



Small Business Success
is *Our* Business



ANNUAL REPORT 2004





*John Massaua,
Maine SBDC/SBTDC
State Director*

Examining the Maine Small Business Development Centers (Maine SBDC) and its tech-focus group, the Maine Small Business & Technology Development Centers (Maine SBTDC), these seven points define us and make up the constitution of our “stuff”:

- Unique partnerships
- Keen oversight and organization
- Measured results
- Satisfied clients
- Qualified, certified, talented personnel
- Collaboration
- Clarity of purpose with lofty goals

Our stakeholder relationship, forged by a federal (SBA)/state (DECD) partnership, engages an academic entity (USM) as its administrative unit and facilitates programming through economic and community development organizations (AVCOG, CEI, EMDC, NMDC). The resulting organization transcends any one entity, providing a network of meaningful technical assistance to Maine businesses. Assuring a keen eye on our activities are the Maine Small Business Commission, Maine SBDC/SBTDC Advisory Council, state, federal and university partners; and engaged stakeholder executives, especially SBA Maine District Director Mary McAleeny. Processes for assessment and continuous improvement include federal audits, university procedure, state and federal reviews, Congressionally mandated peer review, and accreditation systems.

Continuous internal staff analysis and external, independent third party reviews provide confidence that money invested in Maine SBDC render the positive results envisioned by Congress, the Maine State Legislature, and USM. Client satisfaction measurement is critical and reinforces the importance of our counseling and training.

Our people are tops! Maine SBDC business counselors are qualified small business professionals, with diverse educational and business experience, who must meet on-going, rigorous certification and core competency requirements. Our SBTDC certified counselors are also qualified in issues of tech-commercialization. Dedicated staff support is outstanding.

We are constantly involving others in the work we do. MTT, Women, Work & Community, the Maine Community College System, UMaine, USM’s Center for Entrepreneurship, the Women’s Business Center, SCORE, and many others assist our mission to *engage ourselves and others in development activities that contribute to the improvement of the economic climate for and the success of micro, small and technology-based businesses.*

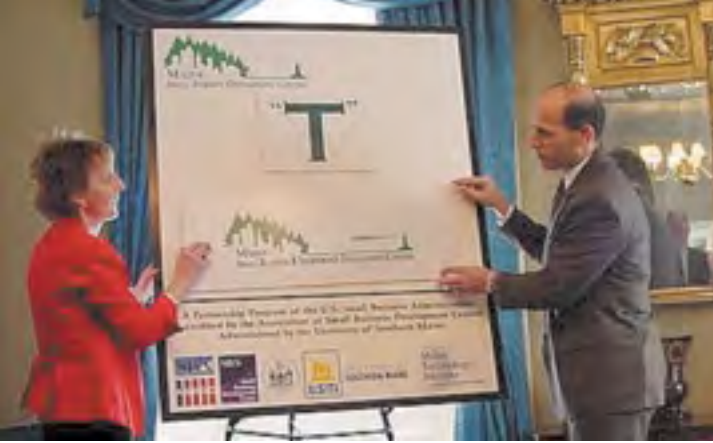
Our purpose is clear: *Assist in the creation, growth, and the maintenance of viable micro, small and technology-based businesses and the jobs these businesses provide.* Our long-term goal is achievable: *Within a sustainable and collaborative framework...be the most impactful, most responsive, and most highly regarded economic development/business assistance service provider.*

With our core values of *organizational excellence, client sensitivity, service orientation and professional people* to guide us, we move forward from 2004 to 2005 and beyond, grateful to all who are and that which is our “stuff”, saluting the everyday heroes, Maine’s small business owners, for the vital contributions they make to our great State.

*Dedicated to helping Maine’s small businesses succeed –
we are the Maine SBDC...*

A handwritten signature in black ink that reads "John R. Massaua".

John Massaua
State Director



Maine SBDC Director of Training and Communications Kate Arno helps Governor John Baldacci unveil the new Maine SBDC logo at a March, 2004, Blaine House press conference.

