TAKING CARE OF BUSINESS

By Randy Weckman

About 15 years ago, when the concept of home-based entrepreneurship was just a flicker of a thought in the Commonwealth, the Kentucky Cooperative Extension Service started a program to help people develop their dreams of a home-based business.

Now, a decade and a half later, Extension has established a long history of helping home-based businesses develop from the concept stage to the success stage.

“Traditionally, these businesses were low overhead, low capital investment types of enterprises that might have grown out of a hobby or skill that was handed down in the family. Now, these home-based businesses are related to a broad-spectrum of enterprises,” said Patty Rai Smith, Extension home-based business specialist.

Smith has worked with a wide variety of home-based businesses helping people take the idea, then nurture and develop it into a going operation – from crafts to bed-and-breakfast operations.

One Woman’s Story

Anita Johnson, proprietor of Johnson’s Errands for You in Jeffersontown, is a good example.

Anita had an idea, but needed some guidance to make it happen. Her idea was to develop a home-based “errand running” business. That was in 1996. Today, her business is thriving thanks to her never-give-up attitude and an Extension-sponsored home-based business seminar she attended.

“Shortly after starting my first home-based business, an electronic claims processing service, I attended a seminar sponsored by Extension on starting your own home-based business. It helped me with the legal aspects of running a business, wait for the repairman who said he’ll be at your home sometime between 8 a.m. and noon. She also shops for senior citizens who may have a hard time getting to the supermarket, dry cleaners, and the like. Recently, she was approached by a corporation to explore the possibility of using her service to run errands for its employees as part of the corporation’s benefits.

In March, Johnson received the Emerging Business Owner for 2000 award from the National Association of Women Business Owners – one of three top awards given out this year. She credits the Cooperative Extension seminar – and the help she received from Extension agents and specialists – for part of her success.

Bed, Breakfast, and Beyond

Smith, whose early work can be credited with nurturing the bed-and-breakfast industry in Kentucky, has continued to base her program on what people need.

“Ten years ago, Extension tourism specialist Allan Worms and I worked closely with lots of people who wanted to start a bed-and-breakfast business. Extension helped them organize into a network of bed-and-breakfasts as well as taught the business principles they needed to make a go of it. My work now ranges from helping people with basic information about starting and operating a business to helping find expertise within the ranks of Extension to provide information on specific ventures,” she said.

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Kentucky Cooperative Extension Service programs are locally defined and locally administered. Here are a few examples of county Extension programs that are making a real difference in people’s lives.

55 Alive Drive/Mature Driving
The Boone County Cooperative Extension Service has offered this eight-hour, two-day refresher course in safe driving to its maturing population. More than 100 participants have completed the course that allows them to receive a discount on their automobile insurance. Participants indicated that they would change their driving habits to be safer, looking in the rear view mirror more often, wearing seat belts at all times, and being more cautious.

Better Beef Profits
Beef cattle producers with small numbers of genetically dissimilar cattle routinely receive a price discount at market time. The Beef Cattle Association of Clinton, Cumberland and Wayne Counties, in collaboration with the Cooperative Extension Services in those counties, sought a solution to the discount. The answer: use better beef bulls. A grant allowed the group to purchase genetically superior bulls for all members of the association to share. As a result, the quality of calves produced has increased, helping the producers avoid some of the discount they receive. The cooperators expect a net return of $50 per calf over previous returns for a total increase of $100,000 per year on the 2,000 calves they market.

A Half Million Dollars – And That Ain’t Chicken Feed
Hickman County has 148 poultry houses on 39 farms that annually produce 22,200 tons of litter. The litter can be a valuable resource if it is carefully handled and applied to growing crops. Through meetings, newsletters, and personal contact, the Hickman County Cooperative Extension Service has helped the chicken farmers turn poultry litter into a valuable resource. As a result of Extension efforts, poultry producers are using the litter to fertilize their crops—estimated to be worth $483,000—while at the same time reducing environmental problems associated with litter disposal.

4-H Improves Science Scores
The Scott County Cooperative Extension Service worked with local schools to incorporate the 4-H science curriculum into classroom activities. The results of incorporating 4-H into the science classroom were startling. Students in schools that incorporate the 4-H curriculum in their science lessons in K-5 scored 3.5 points higher on average on the Comprehensive Test of Basic Skills (CTBS) than students in classes with no 4-H involvement.

Improving Family Stability
Unstable families are often beset by many issues that cause them hardship and heartache. Money management, job readiness, and nutrition education are vital to restoring stability to families who have experienced rocky times. The Crittenden County Cooperative Extension Service worked with six such families who were under court orders to do so. Five of the families completed the course and reported that they now practice parenting skills they learned. The judge has agreed to allow these parents supervised visits with their children as a result of their completing the program.
Safer Teens

Every parent of every teen fears the same nightmare: a call that their child has been arrested or killed as a result of alcohol or drug use. But parents can rest a measure easier in Washington County thanks to the work of the Washington County Cooperative Extension Service in sponsoring a Safe Night USA event. In cooperation with the Heartland Coalition, teen leaders visited middle-school kids to promote the Safe Night event. Nearly 100 young people attended and had a great time and learned about teen safety issues.

