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## Interview no. 1518

Susan Guerra

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## THE UNIVERSITY OF TEXAS AT EL PASO INSTITUTE OF ORAL HISTORY

Interviewee: Susan Guerra

Interviewer: Manuel Sanmiguel

Project: Hispanic Entrepreneurs Oral History Project

Location: El Paso, Texas

Date of Interview: February 3, 2009

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Transcript No.: 1518

Transcriber / Summary: Daniel Santana

Susan Guerra, born in El Paso on August 1970, describes her upbringing and management of her husband's practice, Total Orthotic and Prosthetic Solutions, Incorporated. Her father worked for Channel 9 El Paso and then later worked as an apartment manager; Her mother was a secretary who passed away when Susan was only five years old. She attended El Paso High and graduated from the University of Texas at El Paso with a nursing degree in 1993. She helped to start her husband's practice, which provides prosthetic, artificial limbs as well as orthotic braces for their patients. Their office opened in 2004 yet she worked on attaining its contracts as early as 2003. Her dream to start their own practice emerged as a result of a doctor and amputee who owned his own business, Michael Martinez, and conversed with her husband who once worked at Baskin Robins. Guerra describes the process of attaining funding and organizing their business plans. She notes that attaining contracts, permits, and licensing were some of the largest obstacles they had to face. Nevertheless, she believes her office's contributing factors towards success has been their honesty, refusal to steal patients from other practices, as well as their continual growth. The El Paso Chamber of Commerce has recognized their business as a successful up-and-coming small business. Guerra finds that some of the advantages of being a local, Hispanic-owned business are that they have been able to attract Hispanic clients as well as locals. Their office is in the process of attaining government and private contracts.

Length of interview 52 minutes

Length of Transcript 26 pages

Name of Interviewee: Susan Guerra  
Date of Interview: 3 February 2009  
Name of interviewer: Manuel Sanmiguel

This is an interview with Susan Guerra on February 3, 2009 in El Paso, Texas. The interviewer Manuel Sanmiguel. This interview is part of Paso del Norte Entrepreneurs Oral History project.

MS: Can you tell me when and where were you born?

SG: Here in El Paso, August 20, 1970.

MS: Where did you grow up?

SG: In El Paso. Do you want to know what side of town?

MS: That's fine. Can you tell me about your family, your parents? What did they do for a living?

SG: For a living? My father initially worked for Channel 9 when I was born, and he was in broadcasting, and then he came from there, changed professions, and became an apartment manager, just maintenance and managed the apartments for pretty much the rest of the years. My mother was a secretary. That was pretty much probably the highest – had only a high school education. Was a secretary pretty much off and on, different places, and then lost her life in an accident at [age] twenty-five. I was five years old.

MS: I'm sorry to hear that. Can you tell me about your education?

SG: I went to elementary school at LBJ, here in El Paso, and then went to Morehead Junior High. [I] graduated from El Paso High in 1988. From there, [I] went to UTEP, to the college of nursing. I graduated in 1993 with a Bachelor degree in nursing, and have been practicing nursing since May of 1993 when I graduated.

MS: What language was spoken at home during your childhood?

SG: Both English and Spanish.

MS: On an equal basis? Or was it leaning more towards English?

SG: Actually, initially, probably more towards Spanish only in the sense that when I lost my mother when I was five, we had a lady who was from Juárez who had been with my parents before I was even born, and she only spoke Spanish. So I actually grew up – and it's a lot of the reason why I'm fluent today, is growing up knowing Spanish. So my dad spoke English, but she spoke Spanish and then when my father remarried, the lady that he married was Hispanic, and she spoke primarily Spanish, so it was kind of, I'd say a mix. I'd have to say 50/50. She mostly spoke to us in Spanish with the intention of us learning Spanish. We would answer in English and she would pretend – so I think both. So I'd say a mix, about 50/50, yeah.

MS: How long did it take your dad to remarry?

SG: Not long. Maybe a year.

MS: What did she do for a living?

SG: Back then, they called them, I think, a home aid. She worked for visiting nurse associations, and I believe it's a home aid. She basically helped the elderly bathe, and change, and get themselves – do home visits where you kind of help with their basic needs, meals, and cleaning.

MS: Did that experience help you decide towards pursuing a degree in nursing?

SG: A little bit, yeah, it did because she was always very helpful to others, and we would go to these little people's houses. She'd want us to meet her patients once in a while, and we would go to these people's houses, and I think it showed us kind of the need to help others, and I think that's the basis of where I kind of got along wanting to be a nurse.

