

# SelfInformed

Published by the National Association for the Self-Employed

January 2012



*NASE Member Doug Springer,  
owner of Springers Gymnastics  
Center in Ellsworth, Maine,  
is a military veteran.*



# MILITARY ★ SECRETS

## 5 MARKETING TIPS FOR VETERAN-OWNED BUSINESSES

*By Kim O'Connor*

Millions of American entrepreneurs are also military veterans. The overlap is hardly surprising. The demands of military service require sharp skills and steady discipline—the same qualities that business owners need to succeed.

The U.S. Small Business Administration reports that about 17 percent of our country's 24 million vets are small-business owners. Yet many, if not most, of those businesses never think to promote themselves as veteran-owned. That can be a costly mistake.

Veteran status can be a boon to your small business by helping you secure choice contracts and establish consumer trust.

Here's how to make the most of your military-based marketing advantage.

*Try to work with other veteran-owned businesses whenever you can.*

### 1. TAKE ADVANTAGE OF CORPORATE SUPPLIER-DIVERSITY PROGRAMS

Many large companies have procurement programs that offer veteran vendors preferential treatment. All other things being equal, military vets—particularly women, minorities and disabled people—enjoy a competitive advantage in the corporate marketplace.

The [National Veteran-Owned Business Association](#) maintains a list of Fortune 1000 companies that offer the best contracting opportunities for veterans. Focusing your energy on these major players can potentially yield huge results.

### 2. GO AFTER GOVERNMENT CONTRACTS

Corporations are not the only employers with supplier-diversity programs. Many lucrative government contracts are earmarked for veteran-owned vendors.

Securing a contract with the federal government might require extra effort, but it's well worth your time.

The Veterans Entrepreneurship and Small Business Development Act of 1999 encourages federal agencies to set aside 3 percent of their contracts for veteran-owned businesses each year. That's about \$15 billion worth of business!

## *Your military service is a huge competitive advantage.*

The first step is to register with the **Central Contractor Registration (CCR)**, the official online registrant database for the U.S. federal government. This process is required for any business—veteran-owned or otherwise—that wants to work for the federal government. Registration is free and can be

completed online in just a few hours. Processing time is usually less than one week.

While the **CCR** is the main centralized database used by federal agencies seeking contractors, it's important to realize that each agency has its own regulations, quirks and hiring practices. Research the agencies that are most relevant to your business.

A good place to start is the Federal Tracker at the **National Veteran-Owned Business Association**, which provides up-to-date information about how different government entities spend their procurement dollars.

Increasingly, state governments also offer preferential treatment to veteran-owned vendors. You can learn more about what's available in your state—including pending legislation—at the **National Veteran-Owned Business Association's State Tracker Web page**.

## 2 WAYS THE NASE CAN HELP

The NASE **Succeed Scholarship™ program** can help military veterans—and other NASE Members—learn how to successfully market their micro-businesses.

Association members can apply for scholarship awards of up to \$4,000 to pay for continuing business education.

The scholarship money can be used for:

- Participation in seminars and conferences that support the growth of your business
- Training courses for business certifications and licensing
- College or university courses, either online or through a local institution

This is your opportunity to learn more about successful marketing and to gain new business skills.

Learn more about the NASE's **Succeed Scholarship™ program** and apply online today.

*NASE Succeed Scholarships are awarded at the sole discretion of the NASE. Unfortunately, not everyone who applies will receive a scholarship. Decisions of the selection committee are final and are not subject to appeal. No application feedback will be given.*

Have questions about marketing, veteran certifications and other micro-business issues? The **NASE micro-business experts** can help.

These professional consultants can answer your questions, offer advice and help you avoid costly mistakes. Plus, as an NASE Member you have online access to our **team of consultants 24/7**—at no cost to you.

Get the one-on-one, confidential help you need from experts who understand micro-businesses.

### ■ **BUSINESS STRATEGY EXPERTS**

Knowledgeable consultants answer your questions about pricing new products, taking advantage of social media and other mission-critical business issues

### ■ **ACCOUNTING EXPERTS**

Get answers from certified public accountants about increasing your profitability, improving your cash flow, preparing a budget and other financial questions

### ■ **BUSINESS LAW EXPERTS**

Learn about legal issues such as contracts, incorporating and more with help from licensed attorneys

### ■ **HEALTH REFORM EXPERTS**

Find answers about how changing health care regulations might impact your micro-business

### ■ **TAX EXPERTS**

Certified public accountants provide information about reporting your income and deductions, reducing your taxes, completing your tax forms and more

### ■ **RETIREMENT PLANNING EXPERTS**

Licensed attorneys help you understand estate taxes, wills and other retirement planning issues

### 3. GET CERTIFIED AS A VETERAN-OWNED BUSINESS

Many of the supplier-diversity programs offered by corporations and government agencies will require special proof of your veteran status. Make sure you meet the applicable certification requirements to put your business first in line to supply their goods and services.

To receive a veteran-owned designation, the rule of thumb is a military veteran must own 51 percent or more of the business and be involved with its regular operations. Other parameters may apply if you're disabled.