The “T” Enhancement

The Maine SBDC significantly enhanced its services this year by meeting a rigorous national accreditation authorizing it to formally provide technology support to Maine’s businesses. In so doing, Maine SBDC became only the fourth SBDC program in four years of the national technology accreditation process to earn the “T” designation from the Association of Small Business Development Centers, joining North Carolina, Ohio, and Michigan as Small Business and Technology Development Centers (SBTDC).

The technology-focused capabilities services - including strategic technology planning, technology marketing strategies, funding and capitalization work, technology licensing strategies, and partnership development - will be added to all of Maine SBDC’s 11 service centers and 25 outreach offices throughout Maine. However, to ensure that its image as a resource for all Maine business is not lost, only a certain number of its locations will be called “Maine Small Business & Technology Development Centers” or Maine SBTDC.

The Maine SBDC location in Gardiner, where a two-year-old collaboration with Maine Technology Institute (MTI) was key to Maine SBDC’s “T” designation, will be termed an SBTDC. MTI hosts the Maine SBDC Gardiner location and both organizations collaborate extensively on technology-intensive small businesses. Meriby Sweet, a Maine SBDC certified business counselor, was appointed center director of the Maine SBTDC at MTI. Also important to SBDC’s qualifying for a “T” designation is a partnership with Maine’s Applied Technology Development Centers

Accreditation Earned

The Maine SBDC underwent a rigorous national accreditation process for both its basic business counseling services and its “T” (technology) designation. That accreditation was earned after an intensive, congressionally-mandated, week-long review of the Maine SBDC program. Accreditation reviews take place every four years and are based on the Malcolm Baldrige Quality Criteria. The review was conducted in Maine by three SBDC reviewers and the Associate Administrator, Office of SBDCs (OSBDC) – U.S. Small Business Administrations. The review team monitors the program the year following the review to assure its continuous improvement.

Small Business Success is *Our* Business

Idealswork, Inc.

Portland, Maine

Principal Owners:

Dan Porter and Sam Pierce

Maine SBDC clients Dan Porter and Sam Pierce of Idealswork, Inc., in Portland, are planning to crack the million dollar sales mark in 2005. That’s fast work for a company that has only had product out in the marketplace for just over one year. The duo closed on their latest round of financing in December, 2004, assembling \$1.25 million from new investors. With money in hand, Idealswork



will expand sales of its new, popular software called IW Financial, a workstation product for money management firms to align investment options with client’s values. “We’re busy and we’re growing,” says Porter, who first began working with Maine SBTDC certified business counselor Meriby Sweet two years ago. Meriby has helped Idealswork obtain intellectual property protection, address business plan issues, and hone its “pitch” to equity investors.

**Small Business Success
is *Our* Business**

Dedicated to Helping Maine's

Maine SBDC Year End Numbers¹

Calendar Year 2004 Client Activity

Scissors and Seams

Gray, Maine

Owner:

Kathleen Shedlarski

Seamstress Kathleen Shedlarski started doing alterations at home as a way to earn money while caring for her young children. That was 21 years ago. Today, Kathleen's home-based business has evolved from doing alterations to exclusively producing high-end, custom window treatments for customers across the country. In 2004, her sales topped \$318,000. Within five years, her goal is to have a million dollar a year business. Today Scissors



and Seams operates from Kathleen's barn where it has always been, but instead of being a staff of just one, Kathleen's recently incorporated business has five full-time employees. As she plans her promising future, Kathleen has tapped the expertise of the Maine SBDC certified business counselor Greg Gould, who is also the U.S. SBA Maine District's 2004 Women in Business advocate of the year. "I can't tell you how helpful Greg has been," says Kathleen, adding "He is helping me prepare financials and sales projections to help us decide what's possible."

Counseling and Training Activity

Counseling Clients	2883
Training Clients	2980
Total	5863
# of Workshops	180
Hours of Counseling	14,257
Hours of Training	30,287
Non-client Information Transfers	3661

Impact

Assisted capital formation	\$26,936,530.00
Jobs created/retained	728
New Business Starts	97

Client Profile (counseled clients)

Men	1517 (52.65%)
Women	1365 (47.35%)
Pre-venture	1766 (61.7%)
Existing	1096 (38.3%)
Veterans	349 (12.1%)
Minority	187 (6.5%)

**Types of Clients Counseled
(percentage of clients)**

Manufacturing	12.42
Construction	4.09
Wholesale	3.47
Service	43.25
Retail	20.99
Other	15.78