MS: What is the present name of your company?

SG: Total Orthotic & Prosthetic Solutions.

MS: Can you describe a little bit your business? What's the number of employees and what is the product or service that you offer?

SG: The business right now is, we provide prosthetic and orthotic services. Prosthetics are artificial limbs, so it's kind of twofold. The prosthetic component of it is that we service patients who have had either an arm or a leg amputated, and manufacture the actual arm or leg here, and fit them with it after they've been referred to us by a physician, so that they can either use their arms again or walk again. The orthotic component is basically another name for orthopedic braces, so bracing from head to toe—a neck injury, a back injury, a wrist injury, knee, ankle, or a surgery. So sometimes, the orthotics are short term. For example, if you hurt your knee in an accident or in a basketball game or whatever, it's a short-term fix. You might have surgery, wear the brace for a little bit, and you're better, versus children who are born, for example, with cerebral palsy or have muscular dystrophy, chronic illnesses that they need the brace to function, always, because they have some type of deformity or weakness. Sorry. Can you recap that question again?

MS: No, it's fine. We'll deal with this a little bit further. How old were you when you decided to start this business?

SG: Thirty-three, so it'll be five years this March, 2009.

MS: When did you start this business?

SG: We opened the doors March 8 of 2004, but we had started kind of behind the scenes working on it in late 2003 to get all the preparation (corporation??) and the Medicare stuff, insurance contracts and everything going.

MS: What kind of experience did you have in this area? And you told me you've been working as a nurse since 1993.

SG: Yeah. I've been a nurse, and so my husband who is the actual practitioner here, and, of course, we own the business together – is the actual what they call prosthetist and orthotist. He's the actual practitioner who sees the patient and is certified in this field. But my experience in that was, having a nursing background, and having been with him through school and all that, I kind of really got interested in the field and knowing what he did. And then, when we started the business, understanding the types of needs from a nursing standpoint, how I could help him not only as a business but also from a nursing standpoint in his business since it was dealing with patient care.

MS: My next question is why did you decide to go into business for yourself?

SG: Well, it's always been a dream of my husband's. That's just something he's always wanted to do, and when I met him that was kind of a goal that we both had, that our future plan was to own our own business. Pretty much what kind of pushed us towards that is that my husband worked for a gentleman who had kind of been a mentor to him and introduced him to this field, and he had always hoped that maybe he could become a partner with this gentleman, or possibly when the gentleman retired, own the business. And then kind of a tragic turn of events happened in that the gentleman was diagnosed with terminal cancer and died in

three months, something we would have never expected. So then, we were kind of at a cross in our lives where it really pushed us to that kind of thought of, Hey, someday we'll own our business. It was really kinda like, okay, now what do we do? And that's kind of what pushed us to pursue starting our own business.

MS: Who or what encouraged you? Probably you've already answered this question, but can you elaborate a little bit more on that?

SG: I think a lot of it was just always having that dream as a child, both of us kinda wanting to do that, and then also I can tell you this gentleman that introduced my husband to the field kinda really made us – and he was Hispanic, and we kind of all grew up here in town. It was kind of like one of those things where you could see that opportunity was there. So I think people who were put in our place – and then also just family and friends who encouraged us along the way.

MS: Can you tell me the name of this gentleman?

SG: Sure. His name is Michael Martinez.

MS: And what was his expertise?

SG: He was actually an amputee himself. He had lost a leg, and so he had not only personal experience with this, but it was something close to his heart that he wanted to make a difference for others, and so that's kinda what got him interested in the field and then to open his own business.

MS: How did you come about knowing him?

SG: Miguel actually worked at a Baskin Robbins on Piedras Street, and this gentleman and his wife used to come in regularly on weekends. Miguel was going to UTEP getting his business degree at that time, and this couple would come in regularly,

and so he would just talk to the clients and get to know people. And as he got to know this couple, because they were regulars, he would kind of ask everybody, “What you do?” It would come up in conversation, or they’d ask him what he was doing and he’d tell them about college and stuff. So one day, the gentleman did tell him what he did and said that he had a shop locally here and Miguel seemed very interested in it, and he invited him to come down and see the shop. So Miguel took him up on that offer and did go look at the shop and was very interested in the whole idea of it, and the gentleman offered him a part time job, just cleaning, and eventually he trained and got interested in the field and pursued it as a career.

MS: Did you need any funding to start this business?

