

# SME

vol 4 issue 1 2009

.COMmunity.PHilippines




## DON'T JUST SURVIVE, AIM TO THRIVE!



Marketing guru Josiah Go and motivational speaker Francis Kong share tips for managing your company during challenging times

- STRATEGIES OF TOUGH PEOPLE FOR TOUGH TIMES
- LIFE LESSONS FROM EXTREME ATHLETES

- BUSINESS SURVIVAL CHECKLIST
- WHAT YOU NEED TO KNOW ABOUT CREDIT & COLLECTION



## There's a better place for SMEs to fit in.

Success in business is all about finding the perfect fit - with your partners, your market, and more importantly, your financial ally.

We at Plantersbank recognize that Small and Medium Enterprises (SMEs) thrive in an environment much different from the one in which big businesses operate.

Because each SME is unique, we have tailored all our products and services to fit your every business need. With over 45 years of SME banking experience, we have got you covered and we remain at the forefront of advocating the continued growth and success of SMEs.

**Planters Development Bank.  
Enabling Entrepreneurs.**



**Enabling Entrepreneurs**

Member: **MEGALINK**  
Member of the Philippine Deposit Insurance Corporation.  
Maximum Deposit Insurance for each Depositor P250,000.00

Plantersbank Building, 314 Sen. Gil Puyat Ave., 1200 Makati City, Philippines  
Tel. No: (02) 884-7600 • [www.plantersbank.com.ph](http://www.plantersbank.com.ph)



## SMEs Can Survive and Thrive

**T**he market economy follows cycles. When it takes an unavoidable dive, our counsel is to keep your cool, to be informed then to act decisively and with prudence. In this light, the premier issue of SME Community Philippines for 2009 is dedicated to strategic thinking for business survival and future growth.

Featured on the cover are two of the most respected figures in the Philippine business seminar circuit. Marketing mentor Josiah Go, proponent of the Market-Driving Strategies approach; and motivational guru Francis Kong, whom many of our readers have had opportunity to meet under the auspices of the Plantersbank SME Speakers Series, were more than happy to share the secrets for successful leadership and managing breakthroughs toward the New Prosperity.

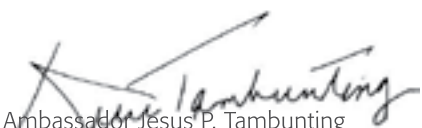
In his essay on “Dull Moments,” contributor Herbie Sancianco reflects on life’s little blessings and the virtue of hopefulness, as entrepreneurs and industry leaders buck conventional wisdom in a forum about approaches to staying ahead in a crisis.

From Bucharest in Romania, blogger-entrepreneur Cristian Dorobanțescu pitches the guerilla approach to marketing for small business, while sales trainer Adrian Miller uses the Sleeping Beauty analogy to drive home the point that businesses cannot afford to remain passive during the current slump.

Of special interest is the new section featuring champion climber Miel Pahati and triathlon coach Melvin Fausto, whose extreme approach to sport provides valuable lessons for entrepreneurs who find themselves in difficult situations.

Because ‘knowledge is power’ and ‘luck favors the prepared mind’, this magazine is committed to delivering strategic knowledge and practical models to enable you to realize personal independence and prosperity, and to seize the new opportunities as they come.

Enjoy this magazine and good luck!

  
Ambassador Jesus P. Tambunting  
Chairman and Chief Executive Officer  
Planters Development Bank

## STAFFBOX

### ■ SME PULSE

**Q** : What kind of changes will you implement in your business due to challenging times ahead?

**A:** My wife and I run a bakeshop. We are gearing towards training multi-tasking employees and a leaner organization. Overhead costs will always be a factor during these times. On the other hand, we need to set up more small stores in different areas. One store in one area will only give you this much average sales per month, beyond which it cannot grow much.

People look for our products but if our store is too far from them, they will not buy. So we have to bring our store nearer to them. Somebody said, "Build it and they will come."

*Meo, owner of a bakeshop*

**A:** As the international crisis spills over to Asia, many Filipinos will lose their jobs, affecting demand for many goods and services, food products included. Our company distributes chicken products, and we expect to be affected by a slowdown in demand. Although the A market's food spending would be relatively stable, the B, C and D markets will probably be spending less than the usual for fresh food products.

Changes will have to be implemented to enable us to weather this crisis. First, we aim to augment demand and profit margins by adding low-cost products and profit drivers to our current product mix. Second, we have to streamline operations to cut costs and eliminate pilferage.

*Marc, poultry distributor*



**A:** Unfortunately, the international financial crisis will inevitably affect our school.

Many parents work overseas to finance their children's education. If they lose their jobs, the children may not be able to continue schooling.

Our school intends to implement the following changes:

- \* Strive harder to obtain donations from benefactors so that we may accommodate more scholars.
- \* Strive to maintain tuition cost near current levels.
- \* Strive to reduce operational expenses by conserving electricity and water, and recycling materials (used posters, scratch paper) used for teaching aids.
- \* Be proactive and more aggressive in marketing the school and increasing student population, rather than just relying on word of mouth (as we have done the past years).
- \* Strive to improve facilities, develop curriculum, and enhance faculty competencies to encourage more parents to place their trust in us.

*Melanie, School Directress*

## EDITORIAL BOARD

### PUBLISHER

Planter Development Bank

### EDITORIAL ADVISER

Roberto F. Banaag

### MANAGING EDITORS

Dennis P. Liuag

Olive B. Ramirez

### ASSOCIATE EDITOR

Therese M. Gutierrez

### CONTRIBUTING EDITOR

Estelle Custodio-Piencenaves

### CIRCULATION

Joy G. dela Cruz

### DESIGN & LAYOUT

Victor Garcia

### PUBLISHING AGENT

Quatro Grafix, Inc.

## GET IN TOUCH WITH US AT:

Corporate Communications Department

12/F Plantersbanks Building,

314 Sen. Gil Puyat Avenue

1200 Makati City, Philippines

Tels: (632) 884-7600 (trunkline)

884-7654 (direct)

Email: [info@plantersbank.com.ph](mailto:info@plantersbank.com.ph)

Website: [www.plantersbank.com.ph](http://www.plantersbank.com.ph)

Join SME Community Philippines

Visit [www.sme.com.ph](http://www.sme.com.ph)

WIN  
THIS!



Send us your thoughts, comments and suggestions through our email address: [info@plantersbank.com.ph](mailto:info@plantersbank.com.ph) before **March 30, 2009**. Four interesting letters will be published and each of the lucky senders will get a **4G USB Flashdrive** courtesy of Intel.



ON PAGE  
**08**

**COVER STORY:**  
**Prepare for the Crunch**

- 04** **HOTLINE:**  
Netherlands FMO, Plantersbank partnership to boost SMEs
- 07** **BIZBEAT:**  
**NETWORKING**  
World Trade Center Club offers SMEs global advantage
- 12** **SME FOCUS:**  
No Tough Times for Tough People
- 14** ■ **OPINION**  
The Dull Moments in Business  
BY HERBERT SANCIANCO
- 15** ■ **TOOLKIT**  
Promoting Safety and Productivity



- 16** ■ **MARKETING**  
Thoughts About Marketing for a Small Business  
BY CRISTIAN DOROBANTESCU
- 18** ■ **SALES TRAINING**  
Sleeping Beauty  
BY ADRIAN MILLER
- 19** ■ **PEOPLE MANAGEMENT**  
The Want-Factor: A Road to Success
- 20** ■ **FINANCIAL MANAGEMENT**  
Money Smart Strategies for credit and collection  
BY FITZ VILLAFUERTE
- 22** **GOOD LIFE:**  
Living on the Edge  
BY ALEX PASTOR
- 24** **REVIEW:**  
**BOOKS**  
The Impact of the Highly Improbable  
BY JOEL SALUD
- 26** **TECH & GADGETS**  
Multi-tasking Machines  
BY EDONG MENDOZA
- 27** **TAX CALENDAR:**  
March - April 2009
- 28** **SMEs4SME:**  
Save Mother Earth — Global Companies Fight Against Climate Change  
BY VERONICA VELARDE PULUMBARIT

## GenSan I.T. firm launches e-biz solutions, eyes Davao market

Skep-Tron Ventures, the foremost provider of information technology-based education in General Santos City, recently launched its new division Skep-Tron Business Solutions (SBS) to provide a wide range of information and communications technology services to companies based in the region and abroad.

Skep-Tron Ventures Inc., which earned acclaim last year by winning the coveted 2008

Entrepreneur of the Year (Juridical Division) in the 4th YAMAN GenSan Awards, unveiled its two websites, [www.skep-tronsolutions.com](http://www.skep-tronsolutions.com) to cater initially to the e-commerce and web requirements of the local industry, and [www.gen-sanexchange.com](http://www.gen-sanexchange.com) to boost visibility of the country's Tuna Capital and

showcase the products of the region comprising the provinces of South Cotabato, Sultan Kudarat and Sarangani and General Santos City.

Lawyer Rey D. Cartojano, chairman of Skep-Tron Ventures will position Skep-Tron Ventures Business Solutions as an "industry bridge" so that students and graduates can be "industry ready" and competitive once hired by local and foreign companies. He envisions SBS as a trainer and provider of world-class skills, in addition to providing talented yet financially handicapped students with needed scholarships. He said SBS

will eventually be an I.T. company principally of ACLC College students and graduates, and will push hard to put General Santos City in the list of top Philippine cities at the forefront of I.T. globalization in the next decade.

SBS is now offering, among others, I.T. services like web design and hosting, content management, radio and TV ads production, print and billboard ads design, programming,



Skep-Tron chairman Atty. Rey D. Cartojano (right) and Skep-Tron president Marjorie Cartojano (fourth from left) receive the trophy and cash prize naming their company the Entrepreneur of the Year during the recent GenSan Yaman Awards. Also in the photo from left are Gen. Santos City Mayor Pedro Acharon Jr., local SME Development Council president Tess M. Pacheco of Plantersbank, and Dr. Rose Acharon.

two-dimensional and three-dimensional engineering design (CADD), computer network design and management, computer-based accounting systems, and security and surveillance systems.

To gain foothold in the bigger Davao market, the investment group of Atty. Cartojano just took over operations of another ACLC company-owned branch in Davao City, and transferred the new school site along MacArthur Highway fronting the NCCC Mall, near Ateneo High School.

## Netherlands FMO, Plantersbank partnership to boost SMEs

The Small and Medium Enterprise (SME) Community in the Philippines can look forward to a boost in services with the affirmation of the institutional partnership between the Dutch government-owned FMO and Plantersbank, the country's largest private development bank.

Netherlands FMO director for Asia Wim J.M. Wienk was in Manila recently for talks with Plantersbank chairman Ambassador Jesus P. Tambunting concerning the strengthening of development finance cooperation, particularly in the promotion of SMEs. The FMO has been a Plantersbank institutional shareholder since 1983.

