

Warm Welcome To New Business Clients

Welcome!

Dr. Paul Bambara of **Paul Bambara D.C.** located in Matawan, NJ.

Kevin Detrick LLC of **Detrick Electric LLC** located in Keyport, NJ.

Mohamed Afzal of **Shore Transit LLC** located in Asbury Park, NJ

Dr Mark Elice, DMD of **Elice Dental Care** located in Hazlet, NJ

Jane Napoletano of **Trillion Title Professionals LLC** located in Manalapan, NJ

Chris and Fiona Cooper of **KRFC Custom Woodworking Inc., Cooper Florida Rental and Country Road Estates Inc.** located in Manchester, NJ

Bruce Druckenmiller of **Summit Supply LLC**, located in Hampton, NJ

Barry Cohen of **Ad Lab Media LLC** located in Clifton, NJ.

Tim Edwards and Fred Beyer of **Classic Installations** in Saddlebrook, NJ

Berylle Reynolds of **MBR Wireless Consulting** located in Howell, NJ.

Ben Lima of **Benco Security Inc.** located in Aberdeen, NJ

Rajesh Rana of **TechLeaves Inc.** located in Morganville, NJ

Robert Rondinalla of **Atria Capital Inc.** located in Matawan, NJ

Anthony Gianguzzi of **AGG LLC** located in Morganville, NJ

The Omar Group, CPA

"Accounting Guidance in Plain English That Will Grow Your Business and Improve Cash Flow and Profitability"

49 Cliffwood Avenue, Suite 200

Cliffwood, NJ 07721

(732) 566-3660

www.OmarGroupCPA.com

Email: Salim@OmarGroupCPA.com

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Would You Like To Test Our Unique Accounting And Tax Services?

By Staff Correspondent, Elaine Macina

Right now, we are offering a very rare opportunity for you to evaluate the many benefits that this type of proactive service could bring you. How much easier would it make your work? Which problems would you get rid of immediately? How much time could you save? How much MONEY could you save by simply knowing beforehand what to do?

For a short while, you can get help in finding the answers to these questions.

During this 30-minute free analysis, you will have an easy way to answer those questions and get a taste of our Accounting, Tax and Financial Stewardship services. To schedule your FREE meeting, call Mary Ann at (732) 566-3660 or directly email Salim at Salim@OmarGroupCPA.com

PS: Unfortunately, Salim can only meet with four small-business owners each month with this special opportunity – so if you delay in responding, you may be on a waiting list for 2 to 3 months. To schedule your free meeting, call today!

Straight Talk About Small Business Success

Tips and Trends For The New Jersey Small Business Owner

By Salim Omar, CPA. The Leading Authority For Small Businesses in New Jersey
(732) 566-3660 • Email: Salim@OmarGroupCPA.com • Issue 26, Summer 2007 Issue

49 Cliffwood Ave, Suite 200, Cliffwood, NJ 07721



Salim Omar, CPA

Welcome

Welcome to the 26th issue of my Green "Straight Talk" Newsletter, written specifically for business owners in New Jersey and a sequel to my "Straight Talk" book. Wow, already the 26th issue. I can't believe it, time flies fast. I distinctively remember my struggles with the first one. Like everything else of course, the more you do, the more comfortable you get with it. Here is the Summer issue of my newsletter, packed with nuggets of valuable information you should be able to immediately implement in your business.

Quotes of the Month

On goals

It is a paradoxical but profoundly true and important principle of life that the most likely way to reach a goal is to be aiming not at that goal itself but at some more ambitious goal beyond it.

—Arnold Toynbee

On happiness

The foolish man seeks happiness in the distance; the wise grows it under his feet.

—James Oppenheimer

On fathers

I'm so ugly, my father carries around a picture of the kid who came with his wallet.

—Rodney Dangerfield

On money

To get back on your feet, miss two car payments.

—Anonymous

IF YOU CAN'T SAY SOMETHING NICE.....

A teacher was meeting with the father of a boy in her class.

"Well," said the teacher, "there's one thing I can say about your son."

"What's that?" asked the father.

"With grades like these he couldn't have been cheating."

Sam Walton's Rules Of Business

I was recently surfing the web and came across the rules for building a business from Sam Walton, the founder of the Wal-Mart chain. The following are principles that have enabled the company to experience more than 40 years of success.