SG: We did. One of the big things was, okay, now we wanna start our own business, how do you do that? So we did. We went to the SBA. We went to the organization called SCORE, which is, from my understanding, retired business owners here, small business owners here in town who give free advice. So we knew we needed a business plan. So we went to the SCORE gentleman, the counselor there. He kinda looked at our idea and said, “Tell me your idea, and thoughts, and why you think this, in this market, would thrive?” So at that time we had put together a business plan, so we had kind of already evaluated what was out there and the need, and why we felt we would be competitive, or could have an advantage, or even be competitive in this business. So with the recommendation and the counseling of SCORE, they recommended that we apply for an SBA loan, and then that was kind of how it all got started. And they recommended that we go to Bank of the West, and that’s kind of where we started.

MS: Can you tell me of this counselor that worked at SCORE?



SG: You know, I have his name – someone recently asked me that. Let me get it. Mr. Corkin. And I understand that he's since passed away, but he was very knowledgeable and had helped a lot of people. His name is Mr. Corkin.

MS: And this was in 1993?

SG: This was actually in 2003.

MS: I'm sorry. 2003. Yes. Can you tell me about what SBA did for you?

SG: It was quite an interesting process in the sense that, obviously, you have to reveal all your financial – what you have and what you don't have, and your debts, and your – so pretty much just sat down with us and said, Okay, look, you need to tell us what do you think it would take to start this business, what do you have, and what do you need. So we just sat down and looked at debt to income ratios and what it would take to start up the business so they kind of just broke down the whole financial part of it. So we had come up with what we called the pro forma and kind of made a little list of, okay, to open the doors we need all these tools, a computer, a phone, all the equipment that we would possibly need, and try to come up with a cash value for that, and then looked at what we had, what we could put in our own, and what we needed from them. So they kind of just gave us, really, financial counseling and direction on that sense to see if we would qualify for that type of assistance.

MS: And how long did this counseling last for? How long did it take?

SG: Not long in the sense that we were told because we had our business plan already prepared and we pretty much had already analyzed the market and had a pretty good idea of where we were headed, they felt like we were really prepared. So really, the counseling. I think I spoke to the gentleman from SCORE twice. He referred us to Bank of the West. We met with them initially and then their

representatives and we were approved for the loan. I mean, it was a quick process.

MS: Can you tell me exactly how much money did you guys need for startup costs?

SG: Initially, the loan that we took was for \$65,000, so we borrowed \$65,000 from the bank, and we had \$60,000 from family, friends, ourselves, that we could get together. So we initially needed \$125,000 we had figured to get started, and that's kind of where that income came from.

MS: Can you tell me a little bit about this business plan? How did you formalize it? You mentioned you did some research on the market.

SG: Um-hm.

MS: How did you go about doing that?

SG: The way we did that is because in my husband's field, he went to UT Southwestern in Dallas, and part of the program is you have to do residencies, so he had done two residencies in Dallas, and he was fortunate enough to get both those residencies at large companies who are all over the world. So out of that, he learned a lot of their business model and their plans, more of a corporate entity, so that he kind of had that knowledge of how that company functions, so that when he came back down here, opened what they call a mom and pop shop, an individual versus a corporate entity. That same company had an office here in town. And so he pretty much knew how they were performing or overall how the company performed and what their strategy was in the market. So he was able to kinda take his mom and pop view up against this corporate entity and say, this is what the corporate entity offers and does, and this is what I think are the needs or the deficits of that, that I feel like I can fill.

MS: Can you tell me the name of the corporations that he worked for?

SG: It was called Hanger and then NovaCare. And those two eventually merged to one and are now Hanger, so they all eventually became this huge – and now they're everywhere.

MS: And what do they do exactly? They offer the same product and services that you guys do?

SG: Uh-huh. They offer the same services, but they have offices everywhere. So what has happened, in our field, and has kind of been hard for the mom and pops, is that because they're a corporate entity, I guess, within anything, they have the advantage as far as contracting, offering, I don't know if you could say discounts, but you know what I mean. Just offering better deals because they have such a large – which I guess that's what anybody's up against when they're a corporate and a local business. So that's kind of what they did. The same services, but they had the advantage in the sense that they have contracting on national levels.

MS: What makes you different here in the El Paso market?

SG: I feel – and a lot of why we did this is because what we felt in that corporate thing and having been a nurse in a corporate entity, and then kind of outside of that realm is, I think you lose a lot of – I mean, I think there's lots of advantages of being part of a corporation, but I think as part of a local, you can provide better one on one, better customer service. I can make decisions based on individual needs without having to ask some big corporate entity to sign off on it or check off some list. So I feel like people are better serviced because it's like they're treated more like an individual and based on their individual needs versus fitting into this mold that they have to follow the way the corporate does it or whatever.

