

# Sunday Business

## VERY GREEN HOLIDAY

### Retailers offer EarthWISE gifts for shoppers

BETH CASPER  
SPECIAL TO THE STATESMAN JOURNAL

Gift-giving season is here. This year, shoppers have the opportunity to show they care as much about the environment as they do about the gift recipient.

In Marion County, shoppers can choose businesses that are certified EarthWISE. The certification ensures that the business operates with sustainability in mind — in everything from energy and water use to waste prevention and recycling.

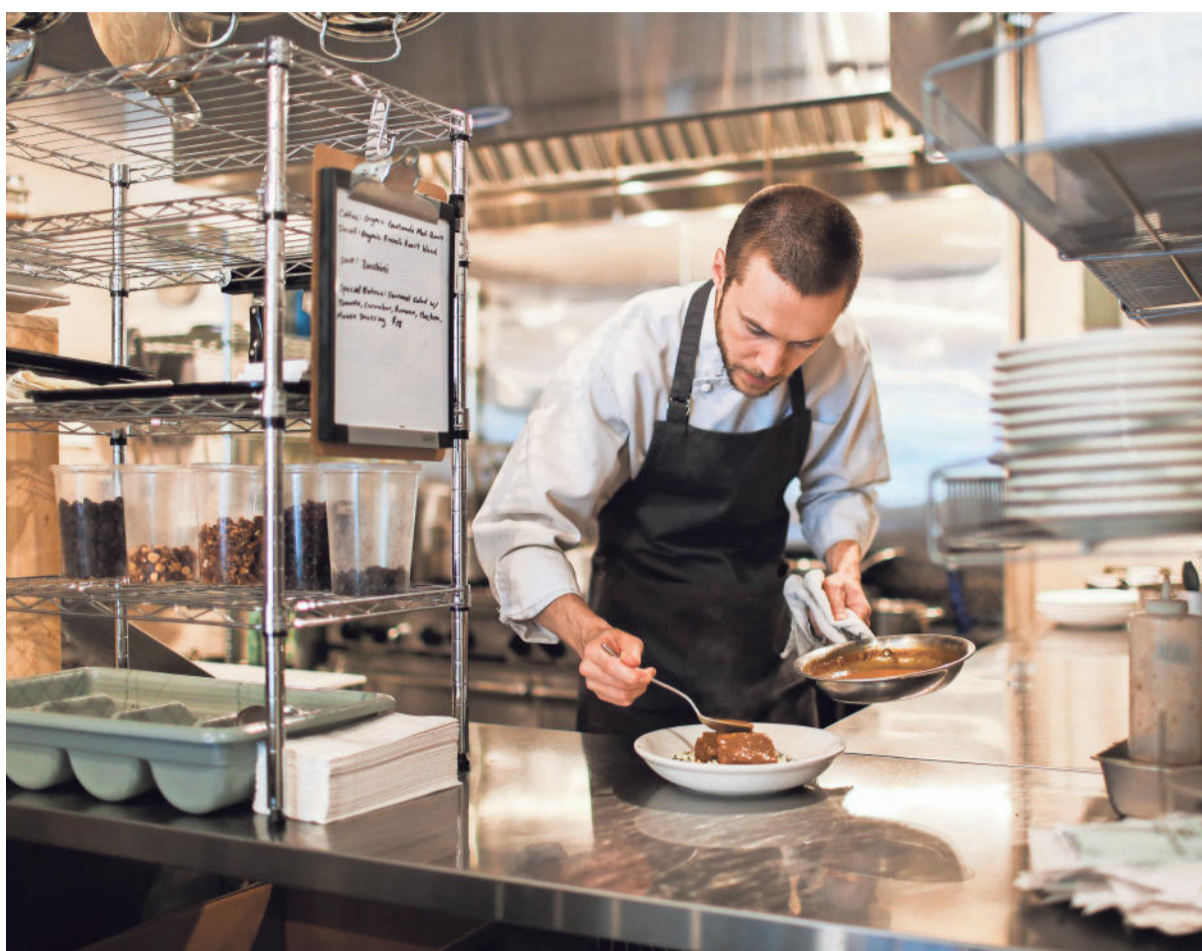
Not only are shoppers supporting local, green businesses, but the gifts can be an experience, a long lasting, reusable item or might even be made of recyclable materials. It's a way to buck the trend of giving stuff that simply clutters the house.