FMO and Plantersbank formed the Manila-based training and consultancy arm PDB-FMO Development Center to promote global best practices among development bankers and are the co-publishers of UPSIDES, an international quarterly magazine for entrepreneurs and stakeholders in developing and emerging markets.

## Holy Angel University business degrees certified world-class

Angeles City-based Holy Angel University now boasts world standard Bachelor of Science and Master in Business Management degree programs.

The 75-year old institution was granted international accreditation by the United States-based International Assembly for Collegiate Business Education (IACBE) following a rigorous certification process.

The IACBE recently commended Holy Angel University for its dedication to excellence in business education and rounded efforts to prepare today's students for tomorrow's workplace.

## SME finance facility for water services to poor communities urged

Plantersbank chairman Ambassador Jesus P. Tambunting said the Philippines is in urgent need of a sustainable finance strategy to enable small community-based utilities to deliver drinking water and sanitation facilities to urban and rural poor areas.

Plantersbank chairman Ambassador Jesus P. Tambunting said the Philippines is in urgent need of a sustainable finance strategy to enable small community-based utilities to deliver drinking water and sanitation facilities

to urban and rural poor areas.

Ambassador Tambunting made these remarks at the recent Regional Water Finance Forum in Manila, sponsored by the Association of Development Finance Institutions in Asia and the Pacific (ADFIAP) and the USAID's Environmental Cooperation-Asia (ECO-Asia) to tackle barriers and constraints to the expansion of water utilities for the poor. The forum was attended by bankers, water industry officials, NGO leaders and development



fund managers from over a dozen South Asian and Southeast Asian countries.

The coverage by large, well-funded water companies is limited to a few developed areas in Asia, according to Ambassador Tambunting. Getting water supply to the bulk of the population can be

done through micro, small and medium-scale water companies around the underserved areas, he said.

To encourage small water businesses in this task requires specialized water financing facilities and the promotion of standards and best practices to ensure these utilities remain bankable.

## Dagupan SME wins Social Entrepreneurship prize

Jimmy T. Abalos, Entrepreneur Academy Award for Social Entrepreneurship winner and owner of Pangasinan-based JTA General Services (JTAGS), Inc. certainly knows his way around the business.

Before making a name in this competitive field of building maintenance and repair services, the 43-year old from Dagupan City had his share of scrubbing floors and washing windows as a janitor-custodian to earn his way through college. One of his first jobs after graduation was to pass out sales flyers and do product

presentations as a promoter.

According to Jimmy, his boyhood passion for neatness and belief in the dignity of physical work provided the cornerstones of his company, which caters to a growing list of institutional customers throughout the Northern and Central Luzon regions of the country.

In October 2008, Jimmy received the Social Entrepreneur of the Year Award in On-Stage Ayala – Cebu City where the 1st Entrepreneur Academy Awards ceremony was held by The Academy for Creating En-



terprise, Brigham Young University of Hawaii and the Yamagata Foundation. The award recognized Jimmy's application of practical, innovative and market oriented approach that is providing meaningful employment for locals while promoting best practices and standards in the business services and maintenance industry.

Jimmy emerged as one of eight Awardees among the 159 nominees in this nationwide search to honour

enterprising people whose businesses provide inspiration, exemplify excellence and carry out unique visions that make differences in people's lives.

As its steadfast provider of payroll and other SME financial services, Planters Development Bank through its Dagupan branch, hailed Jimmy Abalos' recognition as well-deserved and proof that the spirit of enterprise and private initiative is alive and well in the heart of Pangasinan.



**Fast Cash for your quick needs!**

**PLANTERSBANK**  
*HandyCredit*

**The fully-packed loan that answers your financial demands!**

- INSTANT CASH LOAN worth P30,000 to P500,000
- INSTALLMENT PLAN CHOICE of 12,18, 24, 30 or 36 months
  - FAST APPLICATION PROCESSING TIME
  - FRIENDLY INTEREST RATES
  - NO COLLATERAL needed

**GET THE UPPER HAND NOW!**

CALL (02) 864-0571 or 864-0567,  
business hours, Monday to Friday.

ENABLING ENTREPRENEURS



**PLANTERSBANK**

*The SME Bank*

Member **MEGAlink**



■ NETWORKING

## World Trade Center Club offers SMEs global advantage

World Trade Center  
Manila at the  
corner of Gil Puyat  
Avenue Extension  
and Diosdado  
Macapagal  
Boulevard  
Pasay City



**S**mall and medium-scale enterprise (SME) owners can enjoy the advantages of doing business globally through membership in the Manila World Trade Center Club, an integral part of a network of over 300 World Trade Centers in 91 countries.

By joining the Manila World Trade Center Club, SMEs in the Philippines can achieve a worldwide presence and gain access to business services and perks to help put them at greatest ease in the arena of international business.

Whether you're in Manila or meeting clients in Milan, each World Trade Center becomes your branch office. This unique concept of reciprocity is passed along to all business establishments affiliated with the World Trade Center Association, making WTC membership your passport to the international business community.

Business advantages that come with membership in the Manila World Trade Center

Club include access to trade information research services; business match-making through the Club's worldwide roster of over one million affiliated companies; high-level introduction to international companies through the World Trade Center Association worldwide; trade promotion for new markets and services; on-line visibility; and participation in international trade missions and trade shows.

In addition to the use of temporary office spaces, meeting rooms and business center support services; seminars on local and global business issues; Club members receive exclusive invitations to trade shows and special events and get discounts in hotel and restaurants.

To avail of these services, contact the World Trade Center Metro Manila – Membership and Member Services Department at telephone numbers (63 2) 551 5239 or 551 5151 local 102 and ask for Rica Bueno. Or you can log on to [www.wtcmnila.com.ph](http://www.wtcmnila.com.ph) and [www.wtca.org](http://www.wtca.org) for more information.



## Josiah Go Marketing Guru

Josiah Go is the chairman and chief marketing strategist of Mansmith and Fielders, Inc., the leading marketing and sales training company in the Philippines. He is also president and CEO of Waters Philippines, the market leader in the direct selling of premium health durable products in the Philippines and Chairman of Noah Ventures, Inc. and Gosingtian Ventures, Inc., both investment companies.

Known as one of the country's most respected marketing gurus, he is considered as one of the most awarded business educators having been recognized as one of the Ten Outstanding Young Men of the Philippines in 2001, and as one of the Ten Outstanding Young Persons of the World in 2002, the first and only Filipino in Business Education to receive this award from the World Jaycees. In 1994, he was recognized as one of the Agora Awardees for Marketing Education by the Philippine Marketing Association. In 2007 he was conferred the coveted Lifetime Achievement Award by the Association of Marketing Educators, the youngest marketing educator to receive this honor.

Josiah is the first Filipino to have completed the Blue Ocean Strategy qualification process in Insead, France and is the first in Southeast Asia to have taught this as a 3-unit, full semester course in a university. His current area of interest is Market-Driving Strategies, the latest marketing concept that helps companies create game-changing innovation by targeting marginal and non-customers in their industry while altering the firm's business system.

He trains and consults with many local and multinational companies and has handled over 500 seminar-workshops. Author of over ten marketing and sales best-sellers, Josiah has taught at De La Salle and Ateneo Universities.

He continues to be involved in various advocacies aimed at youth empowerment and entrepreneurship namely, the Young Market Masters Awards, the Marketing Rescue, the Mansmith Blue Freedom Fund and the MarkProf Foundation.

# PREPARE FOR

---

With the current financial crisis, what are some of the top marketing concerns that companies need to address?

---

Josiah Go: In good times and bad, companies will have to deal with 2 major issues—growing the business, while building the culture.

In bad times, it is more challenging to do both, especially for companies who need to resort to retrenchment. For instance, employees who have been retrenched because a plant has been shut down will feel very differently from employees retrenched because a profitable company decided to protect its profit for the year. Both the implication of growing the business while building the culture will be different in the future.

---

What are some of the effective strategies that companies should use to reach their target market-to get them excited about what they have to offer-at a time like this? What are essential features of a marketing plan designed to address tough times?

---

JG: Companies must be updated with Market-Driving Strategies (MDS), or game-changing innovation that create and capture marginal and noncustomers while re-inventing the firm's business system. Philip Kotler, the father of modern marketing, together with Prof. Kumar and Prof. Scheer, describes MDS as the 4th major type of marketing orientation, after sales-driven, market-driven and customer-driven.

Unfortunately, most companies are still practicing their traditional ways, still trapped in their old paradigm of customer satisfaction, researching customer's needs and brand health via UAI, and utilizing tools like price, sales promotion and advertising that are very tactical in nature.

*continued on page 10*

## Francis J. Kong Inspirational Guru

Francis J. Kong is the president of FunWorks Inc. a member of the Canadian based Mad Science International Group—the world’s number 1 Science educational-entertainment program provider for kids, the founding member and Director of Inspire Leadership Consultancy as well as president of Success Options Publishing Company.

As an entrepreneur, he has an extensive work experience in manufacturing and retail as he help founded a popular clothing company and ran a retail chain for many years.

Francis is an international speaker, trainer and consultant and has been featured in many of the major business conventions and conferences both here and abroad. Averaging some 300 or more talks in a year, Francis holds the distinction of speaking together with Dr. John Maxwell in the country’s largest single learning event held at the Araneta Coliseum.

Francis has been trained by Maximum Impact of Atlanta Georgia and is now a licensed and accredited trainer for world leading programs. He is also licensed and accredited in London by the Ziglar World Training Company for the Ziglar High Performance Presentation Skills, Success and Sales Programs.

Francis is a broadcaster and hosts a daily radio program entitled “Business Matters” heard nationwide. He is also a columnist for the Saturday and Sunday Business Section of the Philippine Star and has authored 11 books.

Francis Kong was featured lecturer on the topic of “Leading Through Difficult Times” during the first Plantersbank SME Speakers Series.



# THE CRUNCH

by Divina Solano

---

With the current financial crisis, what are some of the major concerns that SMEs need to address to register positive business growth?

---

Francis Kong: First is the awareness that the situation today is no longer the same. Business is not as usual. To inform people all through out the organization as to what is happening in the industry and in the world.

---

What skills and values should effective SME managers and business leaders possess at a time like this? Recognizing that economic dips are part of the economic cycle, how can business leaders improve their odds of surviving in order to be able to thrive later?

---

FK: SME Managers and business leaders should be able to communicate well but likewise should be an effective coach at this stage. Presenting strategies and hope that this temporary setback may be difficult but normalcy would one day come back.

---

What kind of employee-employer dynamic is necessary? How can employers continue to motivate their workforce? What sacrifices need to be made?