1. Source: US Small Business Administration, Maine SBDC Center, Inc., Client Reports.

Small Businesses Succeed

Maine SBDC Results²

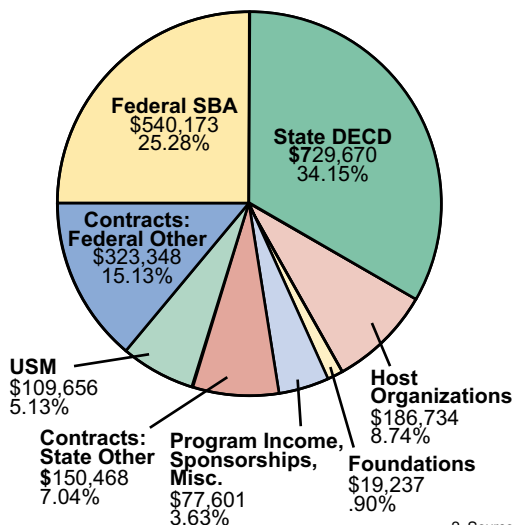
Maine SBDC Client Activity by County

County	Counseling	Training	Total
Androscoggin	211	114	325
Aroostook	210	142	352
Cumberland	786	412	1198
Franklin	66	46	112
Hancock	138	107	245
Kennebec	222	209	431
Knox	76	34	110
Lincoln	116	79	195
Oxford	121	140	261
Penobscot	272	565	837
Piscataquis	35	44	79
Sagadahoc	92	57	149
Somerset	75	51	126
Waldo	61	53	114
Washington	70	117	187
York	298	119	417
Other	34	691	725
Totals	2883	2980	5863

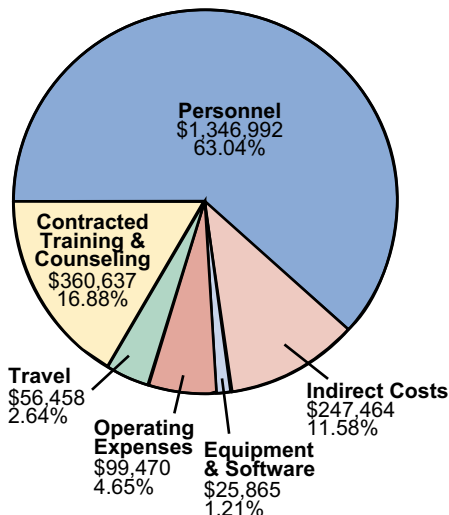
- A job is created or saved by Maine SBDC business assisted clients every ...9 hours.
- \$10,000 in new sales are generated by Maine SBDC business assisted clients every ...64 minutes.
- \$25,000 in financing is obtained by Maine SBDC business assisted clients every ...17 hours
- \$2.00 is returned through state tax revenues to Maine for each State dollar invested in the Maine SBDC every year.
- \$2.60 is returned through federal tax revenues to the US for each federal dollar invested in the Maine SBDC every year.
- Existing business owners score Maine SBDC Counselors 4.3 out of 5 on knowledge and expertise.
- 92.1% of existing business owners would recommend Maine SBDC services to other business owners.

Maine SBDC C/Y 2004 Revenues & Expenditure Snapshot³

Revenue



Expenditures



2. Source: Chrisman Report 2004

3. Excludes USM cost share and other in-kind contributions of \$285,161.

Businesses Connected to Millions of Dollars in Federal Contract Opportunities

Hundreds of Maine entrepreneurs gathered in Orono in May, 2004 for a rare national conference targeting businesses interested in competing for grants from the U.S. Department of Homeland Security. Maine SBDC joined forces with the University

of Maine to produce the expansive event designed to help small businesses and emergency responders learn more about how to bid for millions of dollars in federal contracts and grants. The two-day event held at the University of Maine provided Maine businesses with direct access to key personnel from Homeland Security as well as state resources.

Seminars were also held, covering programs for small business and procurement, agency supply-chain management, first-responders, and research and development. Maine businesses set up booths to promote homeland security products. The Emergency Management Agency, the Manufacturing Extension

Partnership, and the Marketer Development Center also co-produced the event.