MS: What major obstacles did you encounter during the startup phase of your company?

SG: I think major obstacles are, of course, because it's a healthcare business, obtaining Medicare, and not so much obstacles, but the things you have to do is obtaining contracts, healthcare contracts, obtaining the Medicare number, so you have to kind of follow all those guidelines. But I think the big obstacles were having to unfortunately, because of these corporate entities – having to take whatever they take because they've kind of done that to market, so we're kinda up against those kinds of things. But I guess not so many obstacles. I wouldn't say there was a lot of them other than just the regular – like we did funding and trying to get licenses, and permits, and contracts, and stuff like that. I don't know if I'd necessarily call them obstacles. I think that's just part of the process.

MS: Can you tell me a little bit about what factors help your business grow and expand through the years?

SG: I think word of mouth and just our customer service. We've been able to provide a very family oriented—we're very big on a family oriented business. All of our employees, all of us have very strong family values, and I think that you see that. We have a lot of people who come in the doors and right away say they have a very warm feeling here, and they feel that feel. I think that that's, I guess, just the customer service aspect of it.

MS: What do you think has contributed to your success?

SG: Doing the right thing. I always kind of use a saying, which, of course, is not an original saying, but I always tell my husband, “Walk a straight line. Always do the right thing, even though it's harder sometimes to do that.” But I believe that doing the right thing in the end pays off.

MS: Can you provide examples of situations where you have been applying this philosophy through the years?

SG: Yeah. Like for example, we get a lot of our patients, obviously, by referrals, physician referrals, and so sometimes there's times where a physician may write an order or ask for our competition, call our competition, whatever. And we get that call just by – the hospital calls us or whatever, "Can you do this?" And right away, we'll say, "Who did the doctor ask for?" And if they say the other person, right away we say, "You know what? Then you need to" – rather than what they call steal that patient, whereas they, right away, say, Cool! Take it and run. I feel like that's kind of undermining – it's not good – people do it all the time and that's life, but we just never wanted to live on that philosophy. I think if you do the right thing, you benefit from that, and I think it reflects who we are as trying to make a difference, as minorities in this world and trying to make a difference, I think it's honesty, and just doing the right thing benefits you.

MS: What is your biggest competition? How is the market distributed?

SG: Fortunately, in El Paso, the way that the market is, is that it's almost like there's enough business for everyone. Because of the way we're set up, you have your referral base, your sources, and so you have your people that send you business and send them business. We have several competitors. There's four in El Paso.

MS: Can you name them?

SG: Hanger is one of them. Precision is another one, and then Custom, and then ourselves, Total.

MS: What's your market share?

SG: What do you mean? Out of those four, what would you think we have of the market?

MS: If the total market's 100 percent, how big of a percentage would you consider you serve?

SG: I think we're a pretty big competitor. I think we've started to really give people a run for their money. Initially, it was probably that Hanger had the market and the rest of us were just kind of—but I would wanna say that we have at least 40 percent of that. Custom is very much toward pediatrics, so they kind of are there, but they're not really competitors of ours because we primarily do more adult. And so I think the main competitors here are Hanger and ourselves, yeah.

MS: What challenges have you faced growing a business as a Hispanic?

SG: I think that you get to see things in a very different—not so much in a discriminatory way, but in a way that—I don't know that they'd be challenges. I actually feel like doors have opened for us because of being a minority, especially in El Paso. I think people are very eager to help people. But maybe challenges in the sense of not being as fortunate financially or maybe set in opportunities as far as knowing people or being a part of bigger groups or things like that. I don't know if that necessarily answers your question.

MS: Can you tell me about the disappointments you've faced or you've encountered through the years?

SG: You know, we have been very blessed. I can tell you, in doing the right thing, we have felt like we've been very blessed in that. But let's see. Disappointments. Gosh. I don't know. I guess because you're asking more business – I'm relating it more of on a personal note because it's very challenging as far as our patients, as far as unfortunately, they have very bad illnesses and sometimes terminal

illnesses, so disappointments in that you're helping someone and their disease still takes their life. For example, someone who is diabetic and loses both their legs, and it's amazing the reward that you have now been able to help their person walk, and their disease still takes their life. So a disappointment in the sense that you see a reward and then sometimes it's still not there because of a disease or a challenge. But as far as business disappointments, it's been challenging and difficult in the sense of there's always new laws, and new rules and regulations and needing to step up to the plate as far as being accredited, and those are all difficult processes, but we've been able to persevere through those. So I don't know that I can say, other than just personal disappointments.