**One Fair World**, 474 Court St. NE, is the epitome of sustainability. Not only does the store run its operations in a green manner — recycling the materials that its goods are shipped in, for example — but it showcases environmentally friendly products.

Store employees search out products that are specifically reused — sculptures made out of old aluminum cans, things made from newspapers, beautiful Indian saris recycled into throws, and bracelets and purses made out of bike tires.

Those items are purchased from third-world countries, and by working with One Fair World, artisans earn a fair income. One Fair World also ensures that the workers have safe working conditions, and the products they make do not contain toxic materials.

Don't know what the recipient will fancy? No problem! One Fair



Chef Nate prepares another delicious locally sourced meal at Rafns' Restaurant.

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World offers gift cards.

Nearby, **Cooke Stationery** at 370 State St., has been EarthWISE certified since 2013. With hundreds of commercial clients, the business' efforts to recycle and reduce make a big impact on the environment.

Just by recycling shrink wrap and then reusing boxes and bubble wrap, Cooke Stationery was able to reduce its garbage from a dumpster size to a roll-cart size. It saved the business \$600 a year.

The store is open and features more than simple office supplies.

It sells recycled-content items, art supplies, beautiful stationery and maps that also make great gifts. Gift cards are available.

**LifeSource**, 2649 Commercial St. SE, is a natural choice for anyone who cares about organic, locally grown food. The store goes above and beyond the EarthWISE certification criteria in many ways — including its energy sources. In 2008, LifeSource installed 162-watt solar panels that offset about \$3,700 a year of its electricity bill. The remainder of the electricity purchased by LifeSource is wind

power.

LifeSource offers cookbooks, handmade items and useful gifts like handmade soaps and scented lotions. Gift cards are also available.

For the biker in the family, **South Salem Cycleworks** is a great business to support. The EarthWISE-certified business has not had dumpster service in more than 25 years of business. It focuses on fixing old bikes and using as many used components as possible

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## How to keep your new business from failing

### Staying power will beat tough times



CHEMEKETA SBDC  
MARCIA BAGNALL

According to statistics published by the Small Business Administration (SBA), seven out of 10 new employer establishments survive at least two years and 51 percent survive at least five years. What do those survivors seem to know that the others don't?

Here are a few questions to ask yourself before launching a new venture:

**Are you starting for the right reasons?** Getting rich quick and having lots of leisure time to spend the profits is a false hope! Good businesses are started by people who believe in what they're selling and understand that it fills a genuine customer need.

**Do you have a plan?** Does it lay out what will be happening when, where, with whom, and why? And does it contain some idea of how many dollars will flow in and out? There are lots of good business plan templates (for free) on the internet, so find one that suits you and start filling it out. Lack of planning is the single biggest cause of business failure.

**What's your management style and philosophy?** Do you have the experience you need in order to run your business, handle employees, manage the financials and work with the myriad challenges you'll face every day? If not, what's your plan to get that expertise?

**Do you have enough money to take you through the early days?** You'll need more than you plan for; a common complaint of new business owners is that they're undercapitalized. Realize that revenues will come in slowly but expenses will start right away. Plan for half the revenues in

twice the time, and twice the expenses in half the time.

**Are you in the right location?** This could be a physical location (a city, a neighborhood) or a cyberspace one (is your online presence easily located by your potential customers?). Where you place yourself will have major implications for a customer's ability to access you.

**How soon will you put up a website?** These days there's no such thing as a business without a web presence. Over 75% of the US population uses the internet on a regular basis, and that number continues to climb. If you can't be found in cyberspace you will be losing business to those who can.

**Are you determined to make this work, despite the odds?** You'll need staying power to last through the slow and tough times. Find ways to recharge your batteries and refresh your sense of the possible. It's worth it!