“We were pleased to help bring the conference to Maine,” said Maine SBDC state director John Massaua. “There are only a few of these events held around the country and they can be instrumental in the development of millions of dollars in new business for Maine vendors and service providers.”



Maine SBDC Director John Massaua, former Department of Homeland Security Under Secretary Asa Hutchinson, U.S. Senator Susan M. Collins, and Dr. Dierdre Mageean, Vice President of Research and Dean of the Graduate School, University of Maine.

Congressman Tom Allen Honors Meriby Sweet as Maine SBDC State Star

Meriby Sweet, center director for the Maine SBTDC, has received the 2004 Maine SBDC State Star Award. Sweet was recognized for her work assisting Maine's small businesses, especially inventors who are trying to commercialize new technologies.

The State Star Awards are presented each year by the Association of Small Business Development Centers which honors an outstanding SBDC professional in each state. The awards were presented in September, 2004, at the organization's annual conference. In January, 2005, U.S. Congressman Tom Allen recognized Sweet at a reception held in Damariscotta at Miles Memorial Hospital, where two of Sweet's clients work.

“Given that four out of every five new Maine jobs this past year came from small business,” said Congressman Allen, “having expertise like Meriby's and a network like the Maine SBDC is especially important to us.”

Sweet, who lives in Nobleboro, was instrumental this past year in successfully institutionalizing Maine SBTDC services to Maine's technology-based companies. Meriby has been with the Maine SBDC for three years. Earlier in her 20-year career, Meriby worked at high-tech firms in California's Silicon Valley. She is a Maine native and a graduate of the University of Maine.

U.S. Congressman Tom Allen congratulated Maine SBTDC Center Director Meriby Sweet as recipient of the 2004 Maine SBDC State Star Award.



Spring Break Maple & Honey

Smyma, Maine

Owners:

Kristi & Kevin Brannen

"What started as a hobby is now a hobby gone wild!" chuckles Kristi Brannen, owner of Spring Break Maple & Honey in Smyma, Maine. Kristi and her husband Kevin run a logging operation ten months of the year on their 305 acres. They used to dabble in maple syrup production during "mud season" and in tending their bee hives over the summer. Now, armed with a recent \$20,500 Farms for the Future grant as well as their own significant investment, the Brannens are in the process of building a new processing facility where their maple sap will be boiled, extraction of honey will be done, and bottling for both products will take place.

The hardworking couple will more than double the number of hives they tend from 24 to 50



and the number of taps from 1500 to 3500. Maine SBDC certified business counselor Rod Thompson, who is also director of Maine SBDC's center at Northern Maine Development Commission, has been working with the Brannens since 2001 and helped them submit an application for the Farms for the Future grant. Rod will continue to help the Brannens as they achieve their goal of a "sustainable business."



Maine SBDC/SBTC helped Maine PBS identify businesses to profile in its fall, 2004, television season of Made in Maine. Aboard a Casco Bay Lines ferry in Portland Harbor, Chuck Benton (back to camera), Maine SBTC client and owner of Looksea, Inc., tells Maine PBS producer Chris Sweet and videographer Chad Diamond about his new patented augmented reality technology being used by the ferry line.

Businesses Profiled on Television

Maine SBDC clients are among the businesses profiled in the fall, 2004, season of the Made in Maine, the Emmy award-winning and popular primetime program on Maine PBS. Some of the profiles recorded this year will also be used to trigger discussion among panelists in a series of hour-long studio programs that Maine PBS plans to produce in summer, 2005.

SBA Honors Two Maine SBDC Staff

The U.S. Small Business Administration (SBA) honored Maine SBDC State Director John Massaua with its 2004 Thomas A. McGillicuddy Award for Excellence and Maine SBDC certified Business Counselor Gregory Gould as "Women in Business Advocate 2004" at its May, 2004, annual award ceremony in Bangor. The McGillicuddy award recognizes an individual or organization with "unflinching commitment" to Maine's small business and entrepreneurs. It is named for Thomas A. McGillicuddy, District Director of the SBA Maine District Office from 1974-1987, who was a tireless advocate for Maine's small businesses. Gould, who works at the Maine SBDC Auburn office located at the Androscoggin Valley Council of Governments, was commended for his work this past year counseling 159 women entrepreneurs, helping to launch 39 new women-owned businesses, and supporting \$3.3 million in capital formation for women.



