

# TexOMBE NEWS

THE NEWSLETTER OF THE TEXAS INDUSTRIAL COMMISSION/OFFICE OF MINORITY BUSINESS ENTERPRISE

Vol. 2, No. 2

March-April, 1974

## Frank Hutchinson is Named Director of Texas OMBE

— JESSE MARTINEZ MOVES TO NEW POST AT SMALL BUSINESS ADMINISTRATION. —



*James Harwell (R), TIC Executive Director, congratulates Frank Hutchinson following his promotion to Director of the Texas OMBE program.*

James Harwell, Executive Director of Texas Industrial Commission, has announced the promotion of Frank Hutchinson to the post of Director of the Texas Office of Minority Business Enterprise.

Hutchinson replaces Jesse Martinez, who has accepted the newly developed position of Assistant Director for Management Assistance in the San Antonio office of the Small Business Administration.

Hutchinson's promotion is his second since joining the TexOMBE program in 1972. He served nearly one year as Field Program Officer for South Texas before becoming Government Agencies Coordinator in September, 1973.

As TexOMBE's GAC, he developed an outstanding program of delivery of state, federal and military contract opportunities to minority businessmen. As of January (Please see HUTCHINSON, P. 2)

## Governor Briscoe Names Three HCR Committeemen

Texas Governor Dolph Briscoe has named three appointees to the Joint Interim Committee on Small Business. Appointed are: Anthony Cangelosi of San Antonio, President of Granada Advertising, Inc.; Robert Uhr, New Braunfels, District Manager of United Gas, Inc.; and Ross Forney of Renner, Chairman of the Board of Forney Engineering.

The Governor's appointees join senators Jack Ogg, Peyton McKnight, and Mike McKinnon, who were earlier named by Lt. Gov. William Hobby. Also on the committee are three members appointed by House Speaker Price Daniel Jr. Daniel named Representatives Sam Hudson of Dallas, Chris Miller of Fort Worth, and Lindsey Rodriguez of Hidalgo.

The Committee, created by House Concurrent Resolution 99, will review the effect of current state laws and policies on small business in Texas. The Committee's chairman, to be named by Governor Briscoe, has not been announced.

## FedOMBE Asks Funds for Marketing Help

— BETTER MARKETING IS GOAL OF PROPOSED PROGRAM —

The Federal Office of Minority Business Enterprise has asked for \$2.5 million in an effort to improve technical assistance in marketing skills for minority business.

Federal OMBE Director Alex Armendaris indicated that the requested funds would be used to determine the market potential of products and services of minority firms, and to develop necessary marketing techniques for successful minority business management.

Plans call for the addition of 13 marketing staff members to the Washington OMBE Headquarters office as well as regional office marketing specialists moving into the new marketing effort.

## PEC Direct Mail Response Passes 12% Mark

Over twelve percent of all major manufacturers contacted in a recent direct mail campaign have responded, according to James Richardson, TexOMBE Private Enter- (Please see MANUFACTURERS, Page 4)



## Hutchinson is new TexOMBE Director

(Continued from Page 1)

31, 1974, 768 contracts valued at \$478,704,000 had been forwarded for business development organizations, contractor assistance centers, and to individuals throughout the state.

The new director will retain his responsibilities as special consultant on Indian Affairs, coordinating business development efforts at the Alabama-Coushatta Reservation in East Texas, the Tiguas in El Paso, and with urban Indian groups.

During his tenure as TexOMBE Director, Jesse Martinez led the office through its growth from a staff of one to its present level of 13 persons in four offices at Austin, Lubbock, Odessa, and Tyler.

As Assistant Director for Management Assistance, Martinez will take charge of a staff providing technical and management consulting services to small business owner-managers and prospective owner-managers through the SBA San Antonio office.

## Fuel Savings is Subject of FEO 49 - Step List

A series of suggestions to businessmen concerned about fuel supplies and costs is now available through the TexOMBE Information Office. Published by the Federal Energy Office, ENERGY CONSERVATION PROGRAM FOR BUSINESS AND INDUSTRY provides hints for cutting fuel usage in buildings and motor vehicles and tips on insulation, lighting and other factors that can raise or lower fuel costs.

Persons wishing a copy should write to the Information Office, Texas OMBE, requesting the listing by title. Please enclose a stamped, self-addressed envelope.