MS: You mentioned discrimination that's becoming less and less. Can you elaborate on this please?

SG: I think for example, El Paso's a very diverse culture, and this past year we were honored with an award that we would have never even dreamed in winning Small Business Persons of the Year. That just was amazing to think that we could even be considered in a category like that, but showed us that dreams can come true. But I think discriminations in the sense that, not so much from our own kind, which is really sad, but I think discriminations in the sense that sometimes people are—I don't know if jealous is the right word, or don't want you to succeed, which is sad. You see that in the sense that they think you just had something handed to you, where they don't see the hard work. For example, sometimes our old friends or whatever will say, It went really well for you. Like if it was almost lucky, and it's they don't see the nine years of college that he put in, the two years of a residency, the hard work that it took from where he came from. So I guess, I don't know that I have a concrete for the discrimination part. Only in the sense of feeling like we want as minorities to be given opportunities, but I think sometimes we kinda shoot ourselves in the foot in not helping our own go that way. You know what I mean? I don't know if that makes sense.

MS: This award for Small Business Persons of the Year, who gave it to you? What was the authority or the agency?

SG: The Hispanic Chamber of Commerce and the Small Business Association (Administration??), here.

MS: Are you a member of those?

SG: We are members, actually, of the El Paso Chamber of Commerce, and then subsequently are looking into becoming members of the Hispanic Chamber of Commerce, but we initially are of the El Paso Chamber of Commerce, which is an all-encompassing.

MS: How is this relationship working? Have they been able to assist you?

SG: Yes. They've been very helpful in the sense of, for example, I think that through our affiliation and our working with them, you all found out about us. When people inquire who's an up and coming entrepreneur, small business, minority business, they were very gracious in recommending us for that.

MS: Have they given you assistance other than advertising—

SG: I think more, if anything, the support of supporting us as a small business in the community. Maybe word of mouth in that sense. And really, I'm sure that they have a whole bunch of other things that they could help with that we just haven't tapped into. Fortunately, we haven't needed a lot of their services, so I'm sure that they would if we asked.

MS: As a business owner, have you experienced any discrimination? This goes back to the discrimination you mentioned about society in general, but now as a business owner. How were you aware of this discrimination?



SG: I guess I'd have to say like as a business owner, not really. No. Not any discrimination, other than like I said just our own—but that's more personal, I think. Just life in general, society in general. I don't think any discrimination from another business. I think people have been very supportive, very eager to support local minority businesses.

MS: It's often the case that discrimination is being manifested by people not talking to you, not offering you the same contracts. Have you experienced this?

SG: Yeah. I think in that sense, maybe, because of our corporate entity that we're up against. Because they have not so much undermined the business, but in the sense where to get contracts, they have done things that—given super low contracts or super low pricing. We'll do this for that amount. So, I think unfortunately, that has impacted everybody. So now, we are trying to get these same contracts and being discriminated where instead of getting full price, we're told, "You can take whatever Hanger takes, or you don't get the contract." And yeah, I guess I would have to say, that's been my biggest frustration. Just thinking that that's not fair because they kind of did that to the market, and so now we're all held at that level or that standard, which is disappointing and it does feel discriminating in the sense that it's almost not fair, but that's what we're up against.

MS: But that's discrimination for being a mom and pop shop.

SG: Right. Exactly.

MS: Not for being Hispanic.

SG: Not for being Hispanic. And as I say, I don't think that being Hispanic has nothing to do with that, exactly. It has to do with them trying to take over the market. But does it have it anything to do with race? No.

MS: Does your company enjoy any advantages of being a Hispanic owned business?

SG: Yes, that in the sense that, especially because our population is very high Hispanic, people feel very comfortable coming here and knowing that we're all bilingual, that we're local, that we all grew up here, that we are from the same neighborhoods that they were from, and grew up and did this. And so in that sense, I think the benefits of them being proud of us. I know some of our patients are some of our old teachers that we've happened to come across, and they're like, Wow. Good for you. So that's been neat in that sense.

MS: And the other side of this is, does your company enjoy any disadvantages with being a Hispanic owned business?

SG: I think the disadvantages or disappointments have come from just business, not Hispanic related, no.