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Marcia Bagnall is Director of the Chemeketa Small Business Development Center and instructor of Small Business Management Program. The Small-Business Adviser column is produced by the center and appears each Sunday. Questions can be submitted to SBDC@chemeketa.edu. Visit the SBDC at 626 High St. NE in downtown Salem or call 503-399-5088.

Sweet Couture is proud to be an EarthWISE certified business. Not only are our designer cakes, cupcakes, and sweet treats delicious, but were made with virtually no waste in the process. From recycling, reuse, and composting practices, Sweet Couture is proof that elegant desserts and green business practices can go hand in hand.



WE HELP YOUR BUSINESS SAVE MONEY & RESOURCES

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# It's easy to take distribution as lump sum



**INSIDE BUSINESS**  
SCOTT BURNS

**Question:** Next year, 2017, will be my first year to take a required minimum distribution and I am trying to find the best way to do it. Vanguard recommends waiting until the end of the year, then taking the money out in one lump sum. They believe waiting allows dividends and interest to compound. Some recommend taking it out at the beginning of the year. My thinking is to have the dividends, interest, and capital gains taken out as accrued, then take the remaining amount needed out in December. What is your recommendation?

—T.G., Plano, Texas

**Answer:** The decision about when and how to take your required minimum distribution has two important elements, investment efficiency and personal budgeting. The Vanguard recommendation to wait until the end of the year is keyed to investment efficiency. It allows your money to grow for as long as possible.

The other element is practical — what's the best way to deal with money you are likely to need and spend?

If you take the required minimum distribution at the end of a year, it can be held for spending in the next year. If you take the required minimum distribution at the beginning of a year, it can be held for spending in that year. Either way, it is useful to have a lump sum of cash available to spend over a 12-month period.

Why? Life is full of uneven spending lumps. You've got big annual bills, like real estate taxes and insurance. You've got other, less predictable, spending such as vacations, home repairs and major insurance deductibles. If you have a fixed reserve of cash at the beginning of a 12-month period, you'll be able to deal with the lumps better than if you spread income evenly throughout the year.

If we ever have high interest rates again, it might pay to do some hand-wringing about investment efficiency, but with money earning nothing, convenience and simplicity are the goals to pursue.

**Q:** If bonds are risky, what do Couch Potato investors do? Do we get off the couch and use a CD ladder to replace the bonds? I realize the danger of inflation, but at least you wouldn't lose the principal. —K.G., Tyler, Texas

**A:** The answer here depends on how dedicated you are as a Couch Potato investor. If you are fully committed to investment indolence, you will rest calmly with the notion that it will all work out pretty well. But if you want to be a bit more active, you could establish a ladder of certificates of deposit or Treasury obligations. This, of course, entails some effort, which a devoted Couch Potato investor will avoid if at all possible.

A fixed-income ladder is a portfolio of certificates of deposit or Treasury obligations that mature at different times. As a result, you will always have something maturing, and you'll enjoy the yield of a longer maturity obligation while having a shorter average maturity.

A dirt-simple ladder would be a Treasury obligation maturing in one year and another in two years. When the first matures, a new two-year Treasury replaces

it. This means half your investment is available, in cash, every year, but your yield will be from two-year maturity securities.

Another ladder would be CDs that mature in one, two, three, four and five years. As each matures it is replaced by a new five-year CD. Ultimately, you will be receiving a five-year CD yield but have an average maturity of about 2.5 years.

Some people build taller ladders, reaching out to 10 years or more. How tall a ladder you build depends on how much money you have, how insulated you want to be from interest rate risk and how much easily available cash you want to have.

One of the nice features of fixed-income ladders is that if you have an emergency need for cash, you can sell or redeem your shortest maturities first. This will limit your losses.

Scott Burns is a syndicated columnist and a principal of the investment firm AssetBuilder Inc. Email questions to scott@scottburns.com.

# What to know about credit with debit card

SEAN ROSSMAN  
USA TODAY NETWORK

You've gathered your groceries. The cashier scanned your items. Now it's time to pay.

You swipe your debit card, and you're given the option of credit or debit. What's the difference?

Credit experts say not much. The selection affects more how the transaction is processed, rather than what happens in a person's account. But consumers should be aware of a few issues when

choosing credit while using a debit card.

