BUILDING MAINE’S FUTURE, ONE BUSINESS AT A TIME.
More than one million entrepreneurs and small business owners across the country rely on America’s Small Business Development Centers (SBDCs) network each year to help overcome challenges, discover new opportunities or unlock their potential. Nearly 1,000 locations nationwide cover rural, urban and suburban communities to provide no-cost face-to-face business advising.

America’s SBDC network helps the U.S. economy:

- A new job is created every 7 minutes.
- Approximately $100,000 in capital is generated every 15 minutes.
- A new business is created every 33 minutes.

Nearly 38 years ago, Maine was selected as one of eight sites by the U.S. Small Business Administration (SBA) to test the concept of leveraging federal, state and higher education resources to assist entrepreneurs and spur economic growth.

It is with continued commitment to this nationwide network and its superior services that we announce the new look for the Maine SBDC. Aligning our brand with that of a network that spans from coast-to-coast will result in a stronger identity as an effective, connected network with the power to make a significant impact on our national, state and local economies.
Activities that yield positive returns over an extended period, such as those carried out by the Maine Small Business Development Centers (Maine SBDC), stand as a solid investment. The program’s enduring performance over 37 years is owed in great part to its unique model — highly-skilled business advisors working directly with the private sector to fuel economic development.

The Maine SBDC program supports the efforts of small business owners and entrepreneurs in starting or expanding their businesses. Fourteen certified business advisors at contracted host organizations offer advice, help identify and access capital, conduct research, hold workshops and provide technical assistance. Host organizations in 2014 were the Androscoggin Valley Council of Governments, CEI, the Northern Maine Development Commission and the University of Southern Maine.
1,061 JOBS CREATED AND RETAINED
MORE THAN ANY OTHER YEAR IN THE PROGRAM’S HISTORY!

CREATING AND SAVING MAINE JOBS

RETAINED  CREATED

<table>
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Business advisors have worked with clients, partners, lenders and organizations around the state, contributing to the establishment of 124 new sources of employment, tax revenue and prosperity.

This indicator is a compilation of owner investment, lender financing and other capital generated by Maine SBDC clients. During 2014, Maine SBDC clients generated $39.8 million in capital formation, a significant positive impact on the state’s economic development and continued recovery.
Return on investment for the Maine SBDC is evaluated, analyzed and reviewed annually through an independent study of the program conducted by Dr. James J. Chrisman at Mississippi State University. His findings are based on information provided by a sampling of clients meeting with a Maine SBDC business advisor for at least five hours. Dr. Chrisman’s most recent report indicates that

FOR EVERY DOLLAR INVESTED IN THE MAINE SBDC, $1.37 WAS RETURNED IN TAX REVENUE.
2014 FINANCIAL OVERVIEW

**FUNDING**
- ME Dept. of Economic and Community Development $790,536
- U.S. Small Business Administration $671,250
- Federal Contracts $85,000
- Host Organizations $128,353
- University of Southern Maine $120,991
- State Contracts $43,963
- Community Development Block Grant $87,500
- Program Income $4,629

**TOTAL: $1,932,222**
- Excludes USM cost share and in-kind $144,192
- Various project years adjusted to calendar year

**EXPENDITURES**
- Personnel $1,216,521
- Indirect Costs $290,879
- Operating Expenses $91,722
- Contracted Program Services $59,222
- Travel $33,627
- Equipment & Software $30,762
- Deferred Expenses $209,489

**TOTAL: $1,932,222**
MAINE SBDC STATE DIRECTOR MEETS WITH SENATOR KING: Maine SBDC State Director Mark Delisle met with Senator Angus King in Washington D.C. to discuss the Maine SBDC program and reviewed issues facing entrepreneurs and small businesses in Maine.

JOHN ENTWISTLE RECOGNIZED FOR IMPACT IN COMMUNITY: The University of Southern Maine (USM) recognized Center Director John Entwistle for his significant impact on the community that extends beyond USM’s campus borders. The awards were given to recognize those who serve as role models within the USM community.

Entwistle is Center Director and Certified Business Advisor at the Maine SBDC’s Portland office. Since 1988, he has consistently provided high quality, one-on-one business assistance and training to startup and existing businesses throughout Cumberland County. He has worked with over 4,000 clients, assisted in the creating and/or saving of approximately 800 jobs, helped clients start over 300 businesses and access over $18 million in capital.

