**Lessons Learned About a Business Journey- The Story of a Minority Entreprenuer**

Good morning, or afternoon to all. And very glad that I have a chance to participate. I would like to thank everyone the provided meet with that opportunity, a special thanks to the organization, especially to Alexa, the Chamber of Commerce and the SBA. Those are all organizations that helped me quite a bit throughout my journey in business. I have a personal style of talking about my business, I enjoy talking about it. I'm not going to be teaching anything, my intention is to tell you and talk to you about what happened to me during those 25 years since I started the business. Pretty much sharing experience and not trying to be professorial here and trying to tell you what to do or not to do. But just sharing what happened to me. Of course I will be talking through the lens of Hispanic business owner, and that is a very strong lens of how I conduct my business. I think that in your culture the most important part of our lives, and in my opinion the process of starting and nurturing a business is similar to adding another child to our family. That was the reason I picked the title I had for my presentation. In my opinion business is like a child, it brings us priceless moments of joy but also demands lots of patience and dedication. Moreover, like a child, a business sometimes get sick and demands multiple attention. It is several parallels I make between a business and a child in our family. On top of that, for us Latinos, [Indiscernible] is special, it does not matter how old they get, they are still our babies. Am a grandparent of my business since I passed was of the operations to my kids. Let me talk a little bit about myself and how I ended up starting a business in the heartland of America. I was born in Rio de Janeiro. That is in the southeastern portion of Brazil. My father was in the military and we moved and I ended up growing up in the northern portion of Brazil by the [ Name Unknown ]. I am the second of seven kids. I come from a family, we had humble resources, not to say we were poor. I was the first one in my extended family, considering cousins and uncles and the whole family, I'm the first one who went to college. I had a chance to get a bachelors degree in electrical engineering in electrical engineering in northern Brazil. That I went to southern Brazil I got a Master of science and had a chance to go back to university. I got my bachelors degree and was invited to teach over there. It starts in the beginning of teaching career, that became my main activity over there even though I worked as a professional engineer on the side. To support my family. I married very young and I needed to support my family and I worked as a professor and professional engineering at the same time. I knew that if I wanted to progress on my professional career as a teacher at the university I needed to pursue advanced degrees. That is why I had the idea of pursuing a PhD degree in the United States. The decision that I made to come to the U.S. was pretty much to provide for my family a learning experience instead of just for my professional development. I always thought, I will spend a couple of years in the U.S. and my kids will learn a second language and that will benefit them well besides my professional improvement. That says little bit about who I am and how I ended up in the United States. I came to United States and went straight to Rolla, Missouri. A small town in Missouri, a College Town with a very good engineering program over there. Especially in the electrical field. From there I got my PhD degree in electrical engineering. I finished in 1992. From 1992 until 1986 1996 I worked in the Kansas City area. I like to go back a little bit to tell you what happened to me while I was in Rolla, Missouri. My intention was to go back to Brazil. Me and my family. I finished a degree in 1992 and was ready to go back. We already had air tickets bought, we have already had several garage sales, moving sales. And we are ready to go back. We are having our last garage sale and it was a Friday, and I received a phone call from the University of Missouri placement office. They told me that there are two gentlemen over there that saw my resume and they want to talk to me. That was what I call a crucial moment in my life. One of those moments that you make a decision that is going to affect your life forever. I got off that phone call and talk to them and said, hey, I'm at a garage sale here. I still need to get ready to go and have an interview. They said those guys need to get back on the road by 4:30 PM. It was about 4:00. Come the way you are. I went and had an interview over there. I was very honest with them and I told them, I am a foreigner, to work here I need to have a company that sponsors my immigration process. They said, well, let us go back to Kansas City and get back with you on Monday. I went back home and my wife asked me what happened. I said nothing too important, I think that is one of those conversations that will go nowhere. To my surprise, on Monday morning they called me back and asked me, can you be in Kansas City on Wednesday morning? I said yes. They came to Kansas City to an interview and that totally changed my life. It was one of the most crucial decisions I have made in my life. Staying here or going back to Brazil. Staying here meant to pretty much give up everything I had in Brazil, with [Indiscernible] plans and retirement plans, everything I had over there, I needed to give up just to decide to stay in unit states and work here. But that is a decision I don't regret. After accepting the offer, I worked for the company, it was electrical contracting company in the city of Missouri. I worked as a director of engineering from 1982 to 1996. At the end of 1995 the company went through a buyout, changing ownership. And things over there changed quite a bit from what I was used to. I was pretty much a friend of the owner of the company by that time, the previous owner. And I started to see that things were not going to well for that company with the new ownership. That's when I thought about starting my own business. I did that and put all the paperwork together and started the company IEC, short for Infinite Energy Construction in June 1996. I started [Indiscernible] contractor for a couple of reasons. I am an electrical engineer, and I didn't have resources to start anything bigger than that. I thought, well, throughout the relationships I had developed working as director of engineering for that company, I probably can get some contracts with people with companies I provided service for. We started June 1996 and evolved to a general contractor years and years later. But that was my plan. We have grown a lot. We serve federal and commercial markets for 25 years now. We have five offices in four states. It varies, for a long time we've always kept over [Indiscernible] through the COVID crisis we are going through, we still have a little over 100 employees. And we are actively working between 12 and 15 states right now. We have worked from Alaska to Florida, California, you name it we have been there. Going back to the beginning, I can say that I am proud of our company. Of course I've got to be, it's one of my kids. And I always enjoy talking about the beginning. I try to keep that mentality always alive. Because the real spirit, the ability, the desire to win, they have to be kept alive to keep a business going. I like the quote when Ed Harris says, failure is not an option. That is how I feel with my company. Only he was talking about the American astronauts, and the options they had to come