MS: Now let me ask you, which years would you consider to be your best financially?

SG: You know, we've been very fortunate in that the structure of our business is that we can only see so many [patients]. We have one practitioner, which is Miguel, and he can only see so many people in a day. So it's almost like we've kind of met a plateau. Thankfully, we've been able to meet that maximum number of patients per day, so I don't know that I can say 'best year' because each year has been good in the sense that we have met our goal of being full, of being busy, and continued that pace. So if you look at our financials for the last three years, they're pretty much almost exactly by dollar amount. It varies a little bit only in the sense that maybe that's the kind of insurance the person had or **how they did**, but for the most part it's per day, so you can only make so much because there's only so many hours in a day as far as patients you can see.

MS: Would you consider your business still growing or has it stabilized?

SG: That's a hard question to answer because I think definitely still growing because we're getting new referrals all the time from sources that we didn't get before. We're getting our name out there. People are more aware of us. They see our ads. They see our commercials. They hear about us. So I think still growing, definitely still growing.

MS: Are you prepared to outsource or to grow into different locations, serve different markets?

SG: Definitely. Our goal is to open a second office someday. That's certainly something we definitely would like to do. That certainly would entail finding someone else, finding help, finding another practitioner, but that's certainly a goal of ours.

MS: Probably most of the following questions relate to the business plan. **Let's try to get exactly** how did you develop the business plan? Was it you or your husband who did the work? Or was it cooperation between you two?

SG: Both of us. I think both of us in the sense that he knew the business, the product that we were gonna provide, and I knew a lot of the medical community. So I had a lot of insight in the sense that I knew a lot of the referring physicians because I had worked at the hospital and I had dealt with most—all the doctors because the patients all have different illnesses. So, kind of, we both did it together from both our knowledge, like I said, him knowing the business, and me knowing the medical community.

MS: And the loan that you asked for with Bank of the West, what were the terms? Has it been settled?

SG: Yeah. It was a seven-year loan, and the terms were monthly payments for seven years until we paid that off, and we are five years into that seven-year loan. Hopefully, we think that we could possibly pay it off maybe this year, early, but the terms were a seven year with the monthly payments, which are very reasonable and very doable, so they were able to help us up front, and us be able to slowly pay back or pay back on a very doable payment.

MS: You mentioned at first that you needed to get government contracts and a Medicare number. What was the process of obtaining those two critical items?

SG: That was probably the hardest and the scariest part because a lot of the money that we borrowed from the bank was for just setup costs, meaning in order to get a Medicare number, you can't start without having a Medicare number. Just in healthcare, that's how it goes. So we had to obtain that Medicare number, but in order to get a Medicare number, you have to have a full functioning facility, open, paying rent, a phone, I mean, there's a whole bunch of little guidelines. You literally have to have your own phone line, an operating facility, an inventory to be able to service anybody who walked in, so full stock of inventory. So a lot of that was a lot of expenses up front, and then you're kind of at their mercy because they come when they come. You turn in the application and they have six months to respond to you. So you potentially, like with us, we paid rent and expenses for three months without being able to do anything until we got them to come down here. And right away, thankfully, they came. There were no discrepancies. We met all the stuff and boom. After that, they have sixty days to issue you the number, so it's almost like this – we're right there and ready to go, but you're kind of at their mercy because it's a state or government agency and it's on their timetable. So as a new business, it's very scary because a lot of that money was for startup costs, just trying to keep the doors open so that we could continue to start opening the doors.

MS: And the government contracts or other contracts, how did you go about negotiating those?

SG: There's kind of two—the regular insurance ones and then the government. The government one, and we have most of the VA patients that we see, was basically making an intent, so you call up and say it(?). And thankfully, when we did that it happened to be an open bidding year. It just happened to be that that year it was open bidding, so we got very fortunate in the sense that we put in our bid. So they take bids from all four facilities, and then they come out and it's based on prices and then on your facility, what you're able to, you know, if you're credentialed. So they come and they check the facility out to see what the patients are gonna get offered as far as a nice facility and if you're able to do the work and what pricing you're willing to offer the government. So that's kind of that one. And then from there, they only award two. So we have been very fortunate in that we are one of those two.

MS: And how long is the contract available?