STATE STAR 2014: Jennifer Sherwood was recognized by the America’s SBDC as Maine’s State Star in 2014. Sherwood is a project assistant at the Maine SBDC’s state office located at the University of Southern Maine in Portland. This is the first time the Maine SBDC has selected a member of the administrative staff for this award.

“Jennifer is an incredible asset to our program. She is a committed team player and is unfailingly helpful and cheerful. Always one to extend a helping hand, her extensive knowledge and positive attitude really make her stand out,” said Maine SBDC State Director, Mark Delisle.

SCALEUP AMERICA LAUNCHES IN PORTLAND: Maine SBDC is working with Supply Chain Visions to help high growth potential small businesses in southern Maine. The ScaleUp America initiative, a U.S. Small Business Administration sponsored program, is designed to help companies grow by addressing the barriers to small business growth such as financing, broader access to markets and human resource development. Participating
businesses will receive a combination of structured training, one-on-one business support, and networking opportunities designed to aid each member business in growing their operations. The first fourteen businesses began the program in January 2015. A second group of entrepreneurs will be selected in the Spring of 2015.

**FOCUSBING ON THE KATAHDIN REGION:** The Maine SBDC has received a grant from the U.S. Small Business Administration (SBA) to develop a program that will provide entrepreneurial advising and training for potential and existing business owners in the Katahdin Region who have been adversely affected by the closure of the Great Northern Paper Company.

In particular, this grant targets those in Millinocket, East Millinocket and Medway, Maine. The program began in October 2014 and is planned to run through September 2015.

The program is a collaborative effort of the Maine SBDC in association with Northern Maine Development Commission (NMDC), Maine Centers for Women, Work and Community (WWC), MaineStream Finance and the Katahdin Area Chamber of Commerce. The program is designed to equip entrepreneurs and anyone interested in starting a business with a broad range of knowledge necessary for successfully developing and growing a small business.

Maine SBDC has obtained a business advisor outreach office where a certified business advisor is available to meet at no cost. In addition, the Maine SBDC will be organizing an entrepreneurial workshop series, providing “mini-grants” to select businesses for professional services, and hosting a business plan competition.

**SBA TOURS WASHINGTON & HANCOCK COUNTIES:** U.S. Small Business Administration’s Northeast Regional Administrator, Seth Goodall, and Maine District Director, Marilyn Geroux, spent three days with Business Advisor, Betty Egner, visiting Maine SBDC clients in Washington and Hancock counties.

They wanted to meet directly with businesses to garner feedback and suggestions. These clients included:

- John and Kristy Marchese, Calais Motor Inn - Calais
- Artie Mingo, Mingo’s Evergreen/Wreaths for Hope - Calais
- Ron Picard, Friends and Family Market - Ellsworth
- Theo & Fiona de Koning, Acadia Aqua Farm – Bar Harbor
- John Morse, Tag’s Sports Bar - Ellsworth

Goodall, Geroux and Egner spent time with each business owner discussing their business and the assistance the Maine SBDC provided to help them start, grow and obtain funding.
With offices throughout the state, fourteen business advisors serve all sixteen counties. Their knowledge, experience and commitment helped 1,817 clients to create/retain 1,061 jobs, start 124 businesses and generate nearly $40 million in capital formation.
CLIENT COMPOSITION

50% starting a new business / 50% already in business

TRAINING AND WORKSHOPS

18 Online Workshops at www.mainesbdc.org with 469 Participants
74 In-Person Workshops/Seminars with 890 Participants
1,359 TOTAL PARTICIPANTS
As event manager of BikeMaine, a seven day cycling tour in Maine featuring between 200-300 riders, Zachary Schmesser noticed during the first year of the tour that many of Maine’s small towns didn’t have the capacity to provide adequate showers for the cyclists. Cyclists were in need of a hot shower after a long day of riding. They needed easy access to showers that provided consistent hot water. He wanted to start a business that provided shower units at the site of these types of events.

“It was great to be able to utilize the resources of the Maine SBDC and to tap into John’s knowledge. Without the Maine SBDC, I wouldn’t have known about the bank I eventually ended up receiving the loan from, and without John I would have never heard about the Libra Future Fund Grant.”
- Zachary Schmesser, Owner

Schmesser came into the Maine SBDC to see Center Director and Business Advisor John Entwistle seeking help obtaining funding for his new business venture. He needed capital to purchase the mobile shower unit that would be used at events, festivals, disaster relief and construction and had tried several times to secure a commercial loan without success. Entwistle helped Schmesser review his business plan identifying potential red flags for a bank and assisted him in revising his market analysis and financial projections. Entwistle also suggested Schmesser apply for a Libra Future Fund Grant, which capitalizes upon the energy and creativity of Maine’s young people by awarding grants to individuals to promote economic development and job creation in Maine. Entwistle suggested how to format his proposal to illustrate the community benefit of the venture.