(Ps: I have taken the liberty of adding my own comments as they apply to small business to some of his, shown in parentheses and underlined.)

- **Commit to your business.** Walton says you have to believe in it more than anybody else. You have to have passion. Love your work and do it the best you can every day. (In my opinion, good leaders are crystal clear on their vision and habitually communicate it to those around them for buy-in.)
- **Appreciate everything your associates do for the business.** "Nothing else can quite substitute for a few well-chosen, well-timed, sincere words of praise. They're absolutely free and worth a fortune." (I would add "vendors" as well. To get the best service/products from your vendors, you want to view them as valuable members of your team and treat them accordingly.)
- **Celebrate your successes.** Have fun. Find humor in your failures. Loosen up.
- **Listen to everyone in your company.** And more important, try to get them talking, he advises. The ones who really talk to the customers are the ones who really know what's going on.
- **Exceed your customer's expectations.** Give them what they want—then give 'em a little more, he says. (A really good book on the subject is by Ken Blanchard titled "Raving Fans". If you haven't read it, go get it this Summer.)
- **Control your expenses better than your competitors.** You can survive a lot of mistakes if you're efficient. (During my regularly scheduled Financial and Tax Stewardship meetings with business clients, we allot a portion of the meeting to go over expenses to identify any distortions. It's an essential activity ALL business owners should go through on a regular basis.)
- **Swim upstream.** Ignore the conventional wisdom; find your niche by going another direction. (Many years back, I stumbled across a book titled "The Strangest Secret" from the late Earl Nightingale. In his book, Earl advises not to be scared to go against conventional wisdom. My theory since has been to do the opposite of what most folks are doing in one's industry, etc. The result: my firm stands as a recognized leader in its industry, while many struggle.)

Watch For These Credit Card Penalty Fees



For the year 2006, when all reports are in, banks are expected to collect \$17.1 billion in credit card penalty fees—that number is up 15.5 percent from 2004 and 906 percent from 1996, as reported by the Senate Banking Committee Chairman Christopher Dodd. Here are three practices to watch out for:

- **Universal default pricing:** Even if you've paid all your card's bills on time, the card issuer is allowed to hike your rate if you pay other bills late or if for some reason your credit score goes down.
- **Double cycle billing:** Say you charge \$1,000 to your account in one month and pay off \$800 instead of the whole amount. The bank then charges you interest on the full \$1,000—and beyond until the rest of that original balance of \$1,000 is paid off.
- **Zero-tolerance late payment policies:** That means that whether you're late one hour—or three months—it doesn't make a difference. You're going to get the same late fee. If you have a couple of these late fees on your account, that can lead to a penalty rate, which can be more than 30 percent. That punitive rate can then be applied to future purchases as well as any existing balance.

Tip I Have Successfully Used To Boost My Daily Productivity



If you need to increase your daily productivity, you might want to give this easy method a try: At the end of your day, do one more thing before you leave. I have used this technique for several years. It is simple but it does take discipline. Once you reach the end of your day and feel you have accomplished everything that needs to be done, don't leave before you do one more thing. Make a phone call to a contact you've been meaning to get in touch with, file the papers that are piling up on your desk. Write the memo you were going to do tomorrow. At the end of the week you will have accomplished five more tasks than you would have otherwise. At the end of the month, you'll have accomplished about 20 more tasks and over the course of a year you will have knocked out more than 200 extra tasks by doing one extra thing per day.

A Simple Lesson

Warren Buffet is known to be a generous man. Recently he announced his plans to make the biggest single contribution to philanthropy ever made. But it's also common knowledge that Buffet is generous in other aspects of life as well.

According to Bill George in Forbes ("The master gives back"), an MBA student from Kazakhstan was the recipient of Buffet's giving spirit when the student attended a function at which Buffet was present but left his camera in the Berkshire Hathaway boardroom. The student wanted some pictures of himself with Buffet—and so, true to his folksy form, Buffet offered to give the student a ride back to the office to pick up the camera.

During the drive, Buffet offered some advice to the young man. Do what you love, he told him. He also revealed to the student that his personal goal was not to live like a king, and that he liked living a fairly simple life, simple meals and driving a regular car.

