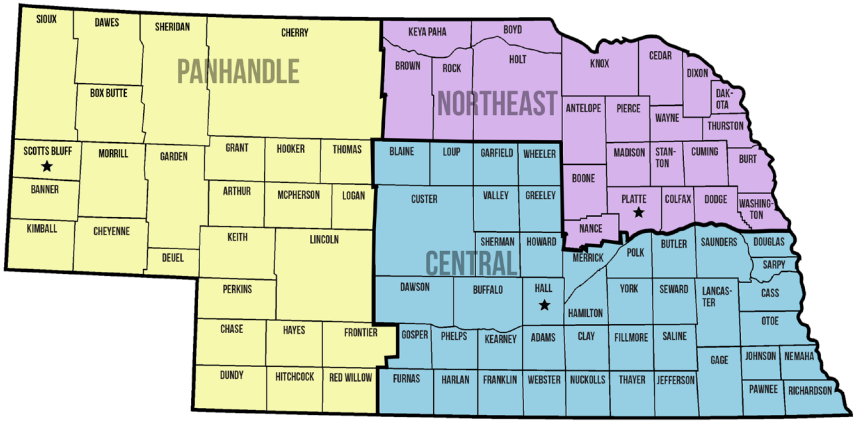

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SERVICE MAPS

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Address service requested 02/21