back alive. I make a parallel when I looked at my family and I feel like, I always felt like the same thing as he said, "failure is not an option." I try to keep that spirit going on. Incorporate the business in 1996. I had all the paperwork in place. I had printed business cards as president and CEO. But you know what the reality was, I was unemployed. I really struggled and after months in business without securing a single contract, my former boss who was one of my first supporters, he would tell me, it's time to pull the plug. And try to find a job. But I always thought, failure is not an option. After six months of struggling, I finally landed my first contract. A $57,000 contract and that was my revenue for 1996. Luckily, or through hard work, in 1997 we had about $300,000 in revenue. And in 1998 $1.8 million in revenue. The lessons I learned at the very beginning. My first boss, as I said, was one of my first supporters. He had the perspective as a white man, he had the perspective that [Indiscernible] you start a business and you get so excited and you are going to be able to get a lot of contracts. And, myself, I was thinking, while I have a lot of contacts, people like how I work in the product I deliver, most likely I'm going to get some contracts. But the first lessons I learned was, we waste talked to people when I had a company that had a structure behind me. They knew that company had tools, the power, and they could deliver a job. For me, starting a company by myself, the first question was, who is going to do the job for you? Do we have manpower? Tools? Equipment? I didn't have any of those. Things were not what I expected. I need to narrow my focus and try to get very small jobs and make sure I could guarantee that I could deliver and start to build a reputation. The thought that the business would come easy to meet was na&#239;vet&#233; on my part. Also, something to keep in mind, diversity is an asset but cultural gaps can be a liability. Is Latino, with our culture we are usually open, we are trustful, we are candid, and we have, especially I do, a tendency to speak in hyperbole. Which is not always well taken. With that I know that several of you have heard the expression, that goes like that, after an interview or sales pitch, and the people tell you, I will keep you in mind, come back. I heard that so many times. That never meant they really wanted to do business with me. It was hard at the beginning. The first obstacles I can relate to was of course access to capital. We are a construction company. I don't know how many of you listening to me right now are in the construction business, but construction is a little bit harder than the average business. The pay cycle is very long. When you land a contract, usually we start spending money, quite a bit of money upfront. Usually rework for a month just spending money. The new submit a pay application. It's going to take another 15 days or so for the pay application to go through the approval process. Then it's going to be another 30 days at least if we have a good customer, to pay you. Between 60 and 90 days. In the meantime, you are spending money. How are you going to get the capital to do that? It is not easy. There is a point we need to balance faith versus logic. I did something I don't recommend anyone to do. I think I put more value in faith than logic. But there was a time that I had 14 open credit cards. That is 25 years ago, I had a little bit over $250,000 in credit card debt. I needed to support my family. I need to finance the jobs. Sometimes people say, hey, you're crazy. Some people say, hey, you're brave. But, I think it takes a little bit of each to make it go. We need, I knew that I needed to continue to secure contracts. And I knew I could not go after big contracts because I didn't have the capital to do it. But I knew that if I secured small contracts, and managed them well, in such a way that they were profitable at the end, I would not only build I capital resource, but I also, and I did, build a good reputation. You've got to keep in mind I was doing that when my oldest kids were going to college. Things were not too easy at the beginning. The second wave of challenges I had is pretty much the result of the operation of the business. A business to me, in the most simple way, can be defined as managing money and managing people. Managing money is hard. But I think managing people is much harder. To build a team with limited resources is very very hard. We had a very high turnover. If you want to build a team that is competent, you need to provide good compensation. For that we need more money. And that becomes a cycle. I think my definition of a leader is someone that can convince people to do things that you think are right. And that's good for you and for them. And it takes time to build a team of people that thinks like that. And takes good leadership to build that team. The process of doing that, it's very stressful. It takes a lot of stamina. Business is not for everyone. It's not for the faint of heart. And I think the only vitamin one can have to run a business and cope with the stress is a supportive family. And/or friends. That is the reason I say, seek help. Going to talk a little bit more about seeking help. To run a business. But having a supportive family, when you get home to have someone to talk to it about. Unlucky that I have a supportive family having to work through all the challenges I faced, I was faced with. It's very difficult to maintain a balancing business and home. Sometimes [Indiscernible] I was physically present but perhaps not percent mentally present. A good wife can make up for a lot of [Indiscernible] we have. Another way to cope with all those problems, I was able to keep the business going and growing. I think that one of the secrets, important things that made me succeed in that pursuit was having a plan. We need to have a plan and we need to work on the plan and we need to execute that plan. A plan has to be smart. And for smart it has to be specific. Measurable. Achievable. Relevant to the goal and beat time bound. We've got to have a timetable of when we want to achieve the goals we have set. And also have achievable goals. We don't want to say, hey I'm going to be $1 trillion company in five years or so. Let's set achievable goals and put a time limit. There are a couple of people that I really admire. Those people set goals and say hey, I will have this done by the end of the year. And some of the people say, he or she said he should have that by the end of the year. He only had it by March of the following year. I can guarantee you it's much better if that person had not set a goal. [Indiscernible] in my opinion is one of the most important and they must for anyone trying to run a business. You have to make your plan live. It's not something static. It's something you've got to work every day. Refine, adjust, repeat. And keep going. Never, never lose focus of your final goal. Stay accountable to the plan. Every morning, try to remember what you had set for your goal. And remember, [Indiscernible] eventually to say a great majority of small business start and don't have a plan. Even though it's easy to put together a simple plan, the execution of the plan is the hard part. You have a plan, it's great, you're already ahead of quite a bit of other companies. Bus, if you don't execute the plan, if you don't pay attention to it, forget we have that piece of paper, is not going to be any good. Put together a S.M.A.R.T. plan , keeping in mind and execute the plan. Something that happened to me, and I confess it wasn't too easy to break the cycle, it's kind of a commonplace