*Many lucrative government contracts are earmarked for veteran-owned vendors.*

While there is no single centralized source for certification, the [U.S. Department of Veterans Affairs \(VA\)](#) is probably the most trusted provider. Its credentials are generally accepted—if not required—by third parties. You can learn more about the certification process at the [VA website](#). It's a relatively involved process that requires supporting documentation.

You can also use third-party certification from agencies like the [VA](#) as a marketing tool to boost consumer trust.

Depending on your business, certification may not be strictly necessary. If you work in the private sector, you may not require any form of certification. Many companies will accept Department of Defense Form 214 (paperwork that was issued at the end of your military service) as proof of your veteran status.

### 4. ADVERTISE YOUR STATUS AS A VETERAN-OWNED BUSINESS

The [National Veteran-Owned Business Association](#) found that 70 percent of American consumers surveyed said that, if given the choice, they would prefer to buy from veteran-owned businesses.

That means your military service is a huge competitive advantage—assuming people know about it. Take every opportunity to promote your status as a veteran.

Make sure to mention it on all of your marketing materials, including your website and printed pieces such as brochures and mailers. The same goes for print advertisements, business cards, vehicles, storefronts and signs—anything people can see.

Even everyday correspondence tools such as email signatures and outgoing voicemail messages are a chance to tell the world about your service. Keep it simple. Phrases like “veteran owned and operated” or “vet-owned business” will get your message across without taking up a lot of space.

### 5. NETWORK WITH OTHER VETERANS

Professional networking is the lifeblood of micro-businesses. Consider attending a conference to meet new people in person, market your business, and learn more about veteran-specific opportunities.

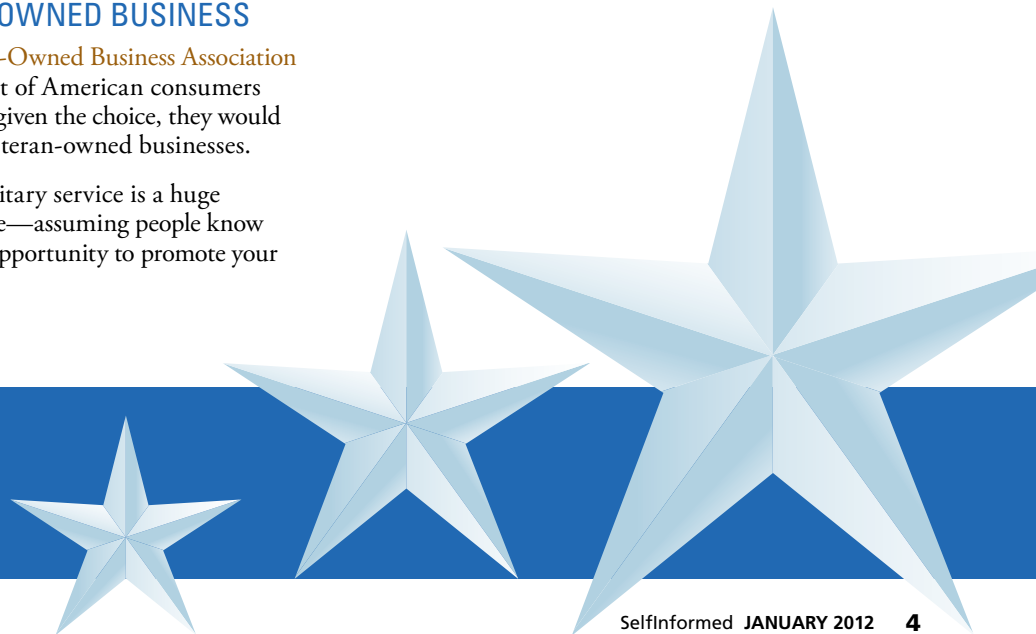
Try the [National Veteran Small Business Conference and Expo](#), which is partially sponsored by the [VA](#). The largest conference of its kind, the 2011 session boasted more than 4,000 attendees.

Maintain the connections you make at conferences—and elsewhere—with all the usual social media opportunities, including [LinkedIn](#), [Twitter](#) and [Facebook](#).

Finally, try to work with other veteran-owned businesses whenever you can. A number of online directories, such as [Veteranownedbusiness.com](#), can help you find local listings for a wide variety of goods and services. While you're at it, create a free listing for your own business so consumers can find you, too. ■

---

**Kim O'Connor** is a freelance writer who appreciates America's servicewomen and men.





# Ask The Experts

## Should our business own a vehicle?

**Q:** My wife and I own a small consulting business for which we drive on the job quite a bit. We've been using our personal vehicles. One of these vehicles needs to be replaced, and we were wondering what the pros and cons would be of having the business purchase the vehicle as opposed to making it a personal purchase.

**A:** The hard part to understanding the pros and cons of which entity should own the vehicle is the fact that the ownership will not affect the use of the vehicle. The use of the vehicle for either business or personal purposes will dictate the tax deduction. But the recordkeeping and the allocation process is much easier if you personally own the vehicle.