*Discussing plans for TexOMBE's future are Frank Hutchinson (L), new Director, and Jesse Martinez. Martinez was recently named Assistant Director for Management Assistance in the San Antonio District Office of SBA.*

## Malcolm L. Corrin Named new ICBO National Director

Malcolm L. Corrin, formerly Executive Director of the ICBO - New Jersey, has been named National Executive Director by the organization's board of directors.

Mr. Corrin had been Executive Director of ICBO - New Jersey since November, 1968. Previous to that time he was an estate analyst, business, pension and group insurance specialist. His other business experience includes being Agency Director of the Great Lakes Life Insurance Co. in Detroit, Michigan, Business Manager of Bishop College in Dallas, and William Penn Business Institute Instructor.

## Conservation Service Project Won by Minority Contractor

The Soil Conservation Service has awarded a \$45,610 earth moving contract to Rio Martinez of Austin. The project calls for Martinez to clear nine acres of land and move some 22,000 cubic yards of earth for a dam spillway at one of SCS's Central Texas projects.

The worksite is located 18 miles north of San Antonio. Completion of the project will take from eight to ten weeks.

Martinez was assisted in his con-

tract bid by Frank Hutchinson in one of his last official acts as TexOMBE's Government Agencies Coordinator. Hutchinson assisted in preparation of the bid package and in Martinez' receiving a \$45,610 performance bond and a \$22,800 payment bond through Aetna Insurance Company.

Technical Assistance on the project was provided by W. C. McNeese of the Soil Conservation Service.

## Concession Oppty's Open at Federal Buildings, Air Bases

Beauty shop, florist, and janitorial concessions are now available at federal installations in Texas according to Frank Hutchinson, Texas OMBE Director. Two spaces for concessionaires are also open in federal buildings in Austin and Lubbock. Included in the opportunities are a florist concession at

Shepard AFB, Wichita Falls, and beauty shop and janitorial concessions at Dyess AFB, Abilene.

Anyone interested in further information on these opportunities should contact Frank Hutchinson or Bert Adams at (512) 475-5945 or write: Texas OMBE, 1711 San Antonio St., Austin, Texas 78701.



# Know Your State Agencies - II

## THE RAILROAD COMMISSION OF TEXAS

Continuing a series of articles on Texas State Agencies of interest to business. Future issues will cover other agencies and departments having purchasing and regulatory responsibilities affecting business interests in Texas.

Normally confined to matters relating to transportation and to oil and gas production, the Railroad Commission of Texas recently took on added importance to a much broader spectrum of the Texas business community. With the coming of the energy shortage and fuel allo-

cation programs, the Commission was designated as the interim State Fuel Allocation Office, responsible for processing fuel requests from many types of businesses.

The Railroad Commission was originally formed to regulate railroad operations in the state. In the nineteen-twenties, the Commission's responsibilities were expanded to include regulatory powers over oil and gas production, motor bus operations, and trucking firms.

The Commission is empowered to administer oil and gas conservation regulations and has authority over businesses engaged in producing, transporting or distributing natural gas. It also regulates and issues permits for intercity motor trucking and bus lines.

The Commission operates through five divisions: Administration, Gas Utilities, Liquid Petroleum Gas, Oil and Gas, and Transportation.

### -- GAS UTILITIES DIVISION --

The Gas Utilities Division enforces laws relating to reasonable prices for gas, and distribution of natural gas by pipeline. This division is also responsible for apportioning the natural gas supply among Texas communities.

### -- LIQUIFIED PETROLEUM GAS DIVISION --

The Liquefied Petroleum Gas Division has broad regulatory and investigative powers related to installation and operation of LPG plants. It also examines and approves designs for LPG containers and other equipment.

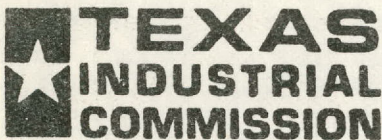
### -- OIL AND GAS DIVISION --

Covering a broad range of responsibilities relative to oil and gas production, this division is concerned with conservation of petroleum preserves and enforcement of laws pertaining to pipelines as carriers.

The Oil and Gas Division issues permits for drilling, inspects wells, and regulates production to conform to market demands.

