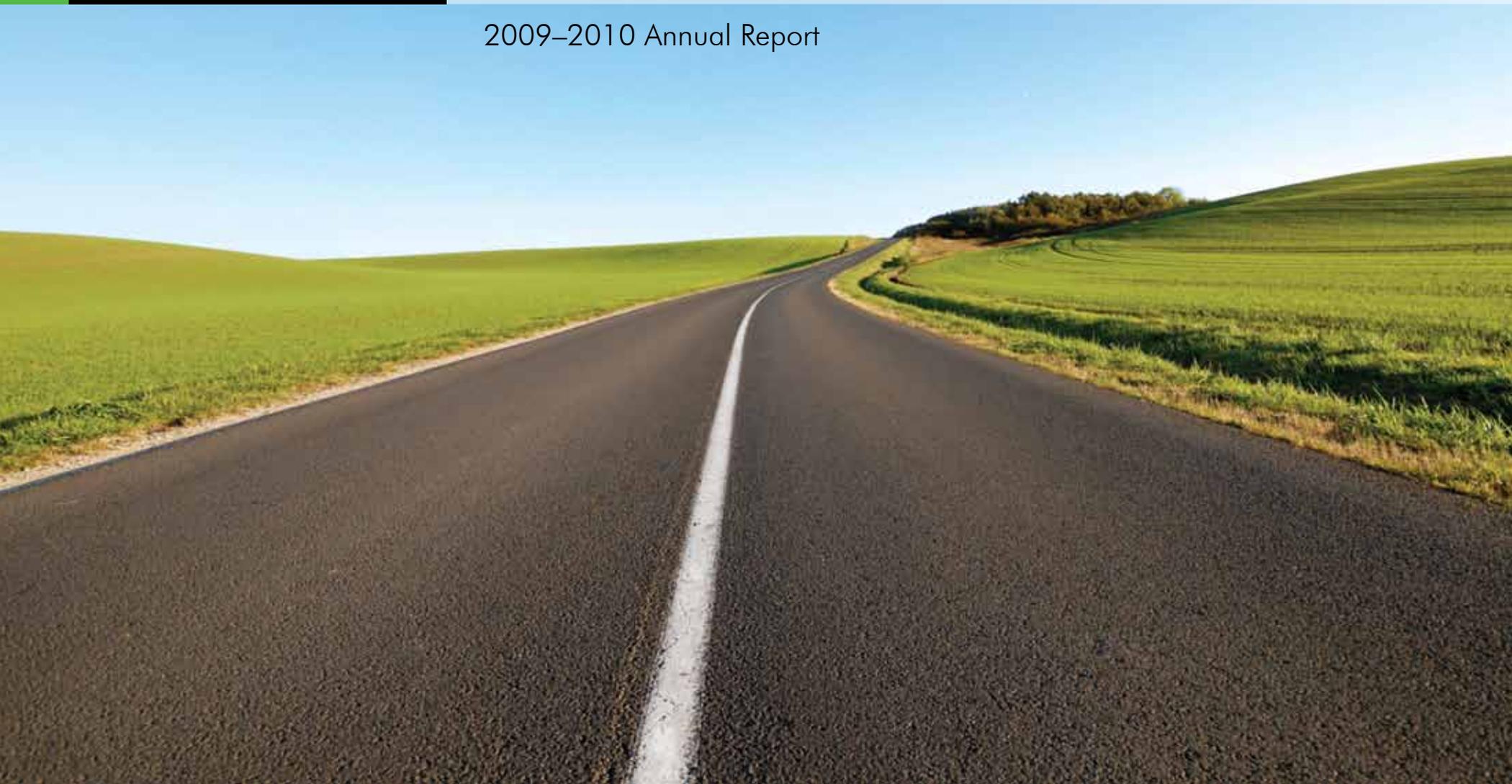




BUILDING NORTH CAROLINA'S ROAD TO RECOVERY

2009–2010 Annual Report



The SBTDC's Impact: Making a Real Difference in North Carolina

SBTDC PROVIDES IN-DEPTH SERVICES TO NC BUSINESSES

Counseling

In 2009, the SBTDC provided over 55,000 hours of counseling to more than 6,000 clients. Of these, 38% were woman-owned businesses and 30% were minority-owned businesses. Since its inception in 1984, the SBTDC has provided over 850,000 hours of counseling to over 115,000 clients.

Management Education

During 2009, over 7,800 individuals participated in 335 SBTDC conferences and workshops. Of those, over 650 company owners, managers, board members, university administrators, and economic development professionals took part in 52 Strategy and Organization Development events focused on strategic performance, leadership, and management team development.

Information

In 2009, over 85,000 unique individuals visited the SBTDC website (www.sbtcd.org) to access information and online training on starting and growing a business, financing opportunities, technology commercialization, and other topics.

SBTDC CLIENTS VALUE SERVICES

The SBTDC surveys each client to determine the effectiveness of its counseling services. In 2009, 92% of our clients rated SBTDC services "good" to "excellent."

In addition, 93% of our clients "would recommend" SBTDC services to others.



SBTDC HELPS CLIENTS ACCESS CAPITAL & CONTRACT AWARDS

In 2009 alone:

SBTDC clients received over \$114 million in funding, which supported over 2,200 jobs. Included in this amount were \$55 million in debt financing (including \$14 million in SBA loans), \$26 million in equity from venture capitalists, private ("angel") investors and other sources, and \$22 million in SBIR/STTR awards.

SBTDC's Procurement Technical Assistance Center (PTAC) helped clients obtain over \$475 million in contract awards from government agencies and prime contractors. The Department of Defense estimates that these contract awards support over 9,500 jobs in North Carolina.

SBTDC CLIENTS GENERATE MORE SALES & JOBS

Each year, the SBTDC participates in a national study of clients who have received five or more hours of service. This research demonstrates that the SBTDC is helping client companies grow and create jobs at significantly greater rates than the average North Carolina business. The 2009 study (of SBTDC clients served in 2007) indicated the following:



Cost per job generated = \$1,736

SBTDC PROVIDES A STRONG RETURN ON INVESTMENT

Year after year, national Economic Impact Assessment Studies show that North Carolina receives a strong return on investment from SBTDC services.

Benefit-to-Cost Ratio: Over the last 10 years, counseling provided to clients generated \$5.26 in new tax revenues for every \$1.00 spent on the SBTDC program.

More significantly, while counseling is a one-time cost, the tax revenue stream will continue to benefit North Carolina's economy for years to come.

Note: The study only includes federal income tax and state income and sales taxes. It does not include additional taxes such as corporate taxes, property taxes, unemployment taxes or social security payments.

SBTDC IMPACT IS 24/7

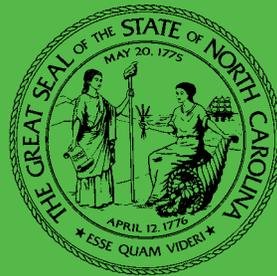
SBTDC clients create one new job every 3 hours

Every HOUR, they ...

- Obtain over \$10,000 in debt and equity financing
- Generate over \$66,000 in sales growth
- Generate \$2,700 in incremental tax revenue

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www.jobsnow.nc.gov



Beverly Perdue

GOVERNOR – State of North Carolina

I can't tell you how impressed I've been with the Small Business and Technology Development Center's (SBTDC) efforts over the past year in helping build North Carolina's Road to Recovery. As part of my JobsNOW initiative, SBTDC piloted BIZ BOOST in the Charlotte region last year. Now SBTDC is taking its unique job retention program statewide – serving 2,000 small to mid-sized businesses across the state.

Jobs are my number one priority, and small businesses account for two-thirds of new jobs created. They must be front and center to our job creation strategy. That's why I've recently asked Scott Daugherty, the long-time head of the SBTDC, to take on added responsibilities as North Carolina's first Commissioner for Small Business.

Scott is the perfect choice to bring together the various state-funded small business assistance resources. He will create a partnership that will coordinate and market their efforts to the public and allow us to better serve the small business community.

Helping North Carolina's small businesses grow is our road to recovery.

Sincerely,

A handwritten signature in black ink that reads "Beverly Perdue".

*“Jobs are my number one priority,
and small businesses account for
two-thirds of new jobs created.”*



Erskine Bowles

PRESIDENT – The University of North Carolina

Dear Fellow North Carolinians:

The University of North Carolina has committed considerable attention and resources to help North Carolina with its economic recovery. I couldn't be prouder of one of our leading business and economic development resources, the SBTDC, for the job that it has done in this regard.

For example, the SBTDC spearheaded a pilot job-retention initiative in the Charlotte region beginning in June of 2009. This effort, called BIZ BOOST, includes collaboration with community colleges, the NC Department of Commerce, and other state resources. It was launched to help existing small to medium-sized businesses retain jobs, improve their operational performance, and enhance their competitiveness. The success of this pilot resulted in Governor Beverly Perdue's recent decision to call on the SBTDC to rollout the BIZ BOOST initiative statewide. Governor Perdue also named SBTDC's outstanding Executive Director Scott Daugherty to serve concurrently as North Carolina's first Commissioner of Small Business. The State and our small businesses will greatly benefit from the enormous good Scott will do in this new role.

In carrying out its responsibilities, the SBTDC consistently provides a best-in-class example of the University's public service commitment to the people of North Carolina. I find it particularly gratifying that the SBTDC has found a way to engage large numbers of our graduate and professional students in practicum projects with businesses that are struggling in today's difficult economy. Their efforts help businesses solve real-world problems while greatly enhancing participating students' educational experiences.

I commend the SBTDC for its efforts in these troubled economic times. It is making a real difference for many companies across the state.



NC STATE UNIVERSITY

Jim Zuiches

VICE CHANCELLOR – North Carolina State University

Friends:

The SBTDC celebrated its 25th Anniversary in October 2009. It has had a remarkable history of outreach and service over that period of time, and it reflects well the powerful role that our public universities play in supporting business development and growth, improving our communities, and benefiting the lives of our citizens.

Over the past year, at the request of the Governor, the SBTDC has been asked to focus its resources and in-depth management and technical assistance services on existing small to medium-sized businesses in order to retain current jobs. This initiative has proven highly successful.

The SBTDC is both an integral part of NC State University's Office of Extension, Engagement and Economic Development and of every campus of the University of North Carolina. Through its regional office network, the SBTDC provides an important means for the entire University system to connect students and other faculty to the economic development of our State.

Congratulations to the SBTDC and its dedicated staff on a quarter of a century of service to North Carolina.



Lynn Douthett

DISTRICT DIRECTOR – U.S. Small Business Administration

For 26 years, the SBTDC has been a partner with the U.S. Small Business Administration (SBA). Our mutual goal has been to help small businesses start, grow and succeed while at the same time creating and sustaining jobs for our State's citizens. Today's economy has presented entrepreneurs with challenges of finding new ways to remain relevant and surviving and thriving in difficult times.

The SBTDC continues to play a major role in supporting our small businesses through experienced professional counseling and training, government contracting and technical assistance as well as growing small businesses to the next level.

Wendy Banks and David Van Zee started Carolina Management Team (CMT), an industrial paint and protective coating company in Enka, North Carolina in 2003. The Asheville SBTDC helped CMT with marketing approaches, strategic planning and provided assistance in preparing CMT to receive an SBA loan for the purchase of painting equipment.

CMT is only one example of how the SBTDC and SBA work together. In February 2009, the Recovery Act legislation passed to give small businesses a helping hand by reducing SBA loan fees and increasing SBA loan guarantees. By year-end, North Carolina small businesses received almost \$267 million in funding. The SBTDC helped many small businesses prepare for this funding and provided in-depth guidance, which strengthened their firms.

Creating and fostering economic development in North Carolina through strategic alliances in the public, private, and education sector is a fundamental strength of the SBTDC and SBA partnership.

My thanks to Scott Daugherty for his leadership and to his team for their commitment to excellence! Their continued efforts to restore, rejuvenate, and reinvigorate North Carolina's