---

FK: Honesty and trust is most needed at this stage. Employers should not take advantage of the current economic situation to overwork and underpay people. Neither is it a good idea to declare that times are hard and everyone should sacrifice and then buying a brand new BMW! “Ev-

*continued on page 11*

Instead of focusing on customers, firms must now add another dimension, which is to focus on marginal and noncustomers, this is where Market-Driving Strategies come into the picture, as it expands the horizons of the firm's marketing strategy on a strategic thinking level.

---

**How can businesses continue to survive and even thrive when their market is not growing? What successful models can we look at?**

---

JGo: Let us look at 2 specific cases – one is U.S.-based while the other is local.

**Successful Market-Driving Strategies can be found in these 2 companies**

- Minute Clinic – instead of doctors treating common ailments of sick patients, it is nurse practitioners taking over the doctors' role. Instead of treating all types of diseases, it limits diseases into common family diseases. Instead of high price, prices are published in a menu that is a small fraction of what doctors or emergency rooms would normally charge. Instead of long queue and appointment in doctor's office, a patient walks in and out within 15 minutes. Instead of doctor's office, it locates itself beside CVS drugstores. Instead of following doctor's weekday office time, it is open daily. As you can see, instead of pa-

tients doing self-medication or consulting their parents or friends, new demand is created by those who want faster, cheaper health services without compromising quality, something co-founder Rick Krieger envisioned as he experienced 2 hours of waiting time when he had to bring his son to the doctor's office before.

- Belle de Jour Power Planners -- instead of boring planners, Belle came out with multi-color, design-oriented planners for the "fashionista" women. Instead of showing dates, it expanded into a 2-in-1 planner plus discount coupons allowing BDJ girls (Belle's customers) to have the lifestyle they want. Instead of mere profit-orientation, it supports women advocacy. Instead of a commodity, it created an online community and supports the community with various regular activities. The result is 50,000 planners sold in 2008, a good output for a relatively new brand created by then 24-year entrepreneur Darlyn Ty who thought of the idea, despite the increasing popularity of digital planners, because she couldn't find a planner she likes.

In the above cases, it is important to cite that while it is indispensable to know barriers, irritants, disappointments and annoyances (what is termed "BIDA" in Mansmith and Fielders, Inc.), vision is an equally important component in Market-Driving Strategies.

---

**What is the best way to promote entrepreneurial thinking in one's company?**

---

JG: A firm's infrastructure— leadership and culture, structure, systems, reward and people must be aligned in order to help its ease and smooth execution of plans, otherwise, game-changing strategy will remain only in paper.

---

**For those who would like to venture into business during a financial crisis, what main considerations should they look at?**

---

JG: People going into business must have a positive, realistic attitude. They must look into cost-benefit of various alternatives instead of being carried away with ego or emotion. I know of one entrepreneur who fell in love with an idea, got into a new business, but failed to have clarity of his options before entering the business. At the end of the day, while revenue was there, the venture lost money as cost was higher than benefits. What a bad way to start a business!

---

**Which types of business or areas are more viable or likely to succeed at a time like this? Does the crisis actually pose opportunities that we can take advantage of?**

---

JG: I shall subdivide this into 4 types:

1. Clients trying to reduce fixed cost and/or cash outflow associated with economic downturn. Try outsourcing services (tempos, debt collection), leasing and the likes
2. Clients affected with economic downturn. Try money lending, mass-based spa, network marketing and the likes
3. Suppliers with good value proposition that can create new demand. Do as Minute Clinic and Belle De Jour planners.
4. Suppliers with natural continuity that can maintain demand. Basic commodities (but the key is to control cost, have good brand and/or customer relationship)

---

**The Philippines as well as the rest of Asia seem to be less affected by the recession compared to the US and Europe. What opportunities are particularly available to the Asian region, especially our country?**

---

JG: In the Philippines, we have many times been in crisis so another crisis is something we are

quite used to. If you recall, the Philippine government has raised taxes and tightened financial regulations in the past so the government is not in bad shape as before and not as bad as others.

The Philippines can continue to take advantage of its competitive advantage in manpower supply and outsourcing services—an English-speaking nation of competent, creative and religious people with comparatively cheaper labor cost versus the west, but we must continuously improve our productivity, efficiency and competitiveness, in order to expand coverage of this sector and fully exploit this distinctiveness.

---

**Various entrepreneurs attribute successful enterprise to a single factor. There are those who say it is PASSION. Some point to PURPOSE (doing the right thing). Some say PROFIT propels (your business can't continue to do good unless you are able to do well). Others say it is POWER (to help improve lives through business) that enables success. Which is the factor that you think Filipino entrepreneurs attribute their success to? Which is your personal choice?**

---

JG: A lot of Pinoys are religious-type—you always hear them say something like "I give back all glory to God" or "Thank you Lord", so shouldn't you include the power of prayers? In the last Asian Crisis of 1997-1998, AIM professors Jose Faustino, Dr. Ned Roberto and I published a book for the Philippine Marketing Association, entitled "Marketing in Good Times and Bad" and discovered prayer as the 10th key factor among successful entrepreneurs and marketers. I personally believe there is no single factor for success, like a chef will tell you that all ingredients are needed to make a good dish, even if you need more quantity of an ingredient than the others.

---

**What role does "luck/ chance/ happy circumstance" play in success?**

---

JG: Many times, people would blame bad luck as the cause why projects failed. I believe that while luck may play a part (although I would rather call it God's will), it is either poor strategy; poor execution, or both, that will spell the downfall of a project or an enterprise. **SME**



erybody sacrifice" means the sacrifice starts with the top.

What strategies should businesses employ to effectively address the major concerns?

FK: Cost cutting is a given. But nobody shrinks its way to greatness. What is needed is to review, revisit, repeat...practices that worked. Visit more customers. Upsell, ask for more referrals and simply add more service and value in protecting the relationship with the customers.

How can businesses continue to survive and even thrive when their market is not growing? What successful models can we look at?

FK: It is extremely difficult to survive in a sunset industry unless your products or service is distinctively better than your competitors and though the industry may not be growing as long as you control the major part of it then you will still be all right. Case study. Garments manufacturing is sunset industry, while many brands are going through difficult times, the top 2 brands continue to dominate and grow as they control the major chunk of the market. Innovating continuously and aggressively marketing their products while their competitors are folding up.

For those who would like to venture into business during a financial crisis, what main considerations should they look at? What types of business or areas are more viable or likely to succeed at a time like this?

FK: Service...service...service.... Rarely can one make money in manufacturing especially if their products have their China equivalent found in "168!"

What is the new prosperity? How do you recognize opportunity?

FK: This is taking advantage of the current difficulty in repositioning, reformatting, renovation and innovation to prepare the business for the recovery. The new prosperity means sensible, practical, healthy mind-set approach to doing business avoiding wastage

and focusing on what is important.

How can entrepreneurs continue to pursue the goals they set out to reach before the crisis began?

FK: Determination, extra hard work and a continuous search for new information and new learning. The willingness to hire professional hands to handle their businesses.

The Philippines as well as the rest of Asia seem to be less affected by the recession compared to the U.S. and Europe. What opportunities are particularly available to the Asian region, especially our country during these difficult times?

FK: We learned our lesson in 1997. But mostly because we have never been that high up the economic development scheme. We may be hurt but not as hard as those who are already high up there since we have always been down here.

Various entrepreneurs attribute successful enterprise to a single factor. There are those who say it is PASSION. Some point to PURPOSE (doing the right thing). Some say PROFIT propels (your business can't continue to do good unless you are able to do well). Others say it is POWER (to help improve lives through business) that enables success. Which is the factor that you think Filipino entrepreneurs attribute their success to? Which is your personal choice?

FK: The following items are needed: Competence. Character. Consistency. And a determined approach to wanting to improve and do better. To add more value to the customer. Filipinos are very good in relationships and should do all things to protect it.

What role does "luck/ chance/ happy circumstance" play in success?

FK: Luck favors the prepared! **SME**

# Luck favors the prepared!





# No Tough Times For Tough People

Small and medium enterprises are in for a serious test. For Filipino entrepreneurs, whether the recession in the United States and other trading partners heralds a global economic depression is beside the point. What matters is how creative SME owners can get in steering businesses to perform better and smarter under tighter conditions.

## BUSINESS IS CYCLICAL

Pasig-based graphics designer Miles Po didn't allow herself to be caught off-guard. She had long decided to pursue a deliberately prudent approach to managing her firm.

"Business is cyclical and entrepreneurs should always buffer for downturns," she says. While she is not averse to taking risks, she states that entrepreneurs "cannot go wrong by being conservative with their money."

General Santos City Chamber of Commerce and Industry president Jan Ced says the impact of the recession has

yet to be felt in the country's tuna fishing capital. The performance of the market over the next three months—whether or not buyers become apprehensive about increasing inventories of various Philippine exports—will determine the prospects for the rest of the year.

Rommel Juan, president of the Association of Filipino Franchisers, Inc. (AFFI) and the Binalot Fiesta Foods chain believes brands that continue to advertise during an economic crisis stand the better chance of surviving the storm. These companies can expect a better market position when the economy improves.

Meanwhile, Maria Theresa S. Pacheco, president of the Small and Medium Enterprise Development Council, Inc., in General Santos City feels companies should make smart choices, not sacrificing their capacity for future growth by engaging in indiscriminate cuts in business spending.

Ruperto P. Alonzo, director of the Institute for Small Scale Industries of

University of the Philippines in Diliman expressed apprehension over the tendency among employers to slash jobs. "For companies with substantial investment in training and skills development, job cuts may not be a good idea," he says. "It may be difficult to get the workers back when the market picks up again."

## FEAR IS THE ENEMY

International financial experts are saying that the world economy will begin to rebound by 2010. So, the next two years will be crucial for SMEs to marshal their resources and strengthen themselves. Mr. Juan exhorts companies to overcome fear, adapt to the situation and subscribe to the attitude of 'What doesn't kill you will make you stronger.'

To improve survivability, SMEs should reinforce core strengths while keeping an eye out for new opportunities. SMEs can be more creative in production and marketing strategies. "Binalot, with its 42-strong store network, will positively utilize its economies of scale to provide

## *“SMEs should continue to invest in marketing even in tough times.”*

the perfect product to budget and value conscious customers,” says Mr. Juan.

If the operations of large retail chains and banks serve as an indicator, then “SMEs should continue to invest in marketing even in tough times,” according to Ms. Po. “Entrepreneurs must not get carried away by the atmosphere of fear and pessimism. First, rein in emotions; get the facts straight, before you act.”

Ms. Pacheco says cash and receivables matter more during the tough times. This is the best time to do a quality check on the customer base and develop an iron will to drop the high-risk, cash-poor accounts.