### -- TRANSPORTATION DIVISION --

Transportation supervises and regulates motor trucking and bus firms which utilize public highways in Texas. It also regulates railroad traffic. This branch sets price rates, prescribes safety regulations, and rules on applications for new services or curtailment of services.



OFFICE OF  
MINORITY BUSINESS ENTERPRISE

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DIRECTOR  
Frank Hutchinson  
EDITOR  
Ralph Hausser

#### FIELD OFFICES:

Austin (78701)  
1711 San Antonio Street  
(512) 475-5945

Isaac Olivares, FPO

Lubbock (79401)  
918 Avenue J  
(806) 763-9103

Jaime Garcia, FPO

Odessa (79760)  
312 W. 4th St., Suite 205  
(915) 332-0741

Jesus Holguin, FPO

Tyler (75701)  
305 S. Broadway, Suite 711  
(214) 595-2676

Charles Stine, FPO

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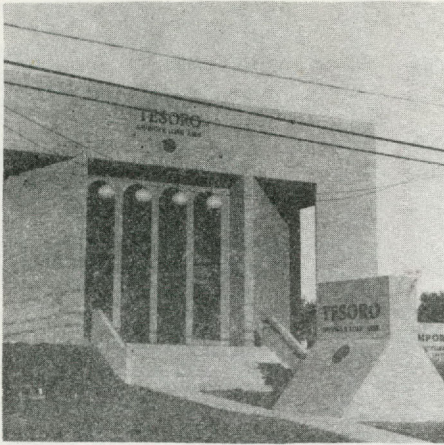
## TexOMBE Completes Minority Business Directory

Printing and delivery of the First Edition of the Directory of Minority Owned Businesses in Texas has been completed. 1201 Texas Busi-

nesses are listed, with 51 communities represented. The Directory concentrates on those businesses capable of taking on contract and purchasing opportunities. Included are minority manufacturers, construction contractors and subcontractors, service and repair firms, and consultants.

Copies of the Directory may be ordered by writing to the Information Office, Texas Office of Minority Business Enterprise, 1711 San Antonio St., Austin, Texas 78701.





TESORO SAVINGS AND LOAN ASSOCIATION OF LAREDO RECENTLY OPENED ITS NEWLY COMPLETED BUILDING IN LAREDO. THE MINORITY-OWNED FIRM IS DIRECTED BY MR. ED BALDERRAMA OF LAREDO.

## Manufacturers Respond

(Continued from Page 1)

prise Coordinator. The campaign is the first step in efforts to develop more contract and purchasing opportunities for minority-owned businesses from the private sector.

Already a number of opportunities in machining and metal fabrication have developed as a result of the mailout. In the future a wider range of sales opportunities is anticipated.

Follow up work with responding industries will include providing them with minority business directories and developing procurement and contract opportunities. As these opportunities arise, match-up will begin utilizing the new TexOMBE Buyer's Guide/Insta-Match program and the Directory.

Firms not included in the Directory or Buyer's Guide/Insta-Match may become so by contacting James Richardson, Private Enterprise Coordinator, Texas OMBE, 1711 San Antonio St., Austin, Texas 78701.

## Trade Mission to Great Lakes Proposed by Priv. Ent. Office

A one-week trade mission to major industries in the Great Lakes Area has been proposed by James Richardson, TexOMBE Private Enterprise Coordinator. The purpose of the tour will be to test the effectiveness of bringing contract and purchasing opportunities to minority businesses from out of state firms.

Initial plans call for Richardson to lead a delegation composed of TexOMBE staff members to the North Central Industrial area. If sufficient marketing opportunities are developed, later missions would include minority business owners.

The Great Lakes area was chosen because of its high concentration of heavy industry requiring subcontract and outside supply sources. Another factor was relative proximity to Texas as opposed to the Northeast or West Coast.

A slide program and related information package will be presented to each firm visited. From five to seven minority businesses will be featured in the program, being designed to run thirty minutes.

Minority manufacturers, construction contractors, or wholesale suppliers interested in participation should contact Richardson at the Texas OMBE office in Austin. Persons may call (512) 475-5945 or write to: Private Enterprise Coordinator, Texas OMBE, 1711 San Antonio St., Austin, Texas 78701.

## Next Issue

Shoplifting has now reached such a level that some large stores allow for as much as 2% "shrink." Some things you can do to keep the shrink level lower will be the subject of our May-June supplement.