thought when you go to conferences and seminars and business books always say, work in the business or do not work on the business. It is hard. It is hard to break the cycle. I first years in business I didn't have time for anything. You work 60 or 70 hours per week. I didn't have time to do almost anything. Just come into the payroll in the accounting. Everything that the business needed to have with very, very sparse resources. I didn't have time for anything. I worked till I got home. But I quickly learned that I need to get out. We need to network. We need to look for resources and there are so many of them. People that want to help you pretty much for free. An organization like SCORE, the Hispanic Chamber of Commerce, very, very important in the development of might business. The SBA. The [ Name Unknown ] program, a great program. You need to look for help. Look for good mentors. Investment and development. There is much more, they're willing to devote their times to invest in your development. To identify blind spots, things I cannot see, a person from outside can see much easier. And, if you can, give back. Only the community organization that helped you but also your community. Be a good neighbor. Invest in your community. Of course, once you start the business we need to live the business. We need to be prepared to work long hours. We need to be committed. You know, as a CEO I swept the floors, I was a payroll specialist, was the engineer, was the accountant. Sometimes even doubled a little bit as a lawyer. And took the trash out. You got to do everything. You got there were several hats. You got to do whatever it takes to keep the business alive. There will be failures. Are used to make the analogy that we have to be like a good boxer. We have to learn to get punched, people say, you never had a bad job or anything perhaps has not been in business for too long. You will fail, you got to shake up, refer back to the goals, refine, adjust and try again. Defined your success. Make your own goals you need to have a next plan. I didn't have one for several years. And that was not good. We need to have an exit plan. We need to know when it's time to say hey, it's time for me to do this or that, but we also need to know, need to be prepared for things that can happen and we need to make sure that the business will keep operating. To start thinking about your succession. If you have a partner, have a buyout agreement in place. And start thinking, even though we are just starting the business, when you are going to start winding down the business, when you pass the baton. And most importantly, enjoy the ride. Happiness lies in the journey, not the destination. Time goes by too fast. Enjoy the journey. Then celebrate your success. I have achieved what I set out myself to achieve. You can say, hey, it's time to celebrate success. Share it with the organizations that helped you. Share it with your friends and family. And remember success is like a iceberg. People only see the tip, the portion above the waterline. They do not see what's below the water. All the hard work, everything we have to do to make it succeed. You've always got to keep in mind, never let that vision go away. I am especially grateful to these organizations, Kansas City Hispanic Chamber of Commerce, to the SBA, and they really advise people to take advantage of all those organization and the mentors that are there dedicating their time for free to help a business grow. And I celebrate every opportunity I have, I tried to celebrate with them my success. My take away my take away from my journey, first, I always talk to my kids and I say if it was easy, everybody would be doing it. If you start a business be ready to work harder than ever. I think there are in this world very few people that have the Midas touch, I don't have that. Everything I accomplished required very hard work. A lot of sweat. Second point, please, please do not mix personal and business finances. That seems to be so basic but it amazes me the number of small businesses I have had a chance to talk with that mix personal and business finance together. That makes it so hard for them to present the financial documentation to the people that can help them. It's very hard. Please don't do that. Keep in mind that in the organization, you are just another employee. Maybe with more responsibility than the others but still employee. As such, try to make a living from your paycheck. Not using business financial resources. Develop a relationship with at least two banks. That is from very, very personal experience. I was working with the bank, a small bank, I had a line of credit over there. Then the bank was bought out by a much bigger bank. And things changed. Now to approve a loan I have to go through several layers of approval. That bank pulled the line of credit plug. Luckily, I was talking to other banks, to whom I always sent my financial information. Might documents, my quarterly financials, they knew how I was. When the first bank pulled the plug, the other bank worked with me. That saved my business. Keep in mind, banks love to lend money to people who do not need it. If you're going to be talking to a bank only at the time you're in dire need of a loan, you are [Indiscernible]. Start talking and develop the relationship when things are going well. Another point I have, find help. As I said, find a good mentor. There are a lot of smart people with agencies that love to help. I had a mentor in an organization called Ellsberg venereal mentorship program in Kansas City. I had a mentor. [Indiscernible] when I was assigned that mentor I thought how is an attorney going to help me. I want someone who knows construction. Guess what? I could not have a better mentor than that attorney that I got from him. They look for people, look for those agents. The SBA puts out training that would cost anybody $1500 to attend two or three days of training. The SBA provides a for free. Look, and there will be people and agencies that are willing to help a small business. Invest in education for yourself, for your business. And for your family. I did. I do not consider education and expense. I consider education as an investment. A good investment is like buying a good stock. Have an exit strategy. A buyout agreement. Keep in mind unexpected events do happen. You are to make sure that if something happens to you such that you are not able to be present in the business temporarily, or for how long, you don't know, the business will keep operating. You have a clear, clear exit strategy. Learn to say no. Keep in mind, usually with sinks a company is not the contract the company didn't get, did not secure, usually it's the contract that the company did secure. Learn to say no. Do not stretch yourself too thin. Neither with financial resource nor managerial resources. Going to different places without the proper management is a recipe for disaster. Finally, persevere, keep learning. As I said, this is a school you never graduate from. Up to this date, every single day I come across something I have not seen before. It's an ongoing experience. And now as a grandparent, my business is my grandchild. I hope that those points the confirm my humble experience of running a small minority business for almost a quarter of a century will benefit you. I can talk about my business for a long time. If any of you would like to contact me directly, I put my email address at the end. I will be glad to partake a little more if anyone has any other questions about my humble journey. I really thank you for taking the time to listen to me and I hope you have a good day. And I will turn it back to Alexa.