It was then that Buffet offered this nugget of wisdom: *"Be a nice person It's so simple that it's almost too obvious to notice. Look around at people you like. Isn't it a logical assumption that if you like traits in other people, then other people would like you if you developed those same traits?"*

Excuses, Excuses — They Keep Rolling In

According to a survey by CareerBuilder, 32 percent of workers called in sick with phony excuses. I found them to be quite amusing. Here they are:

- Employee was poisoned by his mother in law.
- A buffalo escaped from the game reserve and kept charging the employee every time she tried to go to her car from her house.
- Employee was feeling all the same symptoms as his pregnant wife.
- Employee called from his cell phone saying he was locked in a bathroom stall and there was no one to let him out.
- Employee broke his leg while snowboarding on his roof while he was drunk.
- A skunk got into an employee's house and sprayed all his uniforms.
- An employee blew his nose so hard he threw his back out.
- An employee's dog swallowed her bus pass.



On Being Prolific

Johann Sebastian Bach is considered one of the greatest composers of all time. He was also one of the most prolific.

A young admirer once asked, "Papa Bach, how in the world do you manage to think of all those new tunes?"

Bach answered, "My dear fellow, I have no need to think of them. I have the greatest difficulty not to step on them when I get out of bed in the morning and start moving around my room."

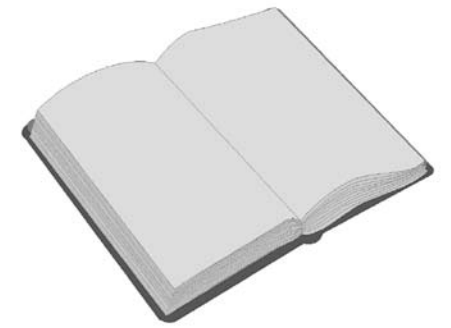
Things You'll Never Hear Dear Ole Dad Say:

- Darnit ... I'm lost. Can you believe that? I'll just stop here and ask directions.
- Sweetie, now that you've turned 13, I think you should be allowed to do whatever you want.
- I really like the attitudes of your friends. They seem angry and disrespectful and I see the value in that.
- I just want you to have my credit card and new car so that you can have a great time. No curfew. Go ahead, go wild!
- While your mother and I are away for the weekend, I thought you might want to have a party. Here's the key to the liquor cabinet.
- I think a tattoo of the devil would look great on you. Let's go down to the parlor—I'm paying.
- You don't need to work for your spending money.
- Shoot, I make enough. How much do you need?

Do You Have A Tough Accounting / Tax Question You Want Answered?

I love hearing from my small business clients and friends who enjoy reading my monthly newsletter. I'm always looking to answer pressing questions you might have about anything relating to small business. If you have a question, tip or idea, please feel free to call me at (732) 566-3660 or email me at Salim@OmarGroupCPA.com. Perhaps I'll feature you in a future issue!

What I Am Reading This Month



- Action, Nothing Happens Unless Something Moves

by Robert Ringer

If you own a small business, this is a "must" read book. Take ACTION and go get it.

- Small Giants: Companies That Choose to Be Great Instead of Big

by Bo Burlingham
This is a fantastic book written for the small business owner. Bo Burlingham reminds us of a vital truth: big does not equal great, and great does not equal big.

Business Question/Tip:

Q. For IRS purposes, how do I classify a limited liability company? Is it a sole proprietorship, partnership or a corporation?

A. It's a question I get asked quite a bit. A limited liability company (LLC) is an entity formed under state law by filing articles of organization as an LLC. Unlike a partnership, none of the members of an LLC are personally liable for its debts. An LLC may be classified for Federal income tax purposes as if it were a sole proprietorship (referred to as an entity to be disregarded as separate from its owner), a partnership or a corporation. If the LLC has only one owner, it will automatically be treated as if it were a sole proprietorship (referred to as an entity to be disregarded as separate from its owner), unless an election is made to be treated as a corporation. If the LLC has two or more owners, it will automatically be considered to be a partnership unless an election is made to be treated as a corporation. If the LLC does not elect its classification, a default classification of partnership (multi-member LLC) or disregarded entity (taxed as if it were a sole proprietorship) will apply. The election referred to is made using the Form 8832, Entity Classification Election. If a taxpayer does not file Form 8832, a default classification will apply.