ISSI’s Alonzo is of the same mind and advocates searching for markets “that have not been heavily affected by the crisis, e.g., the Middle East.” Pursuing specific market niches can be adopted as a mitigating strategy. He cites that some new businesses are actually flourishing, such as business process outsourcing, as firms in developed countries look for ways to cut on costs.

### CRISIS AND OPPORTUNITY

Yet private efforts alone will not ensure success without collaboration with stakeholders.

Ms. Pacheco says SMEs need to communicate intensively, with their customers, suppliers, employees, bankers and peer companies. “Your suppliers, customers and employees know how tough it’s going to be,” she says. “Explain your plans and seek advice for mutually beneficial ways to weather the period.”

Mr. Alonzo thinks the duty of government is to foster a sound macroeconomic environment – stable price levels, interest rates and exchange rates, low open unemployment, sound fiscal position, and reasonable economic growth. “There should be minimal government intervention in specific markets, but there should be a consistent and transparent regulatory framework in strategic sectors like banking and insurance. Private organizations, on the other hand, should focus on identifying ways of improving the productivity of its member firms.”

“The private sector should dialogue more often with government to achieve the same goals,” according to Mr. Ced. “Development initiatives should come from both parties, not only for their individual good, but for the whole community.”

“If the government has a program to pump prime the economy, they should be efficient in the planning, funding and implementation of such program,” Mr. Juan maintains.

“Private companies should increase their productivity, while not compromising their credibility and integrity. They should not cut corners to make a profit. These companies should understand the hardships being experienced by the Filipino people. They should be committed to serving the people in the best way possible.”

“Crisis brings out the best in the entrepreneur,” Ms. Po says. “It should make us more creative. The tough times offer us the opportunity to do better.”

### ■ FAST FACTS

# 3,327,855

TOTAL JOBS GENERATED BY MSMEs  
IN 2006.

# 3.4 million

THE ESTIMATED NUMBER OF JOBS  
THAT SMES WILL CONTRIBUTE TO THE  
LOCAL ECONOMY BY THE YEAR 2010.

THE GROSS VALUE ADDED  
MEANWHILE IS PLACED AT

# 40 percent,

OR EIGHT PERCENT HIGHER  
FROM THE PREVIOUS GVA.

AS OF MARCH 2008, GOVERNMENT  
HAS EXTENDED LOANS AMOUNTING  
TO MORE THAN

# P126 billion

TO MORE THAN 80,000 SMALL AND  
MEDIUM-SCALE BUSINESS OWNERS.



# 7.7%

OF BUSINESS ENTERPRISES  
OPERATING IN PHILIPPINES ARE  
SMALL MEDIUM ENTERPRISES.

# 89.1%

SHARE OF SMES IN WHOLESALE,  
RETAIL, MANUFACTURING AND  
PERSONAL SERVICES.

Sources:  
Philippine Daily Inquirer and Department of Trade and Industry

## The Dull Moments in Business

An unprecedented global economic meltdown is certainly in the making and many are at the edge of their seats worried by what this might bring for Philippine business in 2009. Successive reports of business shutdowns across the continents are enough to give hardened business magnates their share of sleepless nights.

The phones in the office are mostly quiet these days. The long pause between calls reminds me of the dreadful calm in the eye of a storm. So I try to get through to clients and prospects whose business cards I collected in the past year. I find out that half the names cannot be reached, many have their secretaries doing a good job screening calls like mine. Reaching people by mobile phone is just as frustrating. Obviously if the incoming call number is unfamiliar, they choose to ignore the call or your text message asking permission to call.

Companies like mine have to thank loyal clients for continuing to provide business. Now, like other SMEs, the big challenge is to get clients to pay on time. When times start getting tough, every account that goes uncollected because it was overlooked or not properly followed up adds to the vulnerability of your company cash flow.

While waiting for the checks to come in, I find comfort in keeping myself busy with business forecasting exercises for particular clients. There's a catch with this exercise. You see, forecasts don't work if the client cannot commit to a sales target. And the alternative is to provide a benchmark using the sure-footed income of similar customers. If the com-

pany's projected gross revenue does not reach break-even, then the difference will become the basis for the year's business development program.



© Ruthblack1Dreamstime.com

By June, I will have to review the financial position of this client's business. If the company manages to break-even, the next question is whether the company will manage the same or fare better the rest of the year. If not, then a responsible consultant will have to make the painful recommendation of more cost cuts, including letting staff go. If that has already been done, will the owner consider closing shop?

To console myself, I read the business news and trawl the internet for information about the competitive prospects of the industries and markets where my clients are in. I certainly envy those companies that have brag rights of success. How I wish they were in my stable of clients so I could ride on the coat tails of their success!

The international business news-wires estimate that the United States



Herbert M. Sanciano has over 20 years of experience in advertising, marketing and sales operations. He owns and manages Market Bridges, Phils. Inc., a full marketing services company, with offices at 11-0 Burgundy Corporate Plaza, 252 Sen. Gil Puyat Avenue, Makati City. The author can be reached at mbpidmbc@i-manila.com.ph or at Tel: (63-2) 886-4122 to 23.

economy will take two to three years to correct. The rapid loss of jobs busts the myth of the United States as the land of milk and honey.

My appreciation of an economic depression only comes from the television documentaries and books about the Great Depression that followed the Wall Street crash of 1929. And so I ask myself, whether this country will also experience an economic depression or its milder version, a recession? It is virtually a question of being in hell or in purgatory. According to Catholic theology, those sent to purgatory—in this case a recession—still get a shot at salvation.

I am thankful that my wife still has a job and just may be able to keep it while the economic difficulty runs its course. She and my daughter in Singapore provide a lifeline through tougher times. Indeed, in the Philippines, strong family ties enable SMEs to weather storms.

Finally, there is Divine Providence. Prayer offers consolation and comfort. And, there is the lucky chance. Notice how during times like this people are more likely to gamble a little, to play the lotto or join a supermarket raffle promotion that offers the million peso grand prize? Whether it is doing business or the sweepstakes, luck does play its part. And, luck favors those who are prepared.

The business day is almost over and another week has come to a close. I am shutting down my computer and preparing to go home. I try not to dwell on the dull moments of business, instead keep a hopeful pose that the Year of the Ox will offer better days.

## Improving productivity and safety boosts profitability

**P**roductivity, organization, safety and profitability go together. Consider the delays in production because an important component or replacement part could not be located. Or, think about the consequences caused by a stray object getting caught in the machinery, and worse, causing injury to someone on the assembly line? Have your neighbors lodged complaints against your company because of the traffic problems caused by suppliers or delivery vans on the street leading to the plant?

Poor schedules, safety issues and missing materials are among the leading causes of delay, penalties and waste that over time add up to significant loss for the company. Here are some good manufacturing practices that can improve your workplace safety and productivity.

- Enclose machinery in fiberglass to protect operators.
- Provide properly marked danger lines and hazard warnings around machinery.
- Install highly-visible and durable warning tags on machinery and equipment.
- Install signs detailing operating instructions on machinery.
- Improve lighting in work areas. Better lighting contributes to better productivity and safety.
- Install Communication Boards so operators know their performance and assignments.
- Paint floor areas in bright colors

to make it easier to spot items that have fallen from machinery or the assembly line.

- Install flow direction indicators to guide work flow and traffic in the plant and compound.
- Install system of lights, bells or buzzers to signal start or end of operations, or for emergencies.
- Indicate entry and exits and provide visible floor plan on the shop floor.
- Use transparent bins for finished output or rejects to ease monitoring of contents.
- Ensure operators wear personal protective equipment like goggles, face masks, head guards, gloves, safety shoes and harness necessary for operations.
- Establish Eyewash Stations in an easily accessible area in which

employees may flush their eyes with water in the event of an emergency.

- Establish First Aid stations and provide appropriate signs and medical kits.
- Use Shadow Boards and Identified Equipment to make looking for and replacement of tools quick and easy. Shadow boards contain the outlines of designated tools to show where they should be stored. Such visual controls create consistency and repeatability, which helps standardize a process. All employees know exactly what goes where and how it can be easily located.
- Schedule regular maintenance shifts during downtime so production shifts are not interrupted.



## Thoughts about marketing for a small business

**H**ow many of your purchasing decisions are made following some sort of marketing? I'm not necessarily talking about the discounts/advertising kind of marketing. But if you think about it for a couple of moments, I would say that 99% of your purchase decisions are based on the feelings/knowledge about a product created by marketing. Even if you don't buy following a commercial, how do you choose your car brand? Let's say you are interested in reliability. Then, you will get a Japanese one because you know they are reliable. And how do you know that? Not from advertising (because I don't remember them saying they are reliable in a promo) but from word of mouth, positive reviews, or maybe previous experience. Marketing.

How do you choose your bread? You pick organic, not necessarily because that particular brand is advertised, but because some smart marketing guys created a sense of "organic is better". Marketing.

Toilet paper. OK, you might pick one based on texture, but then again, the texture has been created one way or another because marketing said there is a potential market for it, and that's what people want. Marketing.

But if everything relates back to marketing, how does a small entrepreneur carry out marketing on a very limited budget? Everything goes to expenses, paying employees or rent. Marketing is the first item in the budget that gets cut because "(the business) can live without marketing." Or can it?

The thing is when I started my company 4 years ago I did not have a marketing budget. My marketing expenses came down to a few business cards and some stationery. Still the business brought in nice customers. And that's because you can do zero-budget marketing. Of course it might take longer to get results, but you can do good guerilla marketing if you are small. Besides, not everybody wants to be the next Microsoft, so you don't really want national (or international) expo-



CRISTIAN DOROBANDESCU is a part time entrepreneur based in Bucharest, Romania. He enjoys writing about real life Entrepreneurship experiences, small businesses and knowledge resources for any entrepreneur wanna be. Besides blogging, Cristian Dorobantescu is an International Sales professional, dealing with business development, affiliate marketing, online sale and distribution for software products. He is also a partner of the In PProgress Media Shop and PR Agency. Read more articles by Cristian Dorobantescu at: [www.entrepreneur-interviews.com](http://www.entrepreneur-interviews.com)

sure. At the lowest level, marketing can be sales support.

### THINGS TO CONSIDER

Before getting to the actual marketing/promotion stuff, there is one thing to consider that will impact on your business model down to the ways you promote your company. That's choosing a niche, the right niche.

The common mistake among small entrepreneurs is to believe that the company is able to do anything. So, they think marketing to a broad, mass market is the best way to get customers. In the first days of the business, the small entrepreneur becomes desperate for customers that they think any customer will do. Unfortunately this wide approach is what big companies—not the small ones—can afford to do.