Maine SBDC State Director John Massaua and certified business counselor Gregory Gould join U.S. Senator Olympia Snowe at the May, 2004, annual SBA awards event in Bangor.



Maine SBDC Service Center : Augusta

at Coastal Enterprises
Weston Building 7 North Chestnut Street
Augusta, ME 04330-5012
Phone: (207) 621-0245

Maine SBDC Service Center : Bangor

at Eastern Maine Development Corporation (EMDC)
1 Cumberland Place, Suite 300 P.O. Box 2579
Bangor, ME 04402-2579
Phone: (207) 942-1744 or 800-339-6389 (in ME)

**Maine SBDC Service Center :
Midcoast West**

At Midcoast Council for Business Planning & Development
7 Park Street
Bath, ME 04530
Phone: (207)443-5790

Maine SBDC Service Center : Caribou

at Northern Maine Development Commission (NMDC)
11 West Presque Isle P.O. Box 779
Caribou, ME 04736-0779
Phone: (207) 498-8736 or 800-427-8736

Maine SBDC Service Center : Fairfield

at CEI at Kennebec Valley Council of Governments
17 Main Street
Fairfield, ME 04937-1119
Phone: (207) 453-4258 ext. 16

**Maine SBTDC Service Center
(Technology Focus): Gardiner**

at Maine Technology Institute
2E Mechanic Street
Gardiner, ME 04345-2104
Phone: (207)-582-4790

**Maine SBDC Service Center :
Lewiston/Auburn**

at Androscoggin Valley Council of Governments (AVCOG)
125 Manley Road
Auburn, ME 04210-3600
Phone: (207) 783-9186

Maine SBDC Service Center : Machias

at EMDC Career Center
15 Prescott Drive, Suite 2
Machias, ME 04654-9759
Contact Bangor Service Center:
Phone: 800-339-6389 (207) 255-1919

Maine SBDC Service Center : Portland

at University of Southern Maine (USM)
68 High St, 2nd Floor P.O. Box 9300
Portland, ME 04104-9300
Phone: (207) 780-4949

**Maine SBDC Service Center :
Sanford/Springvale**

at Southern Maine Regional Planning Commission(SMRPC)
21 Bradeen Street, Suite 304
Springvale, ME 04083-1925
Phone: (207) 324-0316

**Maine SBDC Service Center :
Midcoast East**

at Coastal Enterprises, Incorporated (CEI)
Water Street P.O. Box 268
Wiscasset, ME 04578-0268
Phone: (207) 882-4340

** Maine SBDC also has numerous Outreach Offices throughout the State.*

Maine Small Business Development Centers (Maine SBDC) and its tech-focus group, Maine Small Business & Technology Development Centers (Maine SBTDC) provide comprehensive business management assistance, training, resource and information services to Maine's micro, small and technology-based business communities. Business assistance is provided at no cost to business owners by professional certified business counselors who meet rigorous education and business experience standards.

Maine SBDC/SBTDC is a partnership program of the U.S. Small Business Administration (SBA) in association with the SBA/SBDC, Maine Department of Economic and Community Development (Maine DECD), the University of Southern Maine (USM), and leading economic and/or community development hosting organizations, including the Androscoggin Valley Council of Governments (AVCOG), Coastal Enterprises, Inc. (CEI), Eastern Maine Development Corporation (EMDC), and the Northern Maine Development Commission (NMDC); with support from the Maine Technology Institute (MTI), the University of Maine (UMaine), and other contractors, allies and stakeholders.

Accredited by the Association of Small Business Development Centers (ASBDC) and administered by USM's Office of the Provost, Maine SBDC/SBTDC operates a network of 11 service centers and 25 outreach offices located conveniently throughout the state. Maine SBDC/SBTDC provides comprehensive business management assistance, training, resource and information services to Maine's micro, small, and technology-based business communities.

Maine SBDC/SBTDC is a program supported by the U.S. Small Business Administration and is extended to the public on a non-discriminatory basis. SBA cannot and does not endorse any products, opinions or services of any external parties or contractors.