In May 2014, Schmesser and New England Mobile Showers secured both the bank loan and the Libra Future Fund Grant. In August, the 39-foot, 16-shower trailer arrived, and has since done multiple events including Revolution3 Triathlon in Southern Maine, Berkshires to Boston Bicycle Tour in Western Massachusetts and, of course, BikeMaine.
Peter Bragdon, a hay farmer, developed a process to manufacture fireplace logs from low quality hay that cannot be used for feed. With the help from Janet Roderick, his Maine SBDC Business Advisor, he and his general manager, Randy Labbe, were successful in raising the funds for his new product and the production facility. They received loans totaling nearly $345,000 and over $800,000 in grants.

“We attribute a significant portion of our success to the highly valuable knowledge, insights, and guidance that you have provided us...”

- Randy Labbe, General Manager

Roderick was instrumental in helping Bragdon and Labbe with their business plan and financial analysis including cash flow projection, balance sheet and profit & loss statement. She helped complete and review the many loan and grant applications. She also helped them find manufacturing space in Waterville.

Bragdon and Labbe will continue working with Roderick.
Jeff Marstaller has run his business, Cozy Acres Greenhouses, for over 30 years. Originally coming in to see Business Advisor Mike Kasputes for help with Quickbooks software, the pair has spent over 25 hours working together on various aspects of his business over the last two years.

When Marstaller decided he wanted to reduce his propane needs and build a new eco-friendly facility utilizing geothermic heat sourcing and photovoltaic power, he looked to Kasputes for assistance in the creation of a business plan to help secure the funding for the project. Kasputes guided Marstaller through writing a narrative and financial forecasting, which helped him secure a construction loan.

Marstaller also sought assistance in completing a business plan proposal for the Maine Department of Agriculture’s Farms for the Future grant program, an 18-month project planning period that provides business planning assistance and support for growers. Kasputes helped to prepare market research, financial projections and prepped Marstaller to present his plan to the board of directors. In May 2013, Marstaller received word that his grant had been approved.

In 2014, Marstaller returned again to the Maine SBDC with an operational challenge. The now operating geothermic greenhouse required a substantial amount of energy. This demand had been anticipated in the early financial models, but the change in energy costs due to demand was not and drastically increased rates. To help offset these unplanned operating costs, Marstaller asked for assistance to refinance his debt at a more favorable interest rate. He succeeded in refinancing his debt, which allowed him to expand the brand and market penetration of a line of organic micro-greens.
Obstacles to starting a small business are part of the journey for entrepreneurs. Some entrepreneurs are thwarted, others find ways to continue.

“You [Brad Swanson] absolutely made a significant difference not only in our potential for borrowing success, but in my personal development as an entrepreneur.”

- Alden Blease, Owner

Having identified an opportunity in the growing raw food movement, Alden Blease bootstrapped his way into the market with a test product. From the lessons he learned and with the guidance of Maine SBDC Business Advisor Brad Swanson, Blease formulated, tested, packaged and branded a niche raw food bar appealing to both athletes and nutrition conscious young consumers. Although he had a ready-for-market product, a co-packer and a distributor, and a solid business plan, progress was at a standstill due to a lack of start-up financing. Swanson recommended that he approach a local community development corporation which supports small business start-ups and their development. Blease’s successful financing application resulted in a $10,000 loan which helped leverage $20,000 more in personal loans.

The company launched successfully in June 2014, with its initial batch being produced, distributed and consumed locally.
In January 2013, Joel Alex came to see Maine SBDC Business Advisor Janet Roderick looking for guidance to start a malting facility. With a great start on his business plan, the pair began working on a management plan and timeline. When Alex decided to apply for a Maine Technology Institute (MTI) Tech Start grant, Roderick referred Alex to colleague Ann McAlhany. McAlhany reviewed the plans and grant application. Alex was awarded the grant, which allowed him to drive throughout the state visiting local breweries to gather market research.