If you own the vehicle personally, then you will use either the standard mileage rate or the actual expense method to determine the tax deduction related to the business use of the vehicle. The key factor in determining the deduction—regardless of which method you choose—is the maintenance of a mileage log. The business miles will be tax deductible while the personal miles will be excluded.

This is still true if the business owns the vehicle, but the allocation is reversed. If the business owns the vehicle, you must maintain the log and then allocate the personal, nondeductible usage back to the individual. The business pays for all the costs, but then you have to exclude the amount that relates to personal usage, which is more cumbersome than allocating the business side.

So if you do expect to have business and personal use of the vehicle, my opinion is that owning the vehicle individually is better.

## Which business software is best for my company?

**Q:** I own a small wholesale trade business. I am coming up on the end of my first year and I would like to do my bookkeeping differently next year. I am currently shopping for business software to help with my bookkeeping, inventory and order tracking. I would welcome any software suggestions that can be offered based on practical experience in the type of business that I do.

## THE NASE CAN HELP

### TRACK YOUR MILES

**TripAlly** is an exclusive NASE iPhone app you can use for tracking and calculating all of the business miles you drive.

No more paperwork or mileage logs. **TripAlly** will:

- Automatically compute the number of miles you drive for each trip
- Tally your miles—every day, every month, every year
- Let you add trips manually
- Calculate mileage on indirect routes

For each individual trip, the app lets you input details such as the purpose of the trip and specific notes about the trip.

**TripAlly** makes tax time easier. When you're ready to report your business miles on your tax form, just ask **TripAlly** for the information you need.

NASE Members get all of **TripAlly's** features for free—a \$9.99 savings!

### GET MORE ANSWERS

The NASE's small-business experts are here to help. Ask your tax, business strategy, retirement planning, accounting, business law and health reform questions **online**. Access to the NASE's experts is free with your NASE Membership.

**A:** There are lots of options out there to look at with costs ranging from under \$100 up to thousands of dollars. QuickBooks may be the least expensive and can certainly do a good job. Its inventory application seems to work fine for smaller businesses. My personal preference and my recommendation is Peachtree Accounting. Their inventory costing and tracking is flexible and relatively intuitive so it is easy to learn. Peachtree software is a bit more expensive than QuickBooks, but I think the extra cost is worth it. ■

# A SMALL-BUSINESS SOLUTION TO AMERICA'S DEBT WOES

By Kristie L. Arslan

Capitol Hill is sifting through the remnants of last year's supercommittee talks, looking for tax plans to keep after the collapse. We can expect to hear many proposals about closing tax loopholes.

With a new year beginning, lawmakers are also looking for ways to reduce the budget deficit and get our country back on track. Tax reform is one way to do that, and is something the NASE has long advocated for in Washington.

## TAKE SMALL STEPS TO MAKE A BIG DIFFERENCE

Congress can invest in small fixes that will go a long way for the small-business community:

- Fix the tax disparities that make small businesses pay more than their corporate counterparts for health insurance
- Increase small-business lending to help startups create new jobs and help existing businesses expand
- Help states launch self-employment training programs for residents

We will continue to talk to legislators and policymakers about the importance of creating a fair playing field for the self-employed and micro-businesses.

*Since 2012 is an election year, the NASE expects to hear plenty of rhetoric from candidates about ways to fix the tax code.*

## FIND LONG-TERM SOLUTIONS

As any business owner knows, good financial habits are the key to operating a successful company. For those pursuing self-employment, there are resources available to help develop and instill the financial habits necessary for getting a business up and running. However, it can be hard to have the courage to venture out on your own when temporary cuts and short-term fixes make the tax landscape uncertain.

Since 2012 is an election year, the NASE expects to hear plenty of rhetoric from candidates about ways to fix the tax code and reduce the amount of debt that the U.S. holds. Keep an eye on your candidate's position on these issues, as it could make a big difference in the next few years. When you can, check out your representatives in Congress to find out their views on these issues as well. You can find that information and more at the NASE's [Legislative Action Center](#).

## REMEMBER SMALL BUSINESS IN ECONOMIC DECISIONS

As the tough decisions are made to balance our books, it is our hope that those on Capitol Hill will be able to come to a consensus that will alleviate the national debt and work in favor of one of America's largest economic strongholds—small businesses. It is essential that our policymakers keep the majority of the small-business community in mind as they make important economic decisions about the health of our nation—and

do not leave us out in the cold. Providing incentives for the nation's unemployed to start a small business and go to work for themselves—thereby keeping them off the unemployment rolls—will help boost our economy and ultimately reduce the lingering national debt.

America's small-business owners want more than just political finger pointing. They want our policymakers to work together to find solutions that put America back to work.

The bottom line is that stimulating the economy will help boost the bottom lines of America's smallest businesses. ■

---

Kristie L. Arslan is president and CEO of the NASE and provides critical insight to policymakers on issues affecting our nation's self-employed. You can contact her at [advocacy@NASE.org](mailto:advocacy@NASE.org).





**For inquiries:**

**National Association  
for the Self-Employed**  
Communications Office  
325 7th Street, NW, Suite 250  
Washington, DC 20004  
(202) 466-2100  
[editor@nase.org](mailto:editor@nase.org)