







SMALL BUSINESSES, LARGE ECONOMIC IMPACT— WITH THE HELP OF THE MAINE SBDC

The success of small businesses in Maine affects us all. Small businesses are the core of our economy, making up over 96% of businesses in Maine. These small businesses have a large impact on our local economy. Responsible for employing over 57% of the private workforce, these hardworking business owners create jobs for our families, friends and neighbors. They are the people who invest in our Main Streets, our communities and our schools. These businesses give our communities character and make them unique places to live and work.

Many of these entrepreneurs and small business owners turn to the Maine SBDC each year to help navigate the process of starting, managing and growing their businesses. With the guidance and expertise of business advisors throughout the state, these entrepreneurs are better prepared, develop the skills necessary to meet their goals, create successful businesses and improve the local economies in which they reside.

The program's impressive results year after year stand as proof of the strength of these advisor-client relationships. In 2016, fourteen certified business advisors met with almost 1,600 clients to help start 120 businesses, create and save 1,006 jobs and generate \$47.1 million in capital. Over 10,500 hours were spent advising clients towards success. We're pleased to announce that, with the help of their business advisors, clients secured more capital to start and grow their businesses in 2016 than in any other year in Maine SBDC history – over \$47 million! This is a significant indicator of the improving economy and the confidence lenders and investors have with Maine SBDC clients.

Results can be attributed to the assistance received from Maine SBDC business advisors — our clients have verified each job created or saved, business started and dollar of capital reported.

As we enter our 40th year, we are encouraged by these results and look forward to continue providing quality business advising to entrepreneurs across Maine.



1,583 CLIENTS ADVISED

1,006 JOBS CREATED AND SAVED



120 BUSINESSES STARTED

2016 PROGRAM RESULTS



Jessica Carter, The Local Variety, Bucksport (2016)

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 the last 39 years is due in great part to its unique model – highly-skilled business advisors working with the private sector to fuel client-validated economic development. The economic impact included as part of this report has been verified by each client, confirming that the results can be attributed to the assistance received from their Maine SBDC business advisors.

The Maine SBDC program helps build and strengthen small businesses through professional business advising, training and educational resources. Fourteen certified business advisors at contracted host organizations provide confidential assistance to help entrepreneurs start, manage and grow their businesses. Host organizations in 2016 were the Androscoggin Valley Council of Governments (AVCOG), Coastal Enterprises, Inc. (CEI), the Northern Maine Development Commission (NMDC) and the University of Southern Maine (USM).



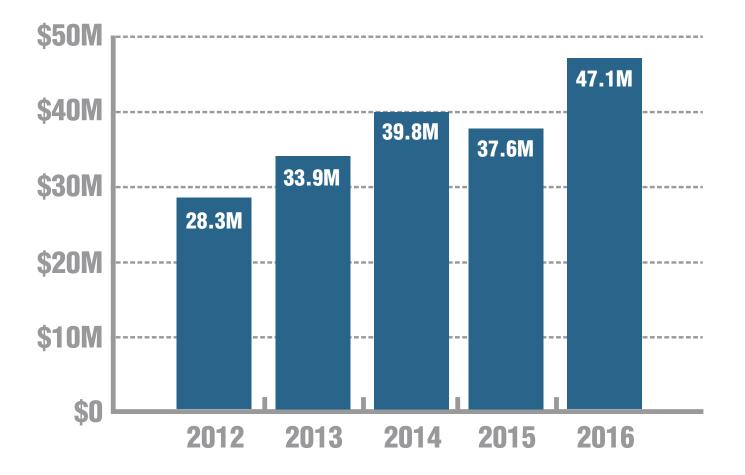




\$47.1 MILLION CAPITAL GENERATED

During 2016, Maine SBDC clients secured \$47.1 million in capital. This includes a compilation of owner investment, lender financing and other capital generated by Maine SBDC clients.

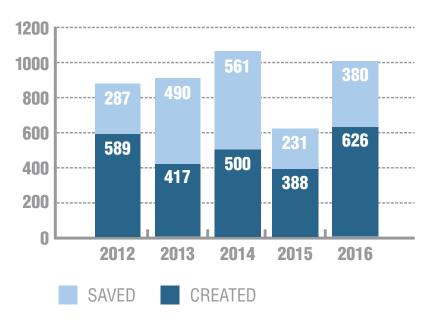
Maine SBDC business advisors helped clients to secure more capital in 2016 than in any other year in the program's history! This is a significant indicator of business growth, which leads to increased Maine jobs and a thriving economy.