Selecting debit and typing in your PIN means the transaction is reflected on your account immediately, and the money is withdrawn, said Claire Tak, head of content for personal finance website CreditSesame.com.

If you select credit, it requires a signature, and the transaction is processed by the credit card company. Choosing credit, however, could take days to show up on your account because it will be processed offline, said Bethy Hardeman, Chief Consumer Advocate at Cred-

it Karma.

Tak said the immediate withdrawal of funds could cause some people with low balances to overdraw their accounts. If credit is selected, the same person might have time to make sure the balance is large enough for the purchase. A credit selection, Hardeman said, could result in fees for the merchant or the purchaser.

Depending on your bank, running your card as credit might come with additional protections against fraud.

In both cases, Hardeman said, it's best to check with your bank.



PATRICK SEMANSKY/AP

The selection of credit or debit affects how the transaction is processed.

# EarthWISE

Continued from Page 1F

to make an affordable, safe and reliable means of transportation for those unable or uninterested in investing in a new bike.

Bike accessories or a gift certificate could make a great gift for the hard-core biker in the family or it could be the impetus for someone to join the shop's no-drop rides. It is at 4071 Liberty Road S.

For the sweet tooth in the family, a gift certificate to **Sweet Couture** designer cakes would be delectable! Sweet Couture, www.sweetcouturecake.com, creates designer cakes, cupcakes, and delicious treats, but are made with virtually no waste in the process.

EarthWISE businesses also cater to the gift-givers who want to offer an experience.

**Bentley's Grill and Rafns' Restaurant** offer gift certificates — a recipient could enjoy a local meal in a sustainable restaurant. Bentley's, 291 Liberty St. SE, composts all of their leftovers and recycles even the hard stuff, such as Styrofoam and bottle caps. Rafns' Restaurant, 479 Court St. NE, features food and ingredients that are certified Humane, Animal Welfare Approved, Food Alliance Certified, non-GMO and free range.

"We truly believe at Rafns' Restaurant, that to be sustainable you have to be committed to each one of these categories," owner Nate Rafn said. "They all tie into each other. We become exponentially more sustainable through education."

**Cascade Baking Company** gift certificates allow recipients to choose from many varieties of bread, a delicious, made-to-order lunch or sweet treats.

The bakery, 229 State St., could run up an enormous energy bill with a regular oven. Instead, owners Debra and Stephen Edwards built a radiant-heat oven with 3-foot thick walls. It only requires two hours of natural gas heating a day — at a cost of about \$150 a month. The business has been EarthWISE certified since 2008.

Combine the Cascade Baking gift card with a certificate to the nearby **Salem Carousel**. The carousel's mission to have everyone "experience the magic" doesn't conflict with its priority to protect the planet. The Carousel, 101 Front St. NE, has gift certificates for carousel rides and the gift shop, which features toys, ornaments and other gifts.