### EXAMPLES:

Let's say you have a small PR company. Does this mean you should automatically take any PR job? If you think yes, and imagine that BMW hires you to do a car launch in Europe. This means press contacts everywhere, and all that stuff that goes into an official launch. Do you still think that your company could pull this off? You better pick a smaller niche, like doing PR for second-hand car dealers, which is a narrow niche. It's easier to make your name as the PR company for second-hand car dealers. Once you have grown enough and with this portfolio, maybe you could approach BMW and make PR for their used cars. And that's way more viable.



© Nruboc | Dreamstime.com



© Arekmalang | Dreamstime.com



© Devonyu | Dreamstime.com

## GUERRILLA MARKETING FOR A SMALL BUSINESS

Word of mouth is for a Small Business the Holy Grail. It doesn't cost you money, it gets directly to the potential customer and even more, it's more credible than the traditional advertising.

**Word of mouth** can be obtained in more ways, but the most important ones are:

- Getting influencers to talk about you
- Providing an excellent service to your regular customers

Influencers are people that can talk about your business and a lot of other people will take their word for granted and choose your products. If you are wondering where to find these influencers, well, besides the public ones like industry leaders and such, any of your customers who can spread the word about your business can be an influencer. They are usually people with lots of connections, or maybe they work for known companies or have a personal brand of their own. For example if you have some products for the racing drivers, who is most likely to create a trend? They are the champions or someone with charisma and a lot of fans. You will get

to find the influencers in each domain, don't worry, they are easy to spot.

Providing excellent service to regular customers works in the same way. Happy customers bring more business. In fact, they will wait for an occasion to give you more business, because people want to be treated well, they want to feel good. Being treated well and feeling well creates dependence. It's like chocolate. The easiest way for customers to experience that feeling of wellness is to give you more business and to receive excellent service in return.

**Adding a few important customers** to your portfolio is very good for a small business. Of course, such accounts are hard to get, but maybe you could provide them with services free of charge (that's what comes first to my mind, but there are other ways as well). This will get your business under their radar, and provide a good start to get them as customers. Of course, getting a big name in your portfolio doesn't mean you solved the marketing issue for your small company. You will have to find ways to leverage this in even better exposure.

If getting a big customer name in your portfolio is difficult, **getting the press to**

**talk about** you is even harder, mostly because journalists are paid to get interesting news to increase readership. But what could your small business produce so it's interesting enough for the press? There are a few tricks. Here is one: donate something to child aid. You will get to help children and that could be the news that journalists would like to have. Or maybe you could even donate something from every product sold? Hm, that might help sales directly as well.

As a small business entrepreneur, one of your tasks should be networking. It can be official business **networking** like going to tradeshow and conferences or maybe casual networking. I know, I know, usually when you have a small business, you get overwhelmed with things to do and time is scarce. But still, one of the biggest mistakes you could do is becoming a solitary wolf in your basement! Get this: business is done many times on personal criteria. Sometimes is not important what you do, but who you know, because that man that you met at the conference, might just like you personally enough so when a purchasing decision is made, your product is picked even if it's not the best one.

After you've chosen your business niche, then there are 2 phases to consider:

- **First phase:** get people to hear about your business (see box). It doesn't matter how, and sometimes is not very measurable. But each person that hears your business name is an asset.

- **Second phase:** conduct measurable marketing actions that translate into sales. At this point, you should have targets (i.e. number of new customers) and measure everything. Because even if a marketing action feels like a good thing to have, don't forget that the ultimate goal is to facilitate sales.

There are more marketing activities that you could pursue if you are a small business owner but don't have a real budget for it. Most important, you should work first on the mindset and start thinking that small businesses should do marketing even without a budget. Doing marketing for a small business isn't simply a "build it and they will come" affair.

## Sleeping Beauty

**W**hen times are tough, it's easy to fall into the trap of unwisely hoping that a fairy tale-like customer will miraculously save the day and bring you business on a silver platter. Who wouldn't like a prince of a client to ride up on a white horse and sweep them away from a slumping economy and faltering sales? Unfortunately, only in a Disney movie does sleeping beauty live happily ever after.

In the real world, passively waiting for clients to court you and give you business is a sales strategy doomed for failure. Regardless of how great your product or service is, you need to remain proactive in good times and bad if you're going to make sales and achieve the success you truly want.

If you're guilty of being a sales sleeping beauty, it's time to wake up and start concentrating on the following:

### PROSPECT WITH ENTHUSIASM

Prospecting should always be thought of as a priority in your schedule. Don't wait until you've finished everything else to begin this absolutely essential part of business development. Allot yourself a certain amount of time each day for prospecting and focus your efforts on obtaining scheduled appointments to present your offerings. Drop-in visits are rarely successful. Instead, make appointments for when you aren't an imposition on your prospect's time, and don't forget to confirm via phone or email beforehand.

### MANAGE YOUR DATABASE WITH DILIGENCE

There is simply no excuse for not using technology to your advantage. Database software is easy to use and provides you with a wealth of tools to keep track of your sales prospect information. Everything from birth date to business details can be efficiently maintained to enable you to be a thoroughly-informed, incredibly capable salesperson.

### SELL SMARTER

Stay on top of not just your company's offerings, but your competitors' as well. Have benefits and features at the tip of your tongue. Keep track of industry trends and events. Continuously put yourself in your customers' shoes and develop a profound understanding of their needs

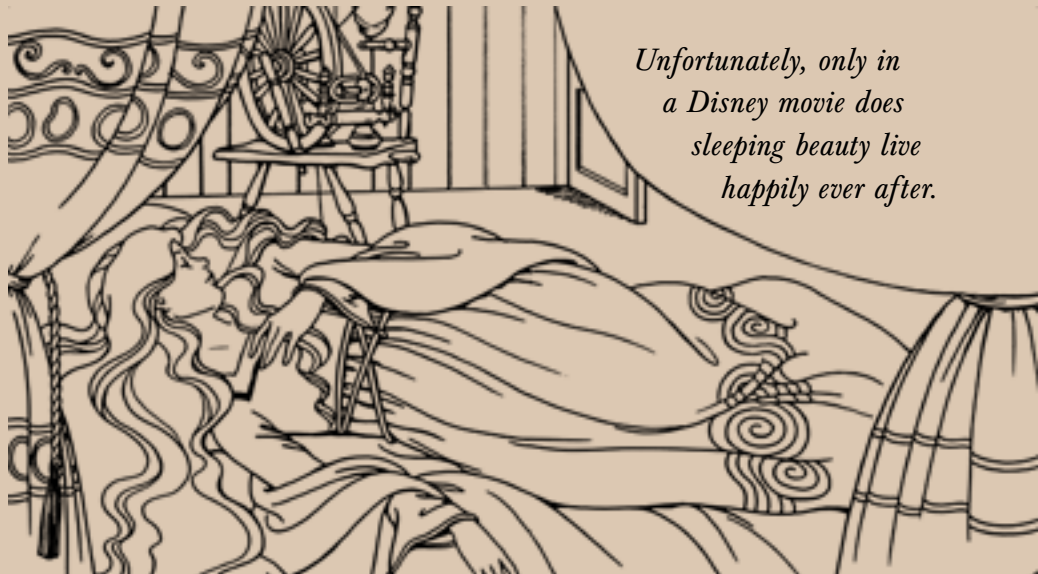


Based in New York, Adrian Miller is the president of Adrian Miller Direct Marketing, a sales training and consulting company that provides customized, results-driven training programs to companies worldwide. AMDM's programs focus on the techniques and skills needed for building new business and retaining existing business, resulting in increased 'ROA' (Return on attention). She can be reached at [amiller@adrianmiller.com](mailto:amiller@adrianmiller.com).

and wants. Basically, be smart and prepared for answering a wide variety of questions, objections, and inquiries from your prospects.

### NETWORK STRATEGICALLY

Networking is more important than ever. If you're not utilizing online and face-to-face networking opportunities, you're basically handing business to your competitors. Now is the time to realize the true value of staying connected both within and outside of your industry. Generously provide leads to others, and don't make assumptions about leads that are provided to you. Often times, those who appear to be the least likely to give you business are exactly the ones that end up surprisingly you with the biggest sales.



*Unfortunately, only in a Disney movie does sleeping beauty live happily ever after.*

## The Want-Factor: A Road to Success



It's a want-centric world. Right after basic needs are met, people's wants come in close second. As complex as the facets of a human being are, so are his wants. It comes in a kaleidoscope of colors in varying hues - different strokes for different folks. While others like recognition, some vie for more money; some would like freedom, while others look for greater success. It is this same want-complexity that finds its way into every business, big or small — a potent factor that may very well spell business success.

The single biggest motivator of people, want helps build a healthy enterprise. To understand why, remember that your business is not about you — that is old school teaching; your business is about your partners — your employees. Discovering and helping satisfy the needs of your partners show them that you care for their welfare and well-being. In turn, your partners will become more receptive to your business' needs; as they say in the industry: "No one cares how much you know until they know how much you care." So true.

Small and Medium Enterprises have a greater leverage compared to big companies in this want arena. SMEs may well be able to take into account the wants of its partners; its proprietors may likewise be able to take an active part in helping grant the wants of the team — an added value to employees.

Therefore as a proprietor of an SME and a serious enterprise builder, the key to helping your partners achieve what they want, is to learn how to customize — your teammates should get exactly what they want. As wants vary, know what each individual wishes to get. It may be a simple pat on the back, a thank you note for a job well done or the much awaited salary raise. Helping your teammates see their wants come true not only shows them how receptive you are, it also gives them merit for a job well done.

So you already know what your partners a.k.a. employees want. What now? Knowing what your staff does not like also matters in the business. Put in mind that as bloodlines of your company, they play a formidable part on how the company takes shape. Not only is it a matter

of knowing what they want, as the head boss, you should also know what irks your employees.

The fact of the matter is, what your partners do not like is to be treated as employees — they already have their uniforms to remind them of that fact every single day. Try to balance the act of moving them from a transition of employee mindset, to an entrepreneurs mindset, from a dependent business worker to the independent business owner.

In the long run, you will be able to cultivate dedicated partners whose hearts are for the greater interest of the business. Theodore Roosevelt said it well: "The most important single ingredient in the formula for success is knowing how to get along with people."

Being sensitive to what they want paves the road for a much better understanding of who your employees are and giving in to what they want truly has an attractive repercussion.

---

By Therese M. Gutierrez  
Resource Book: Quain, Bill. B2B Means Back to Basics. Inti Publishing:USA, 2001.



## Money Smart

### Strategies for credit and collection

BY FITZ VILLAFUERTE

**L**everaging on credit is a practice that entrepreneurs and business owners are familiar with. We borrow money to fund our business ventures and conversely, we give payment terms to our customers to get more sales and foster a better relationship with them.