In late 2013, Alex applied for additional MTI funding for a pilot system and production equipment. He sent his application to McAlhany for review. She provided comments and helped him balance his budget. His application resulted in a $25,000 Seed Grant in 2014.

“In no small part, the ability to leverage this funding and bring the business into pilot production has been a result of the support and resources that Ann McAlhany, and more broadly the Maine Small Business Development Centers have provided.”

- Joel Alex, Owner

In addition to helping him secure the grants, Roderick and McAlhany worked to prepare Alex to present to potential investors at events such as Slow Money Maine. They also encouraged him to participate in Maine Center for Entrepreneurial Development’s Top Gun program.

Alex continues to seek advice from both Roderick and McAlhany on topics such as a real estate, QuickBooks, marketing, and financing.
Randy Lord started Amp Fin after seeing injured soldiers returning home from the war post 9/11. Having lost a leg himself after a job-related injury, Lord wanted to create a swimming device that allowed amputees to swim more efficiently.

When Lord and his wife Lori first came to see Maine SBDC Center Director and Business Advisor Rod Thompson looking for guidance, they were going in several different directions. They were trying to get the patent process started, still needed funding to build a functional prototype, and were interested in working with the Veterans Administration.

“Thanks for all your help and believing in our idea. You have been such a positive inspiration right from the start.”

- Lori Lord, Business Co-owner

Thompson helped them prioritize their tasks. They worked together on a business plan. Thompson did a considerable amount of research to assist with a feasibility analysis by identifying the potential size of the customer base. Thompson suggested that they meet with the local representative from the Maine Manufacturing Extension Partnership (MEP) and apply for a grant from the Maine Technology Institute (MTI). In June 2014, the Lords’ received their MTI grant which would help with prototype development.

After two years of development, Thompson was on hand to witness the Lords’ hold the public trials of the prototype fin at the University of Maine at Presque Isle’s indoor pool. Five amputees were fitted with the devices and proceeded to swim laps.

The Lords’ hope to have the product ready to market by April 2015.
After eighteen successful years in business, Kenny and Ronnie Jacques came to see Maine SBDC Center Director and Business Advisor Jane Mickeriz for assistance expanding their business, Ski Depot. With a reputation for quality customer service and expert knowledge, Ski Depot includes a retail and web shop, full service tuning, boot fitting and rentals to meet all of a skier’s needs.

The brothers wanted to purchase the real estate of an existing ski shop located at Sunday River, a popular ski resort located in Bethel, Maine. They turned to Mickeriz to help them with their business plan and financial projections to secure an SBA 504 loan.

In July 2014, the loan was approved and the new Ski Depot at Sunday River officially opened for its first season this winter. With ten employees at this new location, the Jacques’ report that sales exceeded their goals and they are on track to see revenues increase again.

CLIENT: Kenny & Ronnie Jacques
BUSINESS: Ski Depot
CLIENT SINCE: November 2013
BUSINESS ADVISOR: Jane Mickeriz, Maine SBDC at AVCOG
LOCATIONS: Jay, Franklin County and Bethel, Oxford County
AUGUSTA
Maine SBDC/CEI
Finance Authority of Maine
5 Community Drive
Augusta, ME 04332-0949
207-620-3521

BANGOR
Maine SBDC/CEI
One Cumberland Place - Suite 302
Bangor, ME 04401
207-942-1744

CARIBOU
Maine SBDC/Northern Maine
Development Commission
11 West Presque Isle Road
Caribou, ME 04736
207-498-8736

ELLSWORTH
Maine SBDC/CEI
210 Main Street - Suite 7
Ellsworth, ME 04605
207-664-2990

FAIRFIELD
Maine SBDC/CEI
Kennebec Valley Council of Governments
17 Main Street
Fairfield, ME 04937
207-453-4258 x215

LEWISTON/AUBURN
Maine SBDC/Androscoggin Valley Council of Governments
125 Manley Road
Auburn, ME 04210
207-783-9186

PORTLAND
Maine SBDC/University of Southern Maine
501 Forest Avenue
PO Box 9300
Portland, ME 04104-9300
207-780-4949

SPRINGVALE/SANFORD
Maine SBDC/University of Southern Maine
Southern Maine Planning and Development Commission
21 Bradeen Street - Suite 304
Springvale, ME 04083
207-324-0316 x19

WISCASSET
Maine SBDC/CEI
36 Water Street
PO Box 268
Wiscasset, ME 04578
207-882-4340