 Okay, Nilson. Thank you so much. Let's move into the Q&A portion of this webinar. We are going to use the remainder of time to address just as many questions as possible. We have been receiving a lot of great questions and continuing to receive great questions. I do want to go ahead and jump right in. So, Nilson, our first question , it comes from Larry. This is around funding. So, you talked about, during your presentation, starting off with the 14 credit cards. Larry wants to know if you acquired any additional funding after that. If you could talk a little bit about any other funding you acquired, or was that additional funding, did it come from the smaller contracts you secured?

 Yes, at the beginning I was forced to incur, and I don't advise anybody to do that, 14 credit cards, by that time you should think about 25 years ago, most of you perhaps are too young for that, but I was receiving, credit card companies were sending those six months free interest and you can get $10,000 for six months free. First thing I had, 14 credit cards. I had one that was five months out of the six months and then I would transfer a balance. That management, if you say. In the meantime I was trying to talk to banks. I first secured a small line of credit, $150,000. They don't want to make it $300,000. They don't want to include a little bit more. The way I think I succeeded on securing the line of credit was first, I always worked with small banks. Smaller banks. Because in my opinion large banks in my opinion they would just see me as a number. Smaller bank I have direct contact with the loan officer and I was lucky I have a very close friend that is in business with a person who is now retired that was a partner in that bank. A well accomplished CPA. And through that frame of mind, I became his friend and he of course was part owner of the bank. He said that he sat on the committee with that bank. And that person I think you saw something in me. He, let's say facilitated, the approval of my line of credits. The reason he did it, this was for free, of course there was the friendship relationship, but also I always had something, I have the contract, I received the money, I can pay you so much. I always try to make sure that I did what I promised. With that, I did some personal credits with him. Those lines of credits stayed there until the bank was bought out by a bigger bang. That was the reason I advised keep at least two banks. Keep talking with two banks. I hope that answered the question. Each one would have different experiences.