## TEXOMBE SCOREBOARD

A SUMMARY OF CONTRACTS AND LENDING ACTIVITIES BY THE TEXOMBE OFFICES TO THIS DATE.

	Feb. - Mar., 1974 (No./\$)	Total No./\$ Generated to March 31, 1974
1.) Loans in Preliminary Stages	37/\$1,526,700	
2.) Loans in Process	20/ 687,025	
3.) Loans Pending Approval	30/ 970,608	
4.) Loans Approved	33/ 559,314	120/\$2,538,724
5.) 8(a) Contracts Pending	- 0 -	2/ 2,098,000
6.) State Contracts Approved	1/ 800	7/ 83,752
7.) Federal Contracts Approved	2/ 50,315	7/ 254,910
8.) Private Contracts	4/ 43,940	11/ 109,040
9.) Municipal Contracts Approved	1/ 21,300	3/ 23,800
10.) Other*	6/ 82,460	19/ 1,298,190

\* Includes deposits placed in minority owned banks from government and private sources; approved proposals, bonds and lines of credit; and state, federal and private grants approvals directly resulting from Texas OMBE work programs.



# OSHA

## The Occupational Safety & Health Act of 1970

OSHA -- The Occupational Safety and Health Act of 1970, became effective on April 28, 1971. Since then it has been a source of controversy, particularly for small business owners. Citations for violations have at times been expensive, both in fines levied and in costs of bringing a work area to OSHA standards.

The purpose of OSHA is "to assure so far as possible every working man and woman in the nation safe and healthful working conditions and preserve our human resources." Responsibility for enforcement of the act has been given to the Occupational Safety and Health Administration of the U.S. Department of Labor. This agency has been empowered to inspect work sites, and to levy fines against employers who fail to comply with OSHA standards.

Six basic steps are provided for by the Act:

- 1.) Encourage employers and employees to reduce hazards in work areas and to start work safety and health programs, or improve existing ones.
- 2.) Establish employer and employee responsibilities.
- 3.) Authorize OSHA to set mandatory job safety and health standards.
- 4.) Provide an effective enforcement program.
- 5.) Encourage individual states to assume responsibility for administering and enforcing their own occupational safety and health programs that are to be at least as effective as the federal program.
- 6.) Provide for reporting procedures on job injuries, illnesses and fatalities.

### -EMPLOYER RESPONSIBILITIES-

Over 40%, or two of every five

businesses inspected, have received fines and incurred costs to bring worksites to OSHA standards.

To avoid citations, an employer should familiarize himself with the mandatory standards related to his business. Worksites should be carefully checked to ensure that safe conditions exist for personnel. Hazards should be removed or guarded. Employees should have safe tools and be instructed in their use and maintenance. Potential hazards & danger zones should be clearly marked, using color codes, labels and signs.

Employees should be made aware of hazards and continually updated on safer working methods. Low safety consciousness has frequently been noted as a major factor in the number of work-related casualties. Training and motivation are important in keeping a business' accident record low.

### - HOW OSHA WORKS -

OSHA adopts and enforces standards of health and safety for various industries. A health and safety standard is a legally enforceable regulation governing working conditions on a work site.

Inspections may come at any time, but four priorities have been set for choosing businesses to be visited. They are:

- 1.) Businesses suffering a fatal accident.
- 2.) Businesses receiving a valid employee complaint.
- 3.) Businesses engaged in construction, marine cargo handling, meat and meat products, roofing and sheet metal work, lumber and wood products, and miscellaneous transportation equipment manufacturing.
- 4.) Businesses selected at random. Businesses in category (3) are part

of OSHA's "target industry program." They are receiving special emphasis because of higher than average accident rates.

OSHA has also chosen to focus on those industries that utilize or create residues of asbestos, cotton dust, carbon monoxide, lead, or silica.

### - INSPECTION PROCEDURES -

If your business is chosen for inspection, you must permit the OSHA inspector to do so. Inspections are conducted during regular working hours. Advance notice is prohibited unless such notice will help make the inspection more effective. Compliance officers must show their credentials and explain the purpose of the visit.

The officer may request to review the health and safety records of the plant. He will give the employer copies of the applicable laws and standards, and a copy of an employee's complaint, if one is involved.