But in light of the recent global recession, effective credit and debt collection management for businesses has never been more important. There's a need for us to be more conscious and conservative when acquiring loans and buying on credit. Furthermore, a more meticulous evaluation of our client's financial standing must be done before extending credit to them.

When it comes to credit management, what are the things that small business owners must remember to avoid missing payments and incurring unnecessary interest charges and fees from their loans and credit? Here are some tips:

#### **Don't use your personal credit cards for your business expenses.**

While most small business owners use their personal credit card to cover for business expenses, it's smarter to apply for a separate business credit card for such purposes to prevent your personal credit score from getting affected when payments from clients get delayed.

#### **Monitor your finances regularly.**

A business owner should regularly monitor both his business and personal finances. When the business is not doing well, one's personal lifestyle should adjust accordingly to avoid incurring bad personal debt.

#### **Avoid using personal assets as collateral for business loans.**

Don't use your house or other personal properties as collateral for your business loan. Instead, use the assets of the business. If you really must, make it as a last resort. Nothing is ever sure nowadays and the last thing you want

is to lose both your business and your house.

#### **But consider selling your assets in order to make loan payments.**

If the business is finding it hard to make loan payments, consider selling some of your personal assets to cope. You can alternatively do freelance work and find ways to make extra income to help the business financially.

On the other side of the coin is debt collection management. How can businesses collect their receivables on time? What can you do to speed up and improve your debt collection? Here are some guidelines:

#### **Check how your client is doing before extending credit or giving them payment terms.**

Even if they are already long-time customers, do your due diligence before finalizing your deal, especially when the account involves a large sum.

**Make sure that your sales documents are thorough and comprehensive.**

A well-written credit agreement or sales contract will increase the likelihood of your client to pay on time. Furthermore, it can make the litigation process of debt collection easier for you.

**If the transaction involves a large sum, it may be wise to negotiate for collateral in your sales contract to protect yourself in case the client fails to pay.**

If your customer is confident that he'll make the payment, then giving collateral won't be much of a problem for them.

**When you sense that a client might delay payments, make a service call to ask feedback on the products you delivered or the service you rendered.**

When you treat them as a preferred customer, they'll more likely to prioritize you in their payments.

**It's good practice to regularly remind them of their obligations, especially overdue accounts.**

Send written notices and make friendly calls to remind them of their payables. However, set an absolute deadline for the collection and be sure that they are aware of that date.

**When the client fails to pay on your absolute deadline.**

Then it may be time for you to hire a collection agency. Lastly, consult a lawyer first to get a clear picture of the litigation process just in case you're planning to take legal actions on the matter.

---

Fitz Villafuerte is a civil engineer turned entrepreneur and blogger. His personal finance blog is Ready to be Rich (<http://fitzvillafuerte.com>).

## Proposed Philippine Fair Debt Collection Practices Act

On July 4, 2007, during the 14th Philippine Congress, Senator Miriam Defensor Santiago introduced Senate Bill Number 1277 entitled "An Act Providing For Fair Debt Collection Practices and Requiring Debt Collectors To Observe Such Practices".

**In her explanatory note, she says:**

" There is abundant evidence of the widespread use of abusive, deceptive, and unfair debt collection practices by many creditors and debt collectors. Abusive debt collection practices have contributed to a number of unwarranted personal bankruptcies, to marital instability, to loss of jobs, and to invasions of individual privacy. Existing laws are inadequate to protect borrowers... The purpose of this bill is to eliminate abusive debt collection practices by creditors and debt collectors..."

The Senate Bill can be downloaded as a PDF File from [www.senate.gov.ph](http://www.senate.gov.ph)

**Some of the important things cited inside the bill are the following:**

- \* All debt collectors must fully identify himself or her self and state the institution he or she represents.
- \* Debt collectors cannot call during times when it is known to be inconvenient, which is initially assumed to be before 8 in the morning and after 9 in the evening,
- \* They cannot contact the consumer at work if the collector knows that the employer doesn't approve of such calls.
- \* Debt collectors may not harass, verbally abuse or use profane language when communicating with the consumer
- \* They are also prohibited from using false representation or identity, such as that of a lawyer or a police authority, to coerce the consumer into paying his or her debt
- \* Debt collectors may not solicit payment for fees other than which is legally owed by the consumer.
- \* They should also honor a written request from the consumer to stop further contact from them.



© Photoimpre! Dreamstime.com

# LIVING ON THE EDGE

BY ALEX PASTOR

Life lessons and winning formulas from extreme athletes.

**W**ikipedia defines extreme sport as “a media term for certain activities perceived as having a high level of inherent danger. These activities often involve speed, height, a high level of physical exertion, highly specialized gear and sometimes, even spectacular stunts.”

Here in the Philippines, the popularity of extreme sports is on the upswing with more and more people unafraid of living their lives on the edge.

In this story, we were able to chat with two extreme sports champions: Miel Pahati, the country’s ace sport climber and Melvin Fausto, the national team coach of the Triathlon Association of the Philippines.

Talking about their passion for sport, the rigorous training they go through on a daily basis and their reasons behind choosing such a lifestyle—they also revealed how lessons from doing extreme sports can help professionals, even entrepreneurs, to cope, survive and excel in life.

## THE ROCK-CLIMBING BANKER

Miel’s day job is a credit analyst for an international bank. At the young age of

27, he is steadily climbing his way up the corporate ladder. But at the same time, this young thrill seeker feeds his hunger for action by climbing steep rock formations, mountains and bringing honor to our country by topping Asian rock climbing competitions.

Miel has succeeded in fulfilling his dream, through sheer determination, discipline and hard work. He has been training and working hard for the past nine years and plans to stay as long as he can still remain competitive.

“I’ve been a rock and mountain climber for the past nine years. I can actually imagine doing this till I’m 50, that is, if I am still as strong and flexible as I need to be. In this sport, it’s basically (about) understanding just how your body works and finding out what works best for you,” he says.

For Miel, knowing one’s self (strengths and weaknesses) is the key to becoming competitive, apart from, of course, getting proper athletic training.

“Physically, a background in gymnastics would be an advantage. Having strong fingers would also play a big factor. Mentally, being able to focus, stay calm and block off the fear and anxiety, especially when your 70 ft. off the ground, is very important. Technical proficiency is also important. A good balance of physical, mental and technical skills will get you a long way in this sport,” he explains.

Miel revels in the adrenaline rush that comes with every climb as each conquest makes him more determined to pursue his lifelong dream of joining the ranks of established professional rock climbers. Although rock climbing and his day job require different levels of physical effort, both demand the same painstaking focus and mental preparation in order to succeed.



“At work, you take it one responsibility at a time while for climbing, it’s one step at a time. Since climbing is an individual sport, you make all the necessary decisions but one moment of hesitation will decide if you fail or succeed,” he explains.

Being into extreme sports, Miel has had his share of injuries including tearing his anterior cruciate ligament (ACL) twice and even getting malaria during a climb. But these experiences have only made him a better person, who realizes the importance of never giving up and always striving to succeed be it in his sport or in life.





“Every time I get injured, I feel stronger mentally and physically. It only makes me want to do it all over again. What excites me even more is the fact that climbing will always be a risky and dangerous sport but once you know that you can do it, nothing can ever stop you. At work and in life, there will always be obstacles and hurdles to get through but it only makes succeeding in the end sweeter,” he closes.

**THE MOTIVATOR**

Melvin Fausto, national team coach of the Triathlon Association of the Philip-

pines has been an extreme sport athlete and coach for the past decade. Through his experience and expertise, he has successfully guided, mentored and trained our current batch of triathletes into becoming world-class athletes.

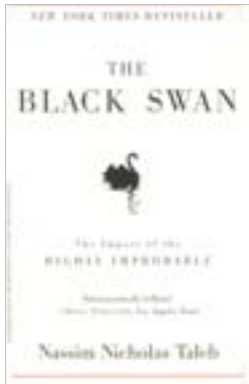
“In triathlon, speed, timing and endurance are all essential elements to remain competitive. It is also crucial that enough time be given to training, which cannot be rushed as well. Triathlon is also about balance and result. A lot of hard work, total dedication and discipline are what’s needed to succeed in this sport,” says Melvin.

Some lessons from this physically exhausting sport, which entrepreneurs can

also imbibe, are to continuously embrace the “can do” attitude, belief in one’s self and time for prayer. Melvin adds that it is equally important to develop strong leadership qualities to be able to lead your people, be it athletes or employees, to greatness.

Both attributes can prove very useful, not only during sport competitions, but at work and in the game of life, as well.

“Keep in mind that our day to day routine (in work or business) is also a race and whatever we have started, we should always finish. You should never leave room for mediocrity,” ends Melvin.



■ BOOKS

## The Impact of the Highly Improbable

BY JOEL P. SALUD

**W**hat can a New York Times best-seller, and one described by the Los Angeles Times as “idiosyncratically brilliant” offer the rush-and-crash world of the 21st century? Nothing much, it seems, at first glance.

Its simple black and white cover, with two thin strips of red on the top and bottom corner and a stamped black swan in the middle, may mistakenly draw you to itself as a Haruki Murakami novel. But closer scrutiny reveals something entirely different.

You wonder, thereafter, if it's one of those do-it-yourself books, a better version of iPods for Idiots. But then again, its prologue—

The Plumage of Birds—forces your brain to go from technology to Discovery Channel. It is only after you've browsed through its first pages that you begin to realize that you're actually reading a book on 21st-century “philosophy”, only, it is written in much the same flowing style as the essays of writer Michel de Montaigne, and with the same flamboyance of intelligence as Plato's Republic.

The Black Swan by Nassim Nicholas Taleb deserves every bit of its bestseller label on account of its bold and crystalline attempt at expounding on a subject that rings true today as it did in the past—the highly improbable situation—and the why's and how's of so-called random occurrences.

A black swan, according to Taleb, is a situation marked by low predictability yet with great consequence and impact. This describes everything, from the rise “of ideas and religion, the dynamics of historical events, to elements of our own personal lives.”

It puts an indubitable tag on Hitler and the Second World War, on the stock market crash of 1929 and 1987, on 9-11 and the rise of Islamic fundamentalism, the Internet, and nearly everything that has to do with fads, epidemics, the categories of art and artistic genres, and the “randomness” within human existence.

The case in point suddenly becomes clear when one interprets it within the cauldron of recent events, such as the 1998 Asian financial crisis, the 9-11 World Trade Center tragedy, and the fairly recent prediction of a 2009 global economic recession. Perhaps, we can even include “The Great Panic” in the United States when Orson Wells led a radio dramatization of H.G. Wells' War of the Worlds, or the question of why such an unsinkable vessel as the Titanic actually sank.