CREATING AND SAVING MAINE JOBS

1,006 JOBS

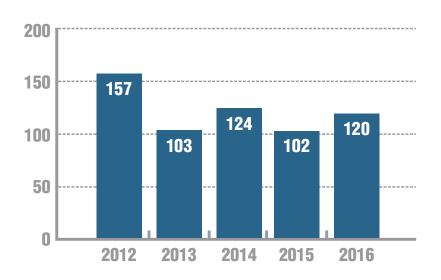
Maine SBDC clients created and saved 1,006 jobs in 2016. Clients turn to their business advisor to help them start, grow and sustain their businesses, creating and saving Maine jobs.



STARTING SUCCESSFUL BUSINESSES

120 BUSINESS STARTS

Business advisors worked with clients, partners and lenders around the state, contributing to the establishment of 120 new sources of employment and tax revenue.



RETURN ON INVESTMENT

Return on investment for the Maine SBDC is evaluated, analyzed and reviewed annually through an independent study conducted by Dr. James J. Chrisman at Mississippi State University. His findings are based on information provided by a survey of clients meeting with a Maine SBDC business advisor for at least five hours. Dr. Chrisman's most recent report indicates that...

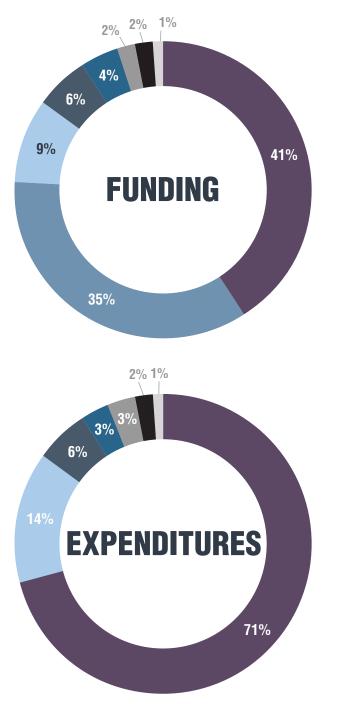
FOR EVERY DOLLAR INVESTED IN THE MAINE SBDC, \$2.82 WAS RETURNED IN TAX REVENUE.

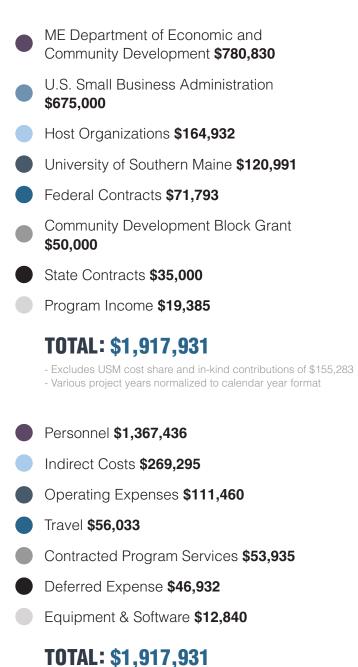




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2016 FINANCIAL OVERVIEW





MAINE SBDC HOSTS NEW ENGLAND SBDC PROFESSIONAL DEVELOPMENT EVENT

Maine SBDC hosted a successful 3-day professional development conference for Small Business



Development Center (SBDC) business advisors and staff in the New England region.

The conference, which was held in May in Freeport, is part of a successful collaboration of the Maine. New Hampshire, Vermont, Massachusetts, Connecticut and Rhode Island SBDC programs, known as the New England Professional Development (NEPD) group. The group strives to provide a comprehensive, core-knowledge training program that business advisors must complete to receive certification. The program also includes ongoing training on the most important topics to small businesses in the region. Although most advisors come to the SBDC with solid business experience and advanced degrees, this professional development is the key to enhancing the value, quality and consistency of services delivered to clients and stakeholders throughout New England.

Maine SBDC business advisors who received their professional certification in 2016 include Larry Giroux (Auburn), Peter Harriman (Portland), Roy Hebert (Saco), and Josh Nadeau (Caribou).