The officer and employer, as well as an employee representative NOT CHOSEN BY THE EMPLOYER then conduct a "walkaround." In the walkaround, work areas and equipment are inspected for standards compliance.

Following the walkaround, a conference may be held with the employer to review probable violations and corrective measures.

### - POSSIBLE RESULTS -

The workplace may be found in compliance with OSHA standards, in which case no citations or penalties will be issued. If, however, a workplace is found in violation of standards, citations may be issued and penalties proposed. In order of significance, these are the types of



violations considered in first inspections:

1.) DE MINIMIS: A condition less than acceptable, but that does not have a direct or immediate relationship to job safety and health.

2.) NONSERIOUS VIOLATION: A violation that does have a direct relationship to job safety and worker health, but probably would not cause death or serious physical harm.

3.) SERIOUS VIOLATION: A violation where there is substantial probability that death or serious injury could result and that the employer knew or should have known of the hazard.

4.) IMMINENT DANGER: A condition where there is reasonable certainty that a hazard exists that can be expected to cause death or serious harm immediately or before the hazard or hazards can be eliminated through normal channels.

In most cases, violations may result in fines of up to \$1,000. These fines can be reduced by half if the employer shows that the violation has been immediately corrected. Imminent danger violation, however, may result in a court-ordered shutdown of the worksite until corrective measures are taken.

#### -- IF YOU ARE CITED --

Should you receive a citation and notice of penalty, you may file a notice of contest with the regional OSHA director within 15 working days of receipt of the citation. You may also apply for a temporary variance from the standard provided you prove unavailability of materials, equipment, or personnel to make changes within the required time.

If you can prove that methods used on your worksite are as safe as OSHA standards, you may apply for a permanent variance.

#### -- INSPECTIONS CAN NOW BE ARRANGED --

One of the most serious causes of controversy in the past was the issuance of citations to small businesses after they had voluntarily requested plant or job site inspections. These citations frequently caused great financial hardships, especially for small manufacturers.

Now, through arrangements with the Small Business Administration, a business may request and receive OSHA inspections without fear of fine. The inspector will indicate corrective actions without levying fines as was the practice in the past. Businesses still, however, must take the corrective measures ordered by OSHA.

Employers desiring to have this inspection conducted should contact the nearest SBA office to begin arrangements.

#### -- RECORDS KEEPING --

Any business employing eight or more persons must now keep a number of simple records related to job-related fatalities, injuries or illnesses.

-- OSHA Form 100 is a log on which each reportable case is entered on a single line.

-- OSHA Form 101 is a supplementary record of details on each case.

-- OSHA Form 102 is an annual summary compiled from the log. This summary must be posted in the work place by February 1 of each year and must remain in place for one month. Employees should be informed of its location and must be permitted to inspect it. If there are no work-related injuries, illnesses or deaths in the business, no records need be filled out.

#### -- FURTHER INFORMATION --

Businesspersons wishing more detailed information on OSHA stan-

dards may order copies of the FEDERAL REGISTER: Occupational Safety and Health Administration, Occupational Safety and Health Standards from the nearest OSHA regional office (please see Texas address list at end of article). Copies may also be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

OSHA also has an OSHA subscription service available through the Government Printing Office. The service provides detailed information on OSHA standards in five looseleaf volumes and subscribers receive updates as they are printed. The five volumes are:

- (1.) General Industry Standards. (\$21.00)
- (2.) Maritime Industry Standards. (\$6.00)
- (3.) Construction Industry Standards (\$8.00)
- (4.) OSHA Regulations (\$5.50)
- (5.) Compliance Operations Manual. (Used by OSHA Inspectors). (\$8.00)

These may be ordered from the Superintendent of Documents. All orders must be prepaid.

#### -- OSHA OFFICES IN TEXAS --

OSHA maintains four offices in Texas. The addresses are:

Occupational Safety and Health Administration  
Dallas Regional Office  
1100 Commerce Street, Room 6B1  
Dallas, Texas 75202

OSHA  
Lubbock Regional Office  
1205 Texas Avenue, Room 421  
Lubbock, Texas 79401

OSHA  
Houston Regional Office  
307 Central National Bank Bldg.  
Houston, Texas 77002

OSHA  
Galveston District Office  
U.S. Custom House Bldg., Rm. 325  
Galveston, Texas 77550