 Okay, Nilson. The next question comes from may. Earlier in the presentation you mentioned a strategy regarding balancing working on your business versus in your business. And she wants to know if you can talk about some examples of how you accomplished the balance? Also how long did it take for starting your business to be able to find that balance? If you could elaborate a little bit further on that?

 I don't remember for sure but I would say at least three years working my business day in and day out. Thinking, networking. I think at least three years. But one day I was invited by young man to attend one of the events at the Kansas City Hispanic Chamber of Commerce. And I made a point to go. It was after hours. [Indiscernible] and I went there and that was the first of many. It changed my business. Talking to people that know people. And things changed. But it is very hard. But make a point. You say, I'm going to get out of here from 9:00 to 10:00 today because I'm going to that event. Make a point to make it happen. And then come back and work later in the day to make up for that hour. But make a point to connect, to network. It pays off. It's very hard to correlate, I got that contract as of that particular meeting. But, things start happening when people know you and when you know people. It's hard, but try it.

 All right. The next question comes to us from Bernadino, Bernadino was asking as a minority small business owner, wants to know if you've ever experienced any type of discrimination falling within this category and if so, how did you overcome this?

 Yes. I think everybody that is a minority business has experienced it. And that is the reason I put on that sentence, after a sales pitch and someone comes and says hey, I will keep you in mind. Being a minority business, being a minority business comes with some advantages and disadvantages. In my opinion no one is going to do business with a company just because the company is a minority company. Minority owned company. They only do it because there is something, some requirement the tells them that they need to have some participation. But what the majority of the business, like even my business, we are looking for people that deliver good products and good services. I think there will be some discrimination because the label [Indiscernible] business for some people, forgive me here for being blunt, but for some people comes to mean that they are not competent at business. And the best way to overcome that is delivering good, high quality product or service. It gets to a point that the business you're trying to work with, they forget [Indiscernible] they just know you are good company to work with. That happens to help them to provide or fulfill the requirements of the law requires them for participation. My advice is, provide good service. Be competent and people recognize you and after a while you overcome any barrier.

 We have time for one, maybe two less questions.

 Okay.

 This comes to us from Lee who is asking if you can conclude that your higher education further enhanced your business and dealing with your stakeholders, or was there any harm, was it more of a benefit?

 If my higher education benefited? Can you repeat that?

 You, if your higher education, does that further enhance your business?

 Yes, of course education will never hurt. The more education one has, the better. However, keep in mind I was trained as an engineer. Engineers are well known as introverts. Personal relationships is not an engineer's forte. I suffered a little bit. One thing I learned was to surround my business with smarter people that I am in different areas. I was very good and what I was trained for. But, there are a whole bunch of bitter people much smarter than me in other areas. Sometimes we put things together. I know the technical portion of it. Before negotiations, perhaps it's better for me to send someone else. If that makes sense.

Thanks again, everyone. You all take good care. And we look forward to seeing you back next time.

 [Event Concluded]