2016 STATE STAR

Christine Long was recognized by the America's SBDC as Maine's 2016 State Star. Long is the administrative manager at the Maine SBDC at the University of Southern Maine. She has been with the Maine SBDC for 27 years and serves as a vital team member to the USM business advising center, as well as the state administrative office staff.



The award, given annually, recognizes a member of the Maine SBDC staff that has shown exemplary performance and a strong commitment to small business success. "Chris is a tremendous asset to the Maine SBDC program. Always kind and helpful, Chris is the quiet one working tirelessly behind the scenes to ensure the program provides consistent and superior services to our clients statewide," said Maine SBDC State Director, Mark Delisle.

FOCUSING ON THE KATAHDIN REGION

The Maine SBDC completed its work in the Katahdin Region as part of a grant from the U.S. Small Business Administration (SBA).

In late April, Maine SBDC hosted the Katahdin Region Tourism Summit. The event focused on creating unique and memorable experiences for residents and visitors. Maine SBDC brought in a dynamic group of tourism experts. Attendees got a big picture view, some very specific tips to apply to their businesses and ideas on how to work together to make the Katahdin Region thrive. Attendees also had the opportunity to connect with representatives from local small business and tourism-focused organizations who shared what they do and how they can help businesses grow.

This was the final event as part of a U.S. Small Business Administration's 2014 Portable Assistance Grant. The program provided entrepreneurial advising and training to potential and existing business owners in the Katahdin Region who have been adversely affected by the closure of the Great Northern Paper Company.



In addition to this event, the Maine SBDC created an outreach business advising office in East Millinocket, provided multiple business training events, hosted a small business resource breakfast, created a Katahdin Region Small Business Resource Guide and hosted a business plan competition.

BUCKSPORT BAY INITIATIVE

The Maine SBDC continued its work in the Bucksport Bay Area as part of a Portable Assistance



grant from the U.S. Small Business Administration (SBA). The grant initiative provides entrepreneurial advising and training for potential and existing business owners in the Bucksport Bay Area who have been adversely affected by the closure of the Verso Paper Mill.

In June, Maine SBDC hosted a small business breakfast and resource fair for entrepreneurs and small businesses in the Bucksport Bay Area. The event featured guest speaker Bob Crowley, small business owner and winner of the reality show Survivor: Gabon, who entertained auests with stories of his time on *Survivor* and about his post-show small business Maine Forest Yurts in Durham, Attendees also connected with local small business resource organizations that shared what they do and how they can help.

The Maine SBDC also hosted a successful workshop series on the essentials of starting and operating a business. In a partnership with New Ventures Maine, the series consisted of five workshops on key topics. Each of the workshops was well attended, and attendees were thankful to the Maine SBDC for providing this opportunity in their area.

PARTNERSHIP BETWEEN MAINE SBDC & MTI CONTINUES

Maine SBDC is pleased to announce the continued partnership with the Maine Technology Institute (MTI). MTI helps fund



Maine entrepreneurs and companies who engage in technology to develop innovative products and connect them to resources to help them grow profitable enterprises. With shared goals, the Maine SBDC and MTI will help businesses within Maine toward sustainable economic growth.

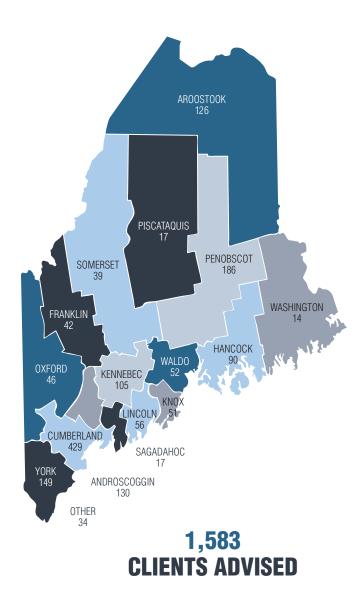
The partnership will continue to provide Maine SBDC business advisor support to those entrepreneurs looking to access MTI programs and funds as well as assisting current companies in MTI's portfolio.

