



HARVEST
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Turning Vision into Value



Harvest Partners

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Breakout Growth: Why It's Important

David Karabinos

Most business leaders look for breakout growth, but most often can't find it. They might even have trouble defining what it is. It is elusive and seems to be reserved for the lucky few who have a new idea in a big market with no competition. The conventional wisdom has been that breakout growth just happens, almost like spontaneous combustion, and that we can't or don't actually cause it to happen. At Harvest we've learned this is just not true. In fact, you can create breakout growth. We will tell you how in this and subsequent newsletters. Let's start with some background.

Mature companies usually grow at about the same rate year over year, plus or minus. Radical improvement in organic growth is unusual and difficult. So, most of us tend to keep our expectations low for quantum leap changes in sales and market share. You may not like to settle for the conventional, but at least you are growing. But that mindset is limiting and mainly exists for reasons having to do with fear of failure and because you truly do not understand what will drive extraordinary demand for your product or service. If you solve for these two inhibitors, then breakout growth is at your fingertips.

Full Article



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Birmingham Tuesday, November 9th, hear David's thoughts on Breakout Growth at the Birmingham Business Journal's "Business Growth Expo" at the BJCC. For more info, go to <http://www.bbjgrowthexpo.com/index.php>.

Strategic Nerve: A Source of New Growth

Steve Hindman

Repeating past revenue growth is not enough for many businesses. Early stage companies, those with products stalled well below their potential, companies with mature products, ones in tough economic times, those in highly competitive industries, and many others require more. They need "new growth" - revenue growth that is significantly higher and more profitable than in the recent past.

Companies that achieve such growth invariably get there by tapping into their market's "Strategic Nerve." This is a term I coined a few years ago for a practice that has been followed by great businesspeople for more than a century. It means to position or explain your product in a way that solves a preexisting problem that most customers in your target market find frustrating. **[Full Article](#)**

Partner Spotlight: [AGL Westbrook McGrath](#)

The Partner Spotlight would like to introduce you to [AGL Westbrook McGrath](#), a public accounting firm offering audit, tax and advisory services. Their industry specialties include health sciences, technology, manufacturing & distribution, as well as nonprofit organizations. AGL was launched in September 2007 and has experienced rapid growth from client demand, as well as from a recent merger with Westbrook, McGrath, Bridges, Orth & Bray. The combined firm has nearly 30 professionals in 3 offices: Johns Creek and Duluth, GA and Indianapolis, IN.

The entrepreneurial culture that permeates the firm has led them to distinguish themselves in several ways; specifically, a firm-wide paperless environment, audit engagements that "pay for themselves" by also uncovering top-line revenue opportunities and bottom-line savings, and R&D tax credit studies that deliver a return today and for years to come.

[Full Article](#)

Capital Markets:

Small and Medium Businesses Remain Tight

Dusty Pritchett

Bank Financing - As many of our clients can attest, the credit markets for small and medium size businesses remain very tight. Even though the economy is beginning to show signs of improvement, most experts unfortunately do not predict an improvement in credit availability in the near term. As the economy has contracted and revenue and cash flow has deteriorated, banks credit policies have become more stringent and available credit more expensive.

The Troubled Asset Relief Program ("TARP") has primarily benefited the larger banks which generally lend to larger companies. Small community banks that tend to serve small and medium businesses have not had the same access to the TARP relief program. One of the leading lenders to small business, CIT Group, is undergoing major restructuring. Most experts predict that the tight credit markets for small and medium businesses will continue well into 2010, and many call for programs to provide

incentives for lenders to issue credit to small businesses.

On October 21, President Obama announced an additional round of capital injections into community banks that can make the case they'll use the money for small business lending.

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Referral Marketing

Consistent lead generation is key to fueling sales growth. One way of generating a steady stream of qualified leads is by implementing a referral marketing strategy.

Let's distinguish a lead from a referral. A lead is someone who may be interested in your product or service while a referral is someone who definitely is interested in your product or service - and they already know and trust you before you ever talk to them. A referral is a qualified lead.

A referral marketing program shortens the sales cycle. This occurs for two reasons: 1) the referral enters the sales funnel as an already qualified lead and 2) the negotiation & close phases of the sales cycle are shortened due to the referred trust that comes with the referral. **[Full Article](#)**