Stopping Cancer Through Early Detection

The Jefferson County Cooperative Extension Service, along with the Louisville and Jefferson County Partnership in Cancer Control, targeted the West End and Newburg communities in Louisville – both medically underserved areas – to receive information about the importance of cancer screening. As a result of their efforts, breast cancer screening increased 314 percent in western Louisville. More than 5,000 women from the target audience were educated on self-examination, clinical breast exams, and mammograms.

Improving Dairy Profits

Improved management has resulted in improved profits for 10 Lincoln County dairy producers. Over the last four years, working intensively with the Lincoln County Cooperative Extension Service, these producers have cut feed costs for their cows while improving the pounds of milk each cow produces each day. Profits for the dairies have improved between $10,000 and $20,000 per year as a result of this Extension program.

4-H Partners with Court System to Lower Drop-Out Rate

The Knox County Schools reported a 50 percent drop-out rate due, in part, to drug and alcohol abuse and to the low self-esteem of the students. The Knox County Cooperative Extension Service, along with the Knox County Court System, the Knox County Schools, and Court Designated Worker, provided teens with a drug, alcohol, and self-esteem program. The eight-week program was presented to 25 teens sentenced by the Juvenile Court to attend the meetings. Several students attending the program exhibited major positive changes in their lifestyles. Many gained an appreciation for the assistance they received in helping them set positive and realistic goals.

Senior Citizens Cook/Eat Better

Ask most gerontologists and they’ll tell you that a real problem for older people is cooking and eating right. Too many, they say, don’t bother to cook nutritious meals. To help promote good health through better nutrition, the Wolfe County Cooperative Extension Service taught 84 Wolfe seniors meal planning and preparation to meet their nutritional needs. As a result, the seniors report they are cooking more nutritious meals as well as saving money at the grocery store.

Farm Safety

Farm accidents kill too many people. That’s the philosophy that drove a Greenup County Cooperative Extension Service program to teach first-aid training to rural people. Because many rural areas in the county don’t have access to 911 emergency telephone service, the training was particularly useful. Working with the Soil Conservation District and the Greenup County Health Department, Extension taught CPR and life-saving techniques. Sixty-five people have been certified in community first aid and CPR.

Cleaning Up Roadside Dumps

The Hancock County Cooperative Extension Service sponsored an educational baby shower for expectant mothers. Thirty-five expectant mothers took a “look-a-like” test which emphasized the importance of storing poisonous substances and medicines properly, away from baby’s reach. All participants are now more aware of the hazards of storing dangerous items in the home and plan to make changes in their homes to protect their babies against poisoning.

Storing Poisons Out of Baby’s Reach

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Kentucky agriculture is facing a very critical period. Over the past few months, producers have been trying to recover from a severe drought, low commodity prices, and a 46 percent reduction in tobacco allotments. There is a real sense of urgency in the farm situation. Lower incomes will cause some producers to leave farming; others will be looking for other commodities to supplement their incomes or will have cut back on expenditures to stay afloat; and still others will have to find off-farm work.

These tough times in agriculture will also have a negative impact on the businesses and services of our communities. There will be less money to spend on such things as machinery, vehicles, homes, and furniture. As a result, local business owners will also feel the pinch.

It is during these times that the assistance of the Cooperative Extension Service and the UK College of Agriculture is vitally important. Training is in place to help Extension agents focus on the issues of the farm crisis. This training emphasizes the business of farming through improved efficiency, reducing input costs, utilizing existing facilities for other purposes, and ways of managing risk. Producers are also encouraged to consider other income sources such as the production of fruits and vegetables, specialty crops or animals, or expanding existing commodities. Farmers will be exploring other low overhead, low capital ventures.

At the same time, Extension agents and faculty are focusing on the impact of the crisis on the whole family and community. The stress not only affects producers, but spouses and children as well. Therefore, Extension programs will also address family financial management, job readiness, home-based business opportunities, food-buying practices, health and wellness, and stress management.

Communities will need help as they gear up to provide employment services, counseling, food banks, and emergency assistance programs. Rural communities will also be attempting to expand job opportunities in the non-farm sector so that farm families will have enough income to remain living there. Farmers, farm families, and rural communities will undergo substantial change over the next few years. That cannot be avoided. However, the Cooperative Extension Service is positioned to respond to those needs and to assist in that transition. We will focus our attention on resolving these critical issues, and in the process we as an Extension organization will develop new skills and forge new partnerships.

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The Cooperative Extension Service publishes a directory of Kentucky home-based businesses every two years. Copies are available from local Extension offices throughout the state.

Smith also noted that Extension faculty members, in cooperation with the Kentucky Small Business Center, have developed The Agribusiness Development Guide, which offers practical information on starting a business. The web address for the guide is: http://www.uky.edu/Agriculture/AgriculturalEconomics/agbizguide.html/