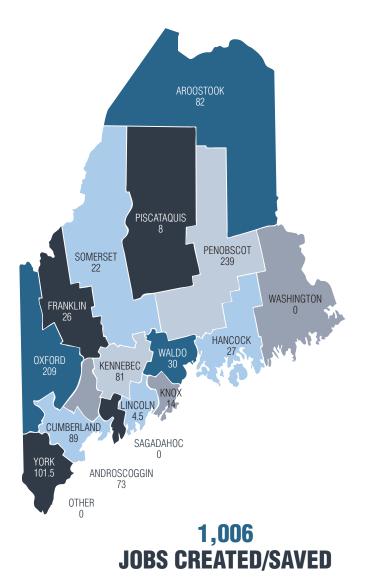
MAINE SBDC COMPLETES REBRANDING

Maine SBDC completed its rebranding in 2016. In late 2014, the Maine SBDC decided to align its branding with that of the America's SBDC, a network of small business development centers that spans from coastto-coast. The new logo will lead to a stronger identity as an effective, connected network with the power to make a significant impact on our national, state and local economies.

With this transition came the launch of the redesigned website: www.mainesbdc.org. The new site boasts a clean new look and streamlined navigation, offering a wealth of resources for both new and existing entrepreneurs and small businesses in Maine.

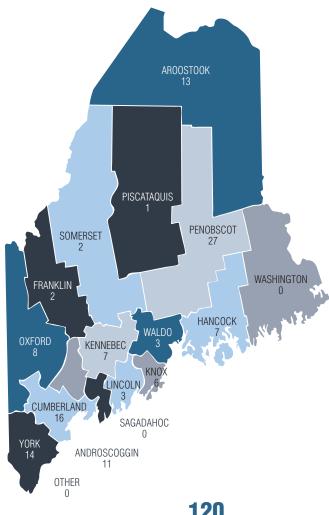
CLIENT RESULTS BY COUNTY



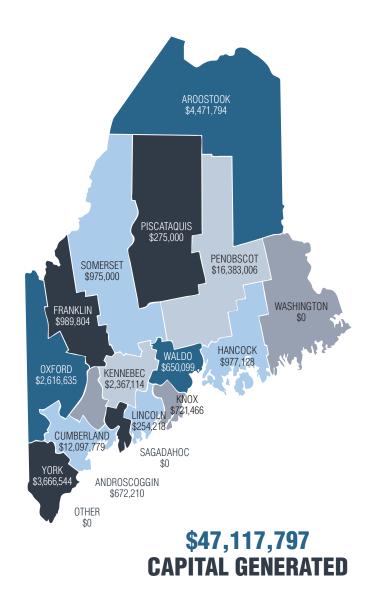


OTHER: OUT-OF-STATE, EXPANDING OR RELOCATING TO MAINE

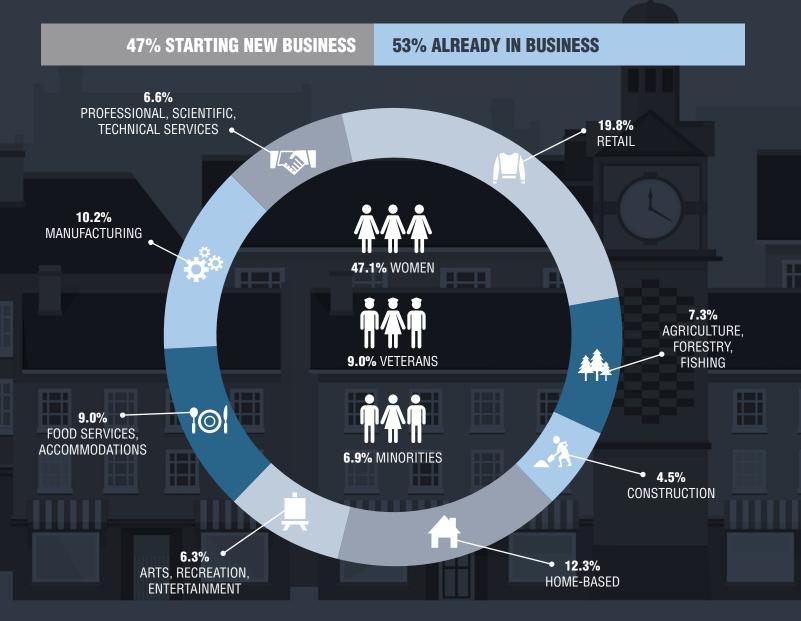
CLIENT RESULTS BY COUNTY



120 BUSINESSES STARTED



CLIENT COMPOSITION



TRAINING AND WORKSHOPS

50 IN-PERSON WORKSHOPS AND SEMINARS WITH 691 PARTICIPANTS

LOST VALLEY | AUBURN

LOST A VALLEY



Lost Valley, a small ski area located in Auburn, Maine, has been a staple of the area since 1961. The first ski area in Maine to make artificial snow, the business features 15 trails and a terrain park, offering something for skiers of all abilities.