“The central idea of this book concerns our blindness with respect to randomness, particularly the large deviations: Why do we, scientists and nonscientists,





hotshots and regular Joes, tend to see the pennies instead of the dollar? Why do we keep focusing on the minutiae, not the possible significant large events, in spite of the obvious evidence of their large influence? And if you follow my argument, why does reading the newspaper actually decrease your knowledge of the world?"

Particularly revealing is Taleb's discussion of silent evidence, rising from the much-celebrated seducer of women, Giacomo Casanova, who, as Taleb observes, did not have a single hint of Brad Pitt or James Bond on his face.

Silent evidence, according to the author, "is what events use to conceal their own randomness..." Take for instance the string of success stories one reads in the papers, magazines, biographies, autobiographies, and ghost-written autobiographies. Suffice it to say, you do not get a full picture as to once-and-for-all offer a full interpretation of how and why the

person had reached the pinnacle of success in the first place. It's like those who have prayed for "healing" from a debilitating or fatal disease and lived to tell the tale of his "answered prayer". But what about those who had prayed and had eventually died? Writing your autobiography of failure while six feet under doesn't make much of a bestseller in a country where reading is a luxury, if not altogether a chore.

The book is most definitely an eye-opener, a huge mural on life that allows us to see the bigger picture. It deals with successes and how to really, truly understand them. The author also encourages us to study the reality of failure and the traits inherent therein to get a fuller picture of a situation.

Following the logic of the author to scrounge patiently for evidence in every nook and cranny of the situation, then we could probably better understand—and eventually prevent or recuperate—from the dreaded prediction

of a global recession this year. Obviously, there is much that is not being said about what could cause it, certainly, not only the crash of Lehman Brothers. Reading the newspapers or getting fat on tidbits of CNN can only satisfy us with half a glass of water. There is that other half for us to look for. "Note here that I am not saying causes do not exist; do not use this argument to avoid trying to learn from history. All I am saying is that it is not so simple. Be suspicious of the 'because' and handle it with care—particularly in situations where you suspect silent evidence."

The sassy approach of Taleb makes the book all the more a compelling read. His tone reverberates with the feisty and full-of-fun feature of a modern paperback adventure yet with the literary spunk of an indubitable classic. At less than a thousand pesos, there is more to the pages of *The Black Swan* than some of the highly-acclaimed paperbacks of our time.

TECH & GADGETS

# Multi Tasking Machines

BY EDONG MENDOZA

In today's tough times, small businesses can truly benefit from being tech-wise. Business owners should not only maximize the full potential of employees but also make the most out of gadgets that are used in the office.

Fortunately, many facilities sold in stores today are already capable of multi-functions. Purchasing such equipment can help increase productivity, save on office space and more importantly, on the budget. Here are some of the best multi-function gadgets that could help you and your business stay afloat no matter how turbulent times may get.

→ CANON PIXMA MX850

[www.canon.com.ph](http://www.canon.com.ph)

This impressive printer not only churns out impressive high resolution color prints but it also doubles (triples and quadruples even) as a fax, a copier, and a scanner. With its integrated capabilities, you not only save on space, but on maintenance costs as well. The MX850 can connect seamlessly to your home or office network and through Bluetooth via an optional interface. Direct printing? You bet. With the 2.5-inch color LCD and the built-in card reader you can instantly print all your photos without the need to use a PC.



P21,495

→ POPCORN HOUR A-110

[www.popcornhour.com.ph](http://www.popcornhour.com.ph)

Though it's actually a media player/streamer, the Popcorn Hour A-110 is a great (and cheap) media presenter. It's essentially a stripped down PC that sniffs out and plays all your media files via an HDTV or a projector. If you have video presentations "trapped" in your office computer, simply detect it using the PH's intuitive interface and it will pump them all out - whatever format it is - in glorious high definition. There's even an option to connect the unit via Wi-Fi using a separate dongle therefore helping you save in installation costs as well.



P13,500

→ NOKIA E63

[www.nokia.com.ph](http://www.nokia.com.ph)

Phones, PDAs, and QWERTY keypads are nothing new, but if you put them all together in a sexy package and sell it for under 15K, then you've got yourself a winner. Nokia's E63 is just that. It has all the features you love from a high end PDA and yet it's simple to use like a mobile phone. It connects to 3G and Wi-Fi too so it's like having a mini laptop in your pocket.



P14,200

→ PACKARD BELL COMPASSEO 370

[www.packardbell.com](http://www.packardbell.com)

Getting out and making deals is an integral part of any business. It pays to find your way through the metro's busy streets so a GPS like the Compasseo is a definite must-have. It comes with a built-in map of Metro Manila so that's a definite boon. This 3.5-inch module also features a turn-by-turn Voice Direction guide and could be operated with no monthly service fee. That's right, it's free to use - and we know you love free.



P15,800

→ SONY ICD-UX80

[www.sony.com.ph](http://www.sony.com.ph)

Voice recorders especially of the old cassette variety are often taken for granted in the office especially since setting up and winding tapes is a tedious task. Now, you can go digital with this little number from Sony. The UX80 is a small stick of a gadget - roughly the size of a pack of gum so it fits beautifully to your tight jeans pocket. Files are saved in MP3 format and can be effortlessly stored into your PC via a USB connection. For media companies, this is an indispensable tool.



P8,999

→ HP MINI 1000

[www.hp.com](http://www.hp.com)

The HP Mini 1000 can be considered as the first netbook that truly mashes style with substance. It flawlessly combines the power of Intel's Atom processor with the cutting edge design of their old Mininote. It runs on the ever reliable Windows XP operating system so whatever device or application you plan to use, it's bound to be compatible. Best of all, at just 10 inches wide, it can fit in a small handbag or shoulder bag with ease.



P21,990

## MARCH 2009

### 2 Monday - LAST DAY OF e-FILING & FILING

- 1604E - Annual information return of creditable income taxes withheld/income payments exempt from withholding tax for TY 2008

### e-FILING/FILING & e-PAYMENT/ PAYMENT

- 1702Q - ITR by taxpayers on FY accounting period for TQ ended December 2008

### e-SUBMISSION

- Summary list of sales/purchases by VAT-registered taxpayers (eFPS) for TQ ended January 2009

### REGISTRATION/ SUBMISSION

- Computerized books of accounts and other accounting records in CD-R, DVD-R or other optical media, and affidavit on the post-reporting requirements for CAS for FY ended January 2009

### SUBMISSION

- Inventory list for FY ended January 2009

### FILING

- Engagement letters and renewals or subsequent agreements for financial audit by independent CPAs for FY beginning May 2009
- SEC - AFS for FY ended October 2008 by corporations whose securities are not registered under RSA or SRC

### 3 Tuesday - LAST DAY OF SUBMISSION

- PEZA - ITR filed with the BIR on February 16, 2009 by PEZA-registered enterprises for TY ended October 2008

### 5 Thursday - LAST DAY OF e-FILING/FILING & e-PAYMENT/ PAYMENT

- 2000 - DST for February 2009

### SUBMISSION

- Summary report of certifications issued by the President of the NHMFC (RA 7279) for February 2009

### 9 Monday - LAST DAY OF SUBMISSION

- Transcript sheets of ORB for distilled spirits, wines, fermented liquor, tobacco products, oil, automobiles, and cigarette paper for February 2009

### 10 Tuesday - LAST DAY OF e-FILING/FILING & e-PAYMENT/ PAYMENT/REMITTANCE

- 1600 - Withholding VAT/PT for February 2009

### FILING & PAYMENT/ REMITTANCE

- 1601C, 1601E, 1601F, & 1602 - Withholding return on compensation, EWT & FWT for February 2009 (noneFPS taxpayers)
- 1606 - Withholding on transfer of real property other than capital assets for February 2009

### DISTRIBUTION

- 2306 - Certificate of VAT/ PT withheld for February 2009
- 2307 - Certificate of creditable PT withheld for February 2009

### SUBMISSION

- Transcript sheets of ORB for mineral products for February 2009
- A sugar cooperative's list of buyers of sugar for February 2009, together with a copy

of certificate of advance payment of VAT made by each buyer appearing on the list

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for February 2009

### REMITTANCE

- PhilHealth - ME-5 contributions for February 2009
- SSS - R-5 contributions for February 2009

### 11 Wednesday - LAST DAY OF e-FILING

- 1601C, 1601E, 1601F, & 1602 - Withholding return on compensation, EWT & FWT for February 2009 (Group E)

### 12 Thursday - LAST DAY OF e-FILING

- 1601C, 1601E, 1601F, & 1602 - Withholding return on compensation, EWT & FWT for February 2009 (Group D)

### 13 Friday - LAST DAY OF e-FILING

- 1601C, 1601E, 1601F, & 1602 - Withholding return on compensation, EWT & FWT for February 2009 (Group C)

### 16 Monday - LAST DAY OF e-FILING

- 1601C, 1601E, 1601F, & 1602 - Withholding return on compensation, EWT & FWT for February 2009 (Groups A and B)

### e-PAYMENT

- 1601C, 1601E, 1601F & 1602 - Withholding return on compensation, EWT & FWT for February 2009 (all eFPS groups)

### e-FILING/FILING & e-PAYMENT/ PAYMENT

- 1702 & 1702-AIF - Annual ITR and AIF for corporations and partnerships for FY ended November 2008 - 1704 IAET for FY ended February 2008

### e-SUBMISSION

- Summary list of machines (CRM-POS) sold by machine distributors/dealers/ vendors/ suppliers for TQ ended February 2009

### FILING & PAYMENT

- 1707A - Consolidated CGT return for shares not traded in the stock exchange for FY ended November 2008

### REGISTRATION

- Bound computer-generated/ loose-leaf books of accounts and other accounting records for FY ended February 2009

### SUBMISSION

- SEC - AFS for FY ended November 2008 by corporations whose securities are registered under RSA or SRC
- PhilHealth - RF-1 remittance report for February 2009

### REMITTANCE

- HDMF M1-1 contributions by employers whose names start with letters A to D for February 2009

### 18 Wednesday - LAST DAY OF SUBMISSION

- PEZA - AFS filed with the BIR on February 16, 2009 by PEZA-registered enterprises for FY ended October 2008

### 19 Thursday - LAST DAY OF REMITTANCE

- HDMF - M1-1 contributions by employers whose names start with letters E to L for February 2009

### 20 Friday - LAST DAY OF e-FILING/FILING & e-PAYMENT/ PAYMENT

- 2551Q - PT for TQ ended February 2009

### FILING & PAYMENT

- 2550M & 2551M - VAT & PT for February 2009 (noneFPS taxpayers)

### DISTRIBUTION

- 2307 - Certificate of EWT for TQ ended February 2009

### 23 Monday - LAST DAY OF e-FILING

- 2550M & 2551M VAT & PT for February 2009 (Groups C, D and E)

### 24 Tuesday - LAST DAY OF e-FILING

- 2550M & 2551M VAT & PT for February 2009 (Group B)

