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WHERE SHOULD YOU PUT YOUR RESOURCES RIGHT NOW?

Your company pared itself down and weathered the recession. Now that you're lean and mean, and things are looking up a bit, where do you put your new-found resources?



Nanette Seven

MEQ's editors asked us this very timely question recently, which we were happy to discuss, because we

see so many opportunities these days. Our 21-year old company makes fully-integrated business-management software for contractors, primarily in the landscaping and contracting industries. Having studied best business practices for a couple of decades as we continually develop the software, we were already in good shape and able to stay "lean and mean" without draconian cuts. Now with a strong cash position as the economic cycle recovers, we are focusing on buying opportunities. It seems that nearly everything is on sale these days, and we are focusing on four areas, in particular, to invest our resources.

People

Without question, good people make good software companies. They write the code, support the software, and make the sales. Although the tech fields are sometimes spared by economic downturns, software people were hit harder this time, and some really talented people are looking for work. Therefore, we have been able to be very picky in our hiring. We recently brought on two senior people, a developer and a client care specialist, who are great strategic fits and will help position us for future growth. There can be no better investment of our resources.

My advice to other entrepreneurs: if you don't have the right people in place, now is the time to find them, cultivate them, and help them help you. There is a better work ethic in play these days and people seem to understand their importance to the organization's overall health. If your employees don't understand that, you should look for replacements.

Office Space

Closely related to people is the place we all work. We've purchased an office space in the new Annapolis Town Centre and will move in September. We built in many LEED design aspects, lots of natural light, and ample space for our developers to collaborate. Our huge balcony overlooks many of the restaurants and walking areas in the center. With the weakness in the commercial real estate market, there are so many opportunities for companies to expand, move to nicer space, or purchase their space as we did. Funneling our resources into our own space gives us a lot more financial flexibility and also becomes a key component of our succession planning.

My advice to other entrepreneurs: at a minimum, use this opportunity to renegotiate your lease. If you can afford to do more, consider upgrading your space or moving to a location that better suits your needs or

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makes your employees more comfortable.

Marketing

Marketing opportunities are multi-faceted. Yes, advertising is cheaper these days because demand has dropped while supply has remained constant, but a much bigger opportunity is the lack of participation by competitors. People are skipping trade shows for the first time in years, cutting back on client appreciation efforts, sponsoring fewer events, etc. We have tried to do just the opposite.

We're very active with the largest trade association in the landcare industry and have really focused our resources there. We're doing more sponsorships and considering an advertising campaign in some very targeted trade journals. Every time our prospects hear from us and not our competitors, we're chipping away at their market share and demonstrating our financial health. That is money very well

spent. We've also brought on a consultant who serves as our chief marketing officer. This serves a couple of important functions: 1) it frees us up to do what we do best, and 2) it ensures that no matter how busy we are with the day-to-day, someone is always focused on the marketing function, so these opportunities do not fall by the wayside.

My advice to other entrepreneurs: now is the time to increase your marketing. Target it toward your sweet spot; build a niche and don't let up. Hire someone to help.

Product Expansion

One of our most exciting investments is the expansion of our software to other industries. Although we have a couple of products, including an estimating program for any industry, our flagship product, Asset™, is used exclusively by large (\$3 million or more) companies in the landcare industry. But the truth is we use it ourselves! It

runs our entire software company, and we use it for accounting, CRM, sales, client care, etc. So it obviously does not need to be limited to just landscaping companies. Therefore, beginning later this year, Asset G9TM will be available for contractors in other industries such as paving companies, pool businesses, pest control, fencing, etc. We expect this to add significantly to our corporate offerings.

My advice to other entrepreneurs: figure out how else your product or service can bring value. Sometimes "expansion" is just finding another use for your product or another way to apply your skills. As the economic recovery continues, albeit it very slowly, you too can apply your new-found resources to support the expansion.

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