SG: The initial contract was three years, and we recently renewed. The three-year term came up and we were granted an additional five years, so we continue to be one of the two. The other vendor, it switched out to one of the other ones, but we were able to stay the constant in that. So pretty much, you put in your bid and you bid for this contract and then based on if you meet their needs. The other contracts, for example, Blue Cross, Blue Shield, or Aetna private insurance, you call in with an intent, and then they'll tell you in your area do we have room for a provider, yes or no. And that's kinda been a little bit frustrating too is that they'll say, Right now, we have all the providers we need. We don't need another provider. It's kind of like your personal insurance, when you look at your insurance you say, "Okay, I can go to these three doctors or these three people." If they have who they need, it almost seems kind of unfair because it's like we can provide good service or whatever, but they'll say, We already have who we

need, so call us back in six months. So some of those we're still waiting because it's just been that other people were in it before us and so the slot hasn't come open. And other ones, they just offer anybody who is interested, which has been nice. They're eager to come, and if they see the facility and you have a nice place, and you're willing to provide the service, and accept their fees, they'll let you become a provider, what they call. So it's sometimes easy and sometimes it's not depending on what rules they're—

MS: And the products that you offer – you mentioned that you manufacture it here?

SG: Um-hm.

MS: Where do you get the resources from or how is the manufacturing process from raw materials to final product?

SG: The manufacturing process is, for example let's say an amputee, let's say an above amputee. They're going to need a knee, a foot, and all the **components** in between which involves bolts, and screws, and shock absorbers, and materials. So those materials are all purchased. All of us have access to that, national companies who are licensed, FDA regulated. They have to come from those. You can only do business with those kinds of businesses. So we are all ordering pretty much the same knees or the same feet that are regulated because we all follow manufacturing guidelines. But the customization part of it is where we become unique in the sense that, then, it becomes a skill, whether you're good or not at what you do, meaning that you have a patient who has an amputated site, and if you're good at your skill, then you make a good fitting. That component of it is custom, or a clean product. It's not messy or ugly. So from raw material to that, it's as simple as we're ordering plastic that we're customizing to plaster. And I can show you our shop to have you understand that aspect more – to components that are just what you have – they come that way, already

manufactured. So it's like all that together. So depending on what they order or what their activity level is kinda defines what they get.

MS: How long does it take between placing the order and the final delivery?

SG: Generally, we get a referral, we get the order. We see the patient within a few days if we can, within at least a week. Sometimes it's our schedule or their schedule. Then generally, we try to have about a week turnaround for initial fitting, and then from there it's if they're happy with it, then you make the final product, which is maybe another week. Or if they want some changes made, then you make those adjustments. So I would say within a couple weeks is for the prosthetic part. The orthotic one, they could leave here today with it if they just need a knee brace, a neck collar or something like that. If they need to be custom made, then probably a couple weeks.

MS: Do you carry inventory?

SG: We do, yeah. So there's things we call off the shelf stuff, standard stuff that you purchase from manufacturers, vendors, that are standard items sold to our field. And then we have the customized, and that all depends on what the physician is ordering, what the patient needs.

MS: On a scale of one to ten, how do you rank your acceptance into the local business community?

SG: I think very high. I would say, gosh, I guess a nine. I don't think it's a perfect world, but it's pretty high up there. I think we've been accepted very highly, and the need for the service and just the acceptance from the overall community has been high.

MS: Have you expanded your market beyond the local area?

SG: Not really. because there's others that do what we do, and also because of insurances, some of them don't cross state lines or city—it's really like these are your providers in your area, and a lot of that is just dictated by contracts, so we have to follow their guidelines, and so not really in that sense. No, it's been just mostly local.

MS: You mentioned that it's your intention to grow. Can you provide a time frame for that?

SG: Yeah. Our goal is to—and we're right on target. Where our original goal was that within three years we would be well established, by five years we would hopefully be able to open a second office, and I would say that we're right on target for that. Our plan is to hopefully open a second office, if not this year, next year, which would make it our five year – within five years, we were able to expand to [inaudible] a second office.

MS: To what extent have you been spotlighted as a Hispanic business leader? And you did mention the award that you received.

SG: Uh-huh. The Small Business Persons of the Year.

MS: Has there been any other awards?

SG: Well, that's pretty much been the only local—yeah, and geared to a minority that we've received, but still from what we understand a very high honor and one of the top awards that the SBA gives annually, which was a big honor, especially as a minority in this community.

MS: Looking back on your business, what would you have done differently, if anything?



SG: I think we've learned a lot. I don't know that I'd do a lot differently because I think that we've been very blessed in the choices we've made, but I think, if anything, maybe not have made some personal choices as far as—Well, I don't know, I guess hindsight is always easier to be able to – I guess I can't say anything differently because the obstacles or the things that we've incurred mostly have been with just adding employees and people, and everybody's different and weird, and you never know that until you meet someone, and they either work out or they don't. But all of those have been invaluable lessons about people and skills and just dealing with that aspect of it.