### REMITTANCE

- HDMF M1-1 contributions by employers whose names start with letters M to Q for February 2009

### 25 Wednesday - LAST DAY OF e-PAYMENT

- 2550M & 2551M VAT & PT for February 2009 (all eFPS groups)

### e-FILING/FILING & e-PAYMENT/ PAYMENT

- 2550M & 2551M VAT & PT for February 2009 (Group A)
- 2550Q - VAT for TQ ended February 2009

### SUBMISSION

- Summary list of sales/purchases by VAT-registered taxpayers (non-eFPS taxpayers) for TQ ended February 2009
- Sworn statement of manufacturers or importers on the volume of sales per brand of alcohol and tobacco products for December 2008 - February 2009

### 30 Monday - LAST DAY OF e-SUBMISSION

- Summary list of sales/purchases by VAT-registered taxpayers (eFPS) for TQ ended February 2009

### FILING

- SEC - AFS for FY ended November 2008 by corporations whose securities are not registered under RSA or SRC

### REGISTRATION

- Computerized books of accounts and other accounting records in CD-R, DVD-R or other optical media, and affidavit on the post-reporting requirements for CAS for FY ended February 2009

### SUBMISSION

- Inventory list for FY ended February 2009

### 31 Tuesday - LAST DAY OF SUBMISSION

- PEZA - ITR filed with the BIR on March 16, 2009 by PEZA-registered enterprises for TY ended November 2008
- BOI - Transcript sheets of ORB submitted by qualified jewelry enterprises for FY ended February 2009

### REGISTRATION

- Manual books of accounts and other accounting records for FY beginning April 1, 2009
- LGU Payment of real property tax in full or first installment for 2009 - HDMF M1-1 contributions by employers whose names start with letters R to Z for February 2009

## APRIL 2009

### 1 Wednesday - LAST DAY OF e-FILING/FILING & e-PAYMENT/ PAYMENT

- 1702Q - ITR by taxpayers on FY accounting period for TQ ended January 2009

### 2 Thursday - LAST DAY OF FILING

- Engagement letters and renewals or subsequent agreements for financial audit by independent CPAs for FY beginning June 2009

### 7 Tuesday - LAST DAY OF e-FILING/FILING & e-PAYMENT/ PAYMENT

- 2000 - DST for March 2009

### SUBMISSION

- Summary report of certifications issued by the President of the NHMFC (RA 7279) for March 2009

### 8 Wednesday - LAST DAY OF SUBMISSION

- Transcript sheets of ORB for distilled spirits, wines, fermented liquor, tobacco products, oil, automobiles, and cigarette paper for March 2009

### 11 Monday - LAST DAY OF e-FILING/FILING & e-PAYMENT/ PAYMENT/REMITTANCE

- 1600 Withholding VAT/PT for March 2009

### e-FILING

- 1601C, 1601E, 1601F, & 1602 - Withholding return on compensation, EWT & FWT for March 2009 (Groups C, D and E)

### FILING & PAYMENT/ REMITTANCE

- 1601C, 1601E, 1601F, & 1602 - Withholding return on compensation, EWT & FWT for March 2009 (noneFPS taxpayers)
- 1603 - FBT for CQ ended March 2009 (non-eFPS taxpayers)
- 1606 Withholding on transfer of real property other than capital assets for March 2009

### SUBMISSION

- Transcript sheets of ORB for mineral products for March 2009

- A sugar cooperative's list of buyers of sugar for March 2009, together with a copy of certificate of advance payment of VAT made by each buyer appearing on the list

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

- Information return on releases of refined sugar by the proprietor or operator of a sugar refinery or mill for March 2009

### 15 Wednesday - LAST DAY OF e-FILING

- 1601C, 1601E, 1601F, & 1602 - Withholding return on compensation, EWT & FWT for March 2009 (Group A)

### e-PAYMENT

- 1601C, 1601E, 1601F & 1602 - Withholding return on compensation, EWT & FWT for March 2009 (all eFPS groups)

### e-FILING/FILING & e-PAYMENT/REMITTANCE

- 1603 FBT for CQ ended March 2009 (all eFPS groups)
- 2200M Excise tax for mineral products for CQ ended March 2009

- 1701Q ITR for self-employed individuals, estates and trusts for TQ ended March 2009

- 1700 Annual ITR by individuals not qualified for substituted filing and marginal income earners for TY 2008

- 1701 & 1701-AIF Annual ITR and AIF of self-employed individuals, estates and trusts for TY ended December 2008

- 1702 & 1702-AIF Annual ITR and AIF for corporations and partnerships for TY ended December 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

- 1704 IAET for FY ended March 2008

### 23 Thursday - LAST DAY OF e-FILING

- 2550M & 2551M VAT & PT for March 2009 (Group C)

### 24 Friday - LAST DAY OF e-FILING

- 2550M & 2551M VAT & PT for March 2009 (Group B)

### FILING

- SEC - AFS for FY ended December 2008 by corporations with SEC registration numbers ending in 1, 2 or 3

### REMITTANCE

- HDMF M1-1 contributions by employers whose names start with letters M to Q for March 2009

### 27 Monday - LAST DAY OF e-FILING

- 2550M & 2551M VAT & PT for March 2009 (Group A)

### e-FILING/FILING & e-PAYMENT/ PAYMENT

- 2550Q VAT for TQ ended March 2009

### e-PAYMENT

- 2550M & 2551M VAT & PT for March 2009 (all eFPS groups)

### SUBMISSION

- Sworn statement of manufacturers or importers on the volume of sales per brand of alcohol and tobacco products for January-March 2009

- Summary list of sales/purchases by VAT-registered taxpayers (non-eFPS taxpayers) for TQ ended March 2009

- Summary list of sales/purchases by VAT-registered taxpayers (non-eFPS taxpayers) for TQ ended March 2009

- Summary list of sales/purchases by VAT-registered taxpayers (non-eFPS taxpayers) for TQ ended March 2009

- Summary list of sales/purchases by VAT-registered taxpayers (non-eFPS taxpayers) for TQ ended March 2009

- Summary list of sales/purchases by VAT-registered taxpayers (non-eFPS taxpayers) for TQ ended March 2009

- Summary list of sales/purchases by VAT-registered taxpayers (non-eFPS taxpayers) for TQ ended March 2009

## SAVE MOTHER EARTH: GLOBAL COMPANIES FIGHT AGAINST CLIMATE CHANGE

BY VERONICA VELARDE PULUMBARIT

Global companies such as DHL Express and Shell Petroleum Company have embarked on programs to fight against climate change, now seen as one of the most serious global threats.



© Bitbeerdea | Dreamstime.com

**E**xtrême weather changes have brought about floods, hurricanes, droughts, heat waves and other catastrophes that have claimed the lives of thousands of people.

In 2003, about 35,000 people died from the European heat wave. In 2005, more than 1,800 people died when Hurricane Katrina hit the United States. It was considered as one of the five deadliest hurricanes in US history, and also the costliest, as it brought an estimated \$81 billion damage to property.

Scientific evidence shows that the global climate changes were caused by human activities that result in the releasing of too much greenhouse gases (carbon dioxide, methane gas, water vapor, nitrous oxide, ozone, and CFCs) into the atmosphere.

Companies such as DHL and Shell are looking for ways to reduce the emission of greenhouse gases.

DHL topped the Climate Counts scoreboard for 2009 with a score of 67 out of a possible 100 points. Climate Counts is a nonprofit organization that informs consumers about the climate protection efforts of businesses. It developed a scorecard ranking system, with the help of climate and business experts, to assess a company's efforts to fight against climate change. The companies are scored on 22 criteria covering four main categories: review, reduction, policy stance and reporting.

A logistics company, DHL was cited for the company's significant achievements in its Go Green<sup>®</sup> program. DHL published a Carbon Management Strategy and set a UK target of 10 percent reduction in carbon emissions by the year 2010 (against a 2007 baseline).

DHL, along with its parent company, the Deutsche Post World Net, is the first logistics company to set carbon efficiency targets and offer carbon neutral shipments.

Since 1997, DHL has had a green fleet or an environment-friendly fleet of delivery vehicles that use liquefied petroleum gas (LPG) instead of gasoline. The company is also conscious about waste management as it promotes re-using and recovery of used materials.

Meanwhile, Shell, a petroleum company with about 104,000 employees in 110 countries, was one of the first companies in the world to acknowledge the threat of climate change. Way back in 1997, Shell already raised the call for a global action to avert extreme weather changes.

Shell improved the efficiency of its operations to reduce its greenhouse gas emissions. It invested in plants that use wind energy instead of coal, an energy source that Greenpeace International calls the world's dirtiest fossil fuel and the single greatest cause of climate change.

Greenpeace is an independent global campaigning organization established in 40 countries; it promotes peace and environment conservation. Climate Counts does not have a ranking yet for oil companies.

### VALUABLE LESSONS FOR SMES

Small and medium enterprises can take their cue from global organizations in finding ways to fight climate change.

According to a Filipino physicist working at the National Aeronautics and Space Administration (NASA) in the US, the Philippines will be the world's biggest victim of climate change.

In a news article in September 2008, Dr. Josefino Comiso said the Philippines is not emitting a lot of carbon dioxide but the country is highly vulnerable to climate changes. Its diverse species will be the first to be wiped out if the global temperature continues to warm up.

People release greenhouse gases simply from doing everyday tasks such as driving, using electricity, cooking, and others. By avoiding the wasteful use of energy, we are already contributing significantly to the solution to climate change.

We can also find other ways to care for the environment such as disposing of our garbage properly and avoiding the use of atmosphere-damaging chemicals from aerosol sprays and so on.

*Take the tension  
out of expansion*



**PLANTERSBANK**  
**smallbizloan**  
Accessible. Speedy. All-Purpose.

It's our business to expand your business.

Huge benefits for your biz:

- Fast approval in just 10 days, upon submission of all requirements
- Fixed interest rate for better planning of payments
- Maximize use of idle assets by turning them into cash

Let us help you expand your business.

Call Plantersbank Direct at **(02) 812-5325**, email: [info@plantersbank.com.ph](mailto:info@plantersbank.com.ph)  
or visit any Plantersbank branch near you.



**PLANTERSBANK**  
Planters Development Bank

**Enabling Entrepreneurs**

Member: **MediLink**

Just because I  
work hard doesn't mean  
I can't play hard too.



**NEW INTEL® CENTRINO® 2 PROCESSOR TECHNOLOGY.**

It's got the amazing performance and wireless speed to let you play all the games you used to love -- from nearly anywhere. Find out more at [intel.com/greatcomputing](http://intel.com/greatcomputing)

**THE WORLD'S BEST NOTEBOOKS HAVE INTEL® CENTRINO® 2 INSIDE.**