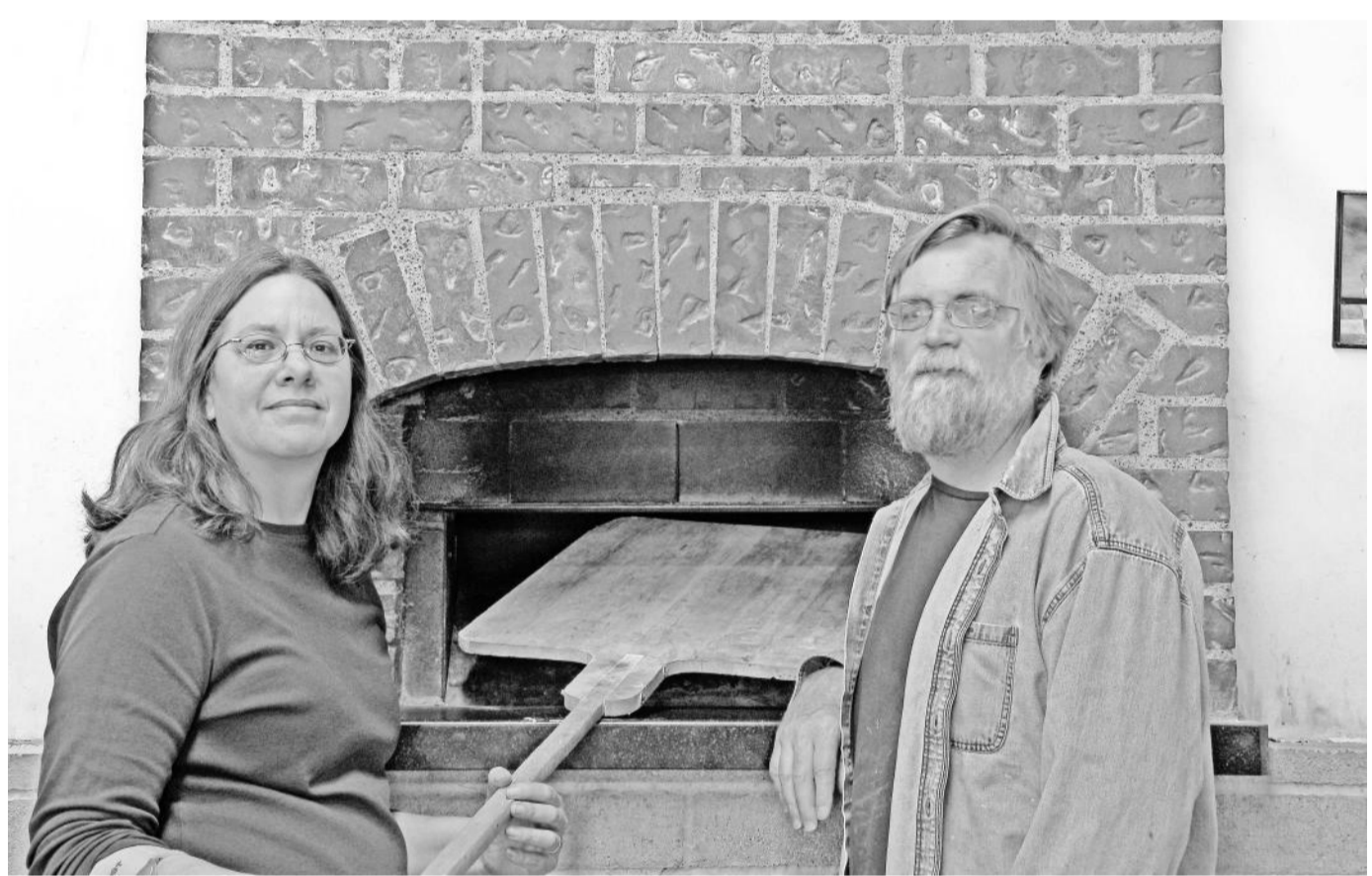
**Phiz Spa**, 3484 Liberty Road S, offers nail care, skin care, massage and body care. Gift certificates are available. Owner Erin Molyneaux — as part of her environmentally friendly business — ditched traditional waxing for a technique called sugaring.

"It reduced my waste by 99 percent," she said. "There are three ingredients: sugar, lemon juice and water. It is antibacterial and hypoallergenic and completely biodegradable. The only waste I have at the end of the process is hair and a glove."

For gift recipients not in Marion County, a package to **The Grand Hotel in Salem** may be the perfect gift. The Grand Hotel's EarthWISE practices include recycling — through a nonprofit — all of its soap and shampoo, and changing all of its lighting to energy-efficient alternatives.

The Grand Hotel, 201 Liberty St. SE, has packages for wine lovers and movie buffs. Visit grandhotelsalem.com/packages for more information.

For more information about EarthWISE businesses or the EarthWISE program, go to www.mcEarthWISE.net or call 503-365-3188.



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Cascade Baking owners Debra Edwards and Stephen Perkins show off their super energy efficient brick oven.



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Customers at Rafns' Restaurant enjoy the ambience while dining on locally sourced fare.



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One Fair World re-purposes old shutters and bookshelves into display cases.



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Besides nail care, Phiz Spa offers a variety of ways to spoil yourself or someone else.



SPECIAL TO THE STATESMAN JOURNAL

One Fair World volunteers turn old calendars and magazines into gift boxes.