MS: How many employees do you currently hire (have??)?

SG: Right now, we have seven. We have five employees and then ourselves, the two business owners, so seven total. We have our original staff that we opened our doors with, which we're very proud to say that we're hitting our five-year mark, and we have our original five, plus two, which is really exciting for us.

MS: Do you provide any counseling or training for new staff?

SG: We do. I have a little checklist, and of course, there's always as a business basic stuff you have to meet, like fire and safety and human resources aspects of that training. But the training as far as, for example, in the shop or in the manufacturing part of it, it's really a hands on you learn as you go. There are courses which our technicians have attended and become what you call certified in the field, but really, a lot of it is hands on experience as you go. You kind of learn as you go.

MS: What dreams do you have for the future?

SG: Our dreams would be to continue to be competitive in the market, to be able to still be recognized as a local minority business, and not be swallowed up by the corporate entities, to be able to hope that people, more and more, small business, more and more, will be given opportunities to be around and to make a difference. So dreams would be just to be able to continue to do what we're doing, and provide that service, and grow, and get our name out there, and become recognized as a minority and a local business.

MS: You mentioned a key word: competitive. What is your competitive advantage over the market?

SG: I think our competitive advantage right now is our customer service. Yesterday, we had a little gentleman who left and Miguel came in, and he had a smile on his face, and he said [that] the little gentleman shook his hand and said, "You know, I like you. You're a people person." Little things like that just really reaffirms that you're doing the right thing or that you're making a difference. So I feel like our competitive edge is that it's business, so we have to stay up on technology, but also competitive edge in that what can we do differently. It's a service that certainly people in this field can provide, but I think what we do differently is, just that, customer service, just the knowledge base, the way we approach things, the way we treat people, not only being able to make the component, but being able to provide the whole package.

MS: What advice would you offer a Hispanic starting a business today?

SG: I would say, know what you're getting into. Sometimes you see places pop up and you wonder, What are they thinking? Not in a bad way, but you think, I wonder? Really know your market. I think sometimes we all have really good ideas, and they're neat ideas that come up in our head, and we can probably get funding from a family or somebody like that, and then we do it and you see them not fail, but not succeed. And I think a lot of that is know your market, know

what you're getting into, know that there is assistance out there, but really choose wisely what you're gonna do and know it well because I think that it's a rough world out there, and it's difficult. But I think that anything's possible. I remember when my husband used to work at the other place and he decided to start his own place, the girls were like—it's a mentality of you always work in the same place. If you don't jump out of that box, you'll never know what opportunities—what's the worst thing that could happen? You'll either succeed or fail, but if you don't try—so I would say follow your dreams. Try, but be smart about, in the sense of doing your research, doing your homework, really looking what you're up against, and how are you gonna be different from them? How are you not gonna just be another store on the corner or another whatever? How are you gonna be different than them?

MS: Do you feel the business climate today is better or worse for Hispanic business owners than when you started your company?

SG: You know, I think it's better. It's a scary time for a lot of us economically, but I think it's better in the sense that people are realizing that we have to help each other, and the only way we all succeed, to make a difference, is to help each other. And I think more and more with minorities growing and our new elected president I think obviously offers a very diverse opportunity for all of us to show that dreams do come true in having elected our first African American president. Hopefully, that will motivate a lot of people to say it's not just always the same kind of person or code, that there's that opportunity for everybody.

MS: Do you consider yourself a pioneer?

SG: You know, I didn't before but lately people say comments to me and my husband, and we're like, "What?" Or in winning this award, people are like, "You know, that's like one of the biggest honors there is to be recognized." Which, I guess, is good not to get a big head or to stay humble, but I guess I do, and I'm proud to be

able to say that. I think that's a neat—I never thought I would be. Like my husband said when we got that award, this gentleman came up and congratulated him, and [my husband] said, "You know I was just doing what I like to do. I didn't think anybody noticed." And the gentleman said, "People notice." And it was neat to hear that because it just kinda helped reaffirm that, wow, dreams do come true, and we can do that all for each other.

MS: Do you have any other comments or anything that you'd like to say that we have not covered?

SG: No. I think you've been pretty thorough. (Laughs)

MS: Mrs. Guerra, thank you so much for your time.

SG: You're welcome.

**End of Interview**