When the potential to purchase the business arose, Scott Shanaman and his wife April jumped at the opportunity. Familiar with the ski industry (they also own a ski lift maintenance business) but seeking guidance to obtain financing and execute the purchase, they reached out to Jane Mickeriz, Maine SBDC business advisor at the Androscoggin Valley Council of Governments (AVCOG).

Together they spent many hours working on a business plan, financial projections and loan packaging, which Shanaman presented to several banks. In March, the sale



was finalized with financing from Mechanics Savings Bank and the Lewiston-Auburn Economic Growth Council, as well as owner equity. In doing this, they created and saved 31 full-time and more than 100 part-time jobs.

The Shanamans have made many significant improvements including upgrades to chair lifts, the lodge and snowmaking equipment. Hoping to make the business more dynamic, Shanaman turned again to Mickeriz for assistance with their business plan and

"We could not have achieved all these successes without the help from the Maine SBDC, as well as others at AVCOG, Mechanics Savings and LAEGC." – Scott Shanaman **CLIENT** Scott Shanaman

BUSINESS Lost Valley

CLIENT SINCE June 2015

BUSINESS ADVISOR

Jane Mickeriz, Maine SBDC at Androscoggin Valley Council of Governments (AVCOG)

LOCATION Auburn, Maine Androscoggin County

financials in order to secure additional financing to turn this business into a four-season destination for families. In September 2016, they received the needed funding.

Lost Valley has since added a summer outdoor adventure park with inflatable slides, Gifford's Ice Cream, a rock climbing wall and Eurobungee jump. In the fall, they added a Halloween theme park for children and adults of all ages. This winter they will debut their new tubing park, in addition to the traditional skiing, snowboarding and terrain park area.

The Shanamans bring new energy and innovative ideas to this traditional business in hopes of ensuring that this local landmark stays open for generations to come.

IZZY'S CHEESECAKE | PORTLAND

CLIENT

Jim Chamoff

BUSINESS Izzy's Cheesecake

CLIENT SINCE September 2015

BUSINESS ADVISOR

Peter Harriman, Maine SBDC at University of Southern Maine (USM)

LOCATION Portland, Maine Cumberland County

David "Izzy" Izenstatt, founder of **Izzy's Cheesecake**, has been making high quality, handcrafted cheesecakes since 1985. Made in small batches, the company offers 37 flavors of cheesecakes, including gluten-free and seasonal options.

When Izenstatt's business partner Jim Chamoff came to the Maine SBDC, he was looking to expand the business. He wanted to start making and selling "mini" cheesecakes to convenience stores and Whole Foods Market. He needed capital to ramp up production, including design and packaging of the new mini cheesecakes.

For help acquiring the financing for this project, Chamoff turned to Maine SBDC Business Advisor Peter







Harriman. Harriman helped him set up a loan package, focusing on the financial projections for the new line.

With the help of the Maine SBDC, Izzy's Cheesecake was able to obtain financing from the Greater Portland Council of Governments and the City of Portland for the mini cheesecakes, a grab-and-go version of the full size treat.

The company has now expanded into many convenience stores and 40 Whole Foods Markets. The cheesecakes are served in over 200 restaurants, grocery stores and retail establishments throughout New England.





HALCYON YARN | BATH



Halcyon Yarn, a yarn and fiber art retail and catalogue store located in Bath, has been in business for over 45 years, serving the needs of weavers, knitters, spinners and other fiber artists. When the founder Halcyon Blake decided it was time to retire, her daughter Gretchen Jaeger sought to buy the business and keep it in the family.

Maine SBDC Business Advisor Brad Swanson was asked to participate in the business acquisition project by partner organization Maine Women's Business Center (WBC). The Women's Business Center would assist the mother; Swanson would assist the daughter and her partner, Rachel Fowler.

Working closely with the partners on all aspects of the business plan,

Swanson helped them think through the management of their business and the implications and costs of the changes they would make upon acquiring the business and to project the sales goals related to their new marketing strategies.

With a complete set of financials and corresponding business plan, Jaeger secured a new line of credit for \$75,000 from their local bank and acquired assets worth \$292,000.They retained 17 jobs and created one new job.

The transition in ownership went well and the women are energized and excited about the growth opportunities. Halcyon Yarn has increased their selection of regionally produced items and launched a wholesale division that is now conducting sales in five countries. **CLIENT** Gretchen Jaeger

BUSINESS Halcyon Yarn

CLIENT SINCE December 2014

BUSINESS ADVISOR Brad Swanson, Maine SBDC at Coastal Enterprises, Inc. (CEI)

LOCATION Bath, Maine Sagadahoc County



"I really feel we couldn't have accomplished all of this so smoothly, and in such a short time, without you."

- Gretchen Jaeger

ETERNAV I VERONA ISLAND

CLIENT

Kasey Smith

BUSINESS

EterNav

CLIENT SINCE March 2012

BUSINESS ADVISORS

Betty Egner & Ann McAlhany, Maine SBDC at Coastal Enterprises, Inc. (CEI)

LOCATION

Verona Island, Maine Hancock County

Kasey Smith, founder of **EterNav**, wants to change the funeral and death care industry. With a background in technology startups and personal experience dealing with loss, she saw an opportunity to help those experiencing one of life's toughest challenges: navigating the unexpected loss of a loved one.

She has created 21st century technical tools and a step-by-step process that helps guide families through the practical tasks and action steps that follow the loss of a loved one. EterNav (short for eternal navigation) offers affordable, personalized and convenient bereavement solutions — working either with or without a funeral home.





"Betty has connected me with resources that were key to taking this business from a dream to a reality. This kind of attention to business needs has allowed me to always be moving forward. Betty has put me in a position to use my best strengths. This elevated view has been a difference maker." – Kasey Smith

"Today's consumer demands change," says Smith. "Currently, those faced with unexpected loss do not have access to the right information when needed, or to the numerous choices that are available to them. EterNav is about transparency, and our technology gives control of this very personal process back to the family."

Smith enlisted the help of Betty Egner and Ann McAlhany, business advisors at the Maine SBDC at CEI, to help launch and grow her business. Smith has sought the mentorship of Egner who assisted her with various aspects of her business, including general principles, startup issues and market research.

McAlhany also worked extensively with Smith, serving as her mentor through the Maine Center for Entrepreneurial Development's Top Gun program and helping her apply for funding through the Maine Technology Institute, where she was awarded over \$28,000 in Seed and Tech Start Grants. Egner and McAlhany also assisted Smith as she competed on Greenlight Maine, a statewide business competition between 26 aspiring entrepreneurs for a \$100,000 award.

CROSSFIT BANGOR | BANGOR





Melinda Metten does it all. A firefighter at the Bangor Fire Department and a boom operator in the United States Air National Guard, Metten opened **CrossFit Bangor** in June 2011. It wasn't long before CrossFit Bangor's reputation spread and membership increased, putting her at capacity in her original location. She had begun turning away business because to add new members would negatively impact the quality of service to the existing members.

Always a problem-solver, Metten had found a larger space that would be ideal for growing her business, but she needed financing in order to secure the property. Her lender at Eastern Maine Development Corporation (EMDC) suggested she work with Maine SBDC Business Advisor Ann McAlhany to help her with the documents and paperwork necessary to apply for a loan. With only two weeks until the loan committee meeting, it was important to act quickly. Complicating matters, Metten was set to be deployed within a week. Metten and McAlhany hurried to meet in-person before the deployment. McAlhany discussed the process and gave an overview of what would be needed for cash flow projections, assumptions and supporting narrative.

Working closely with both the client and the lender via e-mail, McAlhany reviewed and revised the client's business plan and financials. The package was completed in time for the loan meeting and the loan was approved.

In July 2016, Metten moved her business into the larger facility at 130 Perry Road in Bangor. In less than five months since the move, revenues were up 60% and **CLIENT** Melinda Metten

BUSINESS CrossFit Bangor

CLIENT SINCE March 2016

BUSINESS ADVISOR Ann McAlhany, Maine SBDC at Coastal Enterprises, Inc. (CEI)

LOCATION Bangor, Maine Penobscot County

membership has jumped from 123 to almost 200. Metten is thrilled with the new location and the ability to add programs, such as Crossfit Kids, in the expanded space.

"Words cannot describe how much I appreciate your patience with me while I'm here [deployed] and what you did to help me prepare to expand my business. Thank you, truly." – Melinda Metten

AUTOTRONICS | FRENCHVILLE

CLIENT

Lita Daigle

BUSINESS Autotronics

CLIENT SINCE

October 2015

BUSINESS ADVISOR

Josh Nadeau, Maine SBDC at Northern Maine Development Commission (NMDC)

LOCATION

Frenchville, Maine Aroostook County

Autotronics, a family-owned business that specializes in the building and restoration of emergency vehicles, has been in business since 1958, serving customers within Maine, New England and even internationally. Business owner Lita Daigle approached Maine SBDC Business Advisor Josh Nadeau looking for help in restructuring some current loans, as well as funds to help build a new state-of-the-art paint facility at their headquarters in Frenchville, Maine.

The addition of a new building with a paint booth would help the business decrease the company's production time on each vehicle by 50%, which would save the company significant time and





money. This would also create the opportunity for 10 additional positions within the company and add roughly \$100,000 new tax dollars to the town of Frenchville, which has a total population of 1,087 residents (as of 2010).

Nadeau thoroughly reviewed the company's business plan and financials. He also worked with Northern Maine Development Commission and Aroostook Federal Savings to help Daigle package loans totaling \$2,290,000.

In February 2016, Daigle was approved for both loans, making her dreams come to fruition and opening up many doors for this growing business. Future projects



for this unique company include creating a blueprint for a first-ofits-kind completely pathogenicfree, infectious disease response vehicle. The business is currently in the process of building the prototype.

TULU SALON & SPA | BIDDEFORD



Terra Olson worked for a highend salon and spa in Portland for years, but she knew that there were other opportunities out there. One opportunity she noted was the lack of a luxury salon south of Portland. She went to the Maine SBDC office in Saco and met with Business Advisor Steve Lovejoy. That was the beginning of **Tulu Salon & Spa** on Main Street in Biddeford. Olson worked with Lovejoy to develop the plans for the new salon.

In partnership with her brother Paul Johnson, Olson worked to create an upscale salon and make the idea a reality. The space in the Pepperell Mill complex offered 12-foot tall windows that provided incredible light. They finished the space using existing materials and repurposed materials from the mill complex to create a unique and beautiful space.

In less than a year, the business has grown to 12 employees, many of them following Olson from high-end salons in Portland. Tulu continues to grow. This fall, it was featured on the cover of *Keep It Local*, a magazine for the Saco, Biddeford and Old Orchard Beach communities.



CLIENT Terra Olson

BUSINESS Tulu Salon & Spa

CLIENT SINCE July 2015

BUSINESS ADVISOR

Steve Lovejoy, Maine SBDC at University of Southern Maine (USM)

LOCATION Biddeford, Maine York County



AMERICAS MAINE MAINE SMALL BUSINESS

DEVELOPMENT CENTERS

AUBURN

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

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 306 Bangor, ME 04401 207-942-1744

BRUNSWICK

Maine SBDC / CEI 30 Federal Street Brunswick, ME 04011 207-504-5886

CARIBOU

Maine SBDC / Northern Maine **Development Commission** 11 West Presque Isle Road Caribou, ME 04736 207-493-5765

ELLSWORTH

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

FAIRFIELD

Maine SBDC / CEI Kennebec Vallev Council of Governments 17 Main Street Fairfield, ME 04937 207-453-4258 x 215

PORTLAND

Maine SBDC / University of Southern Maine 55 Exeter Street PO Box 9300 Portland, ME 04104-9300 207-780-4949

SACO

Maine SBDC / University of Southern Maine Biddeford-Saco Area Economic **Development Corporation** 190 Main Street, 3rd Floor Saco, ME 04072 207-282-1748

WISCASSET

Maine SBDC / CEI Lincoln County Regional Planning Commission 297 Bath Road Wiscasset, ME 04578 207-504-5434







Maine Small Business Development Centers

55 Exeter Street, PO Box 9300 Portland, ME 04104 207-780-4420 • 800-679-7232 www.mainesbdc.org

The Maine SBDC is funded in part through a Cooperative Agreement with the U.S. Small Business Administration, the Maine Department of Economic and Community Development and the University of Southern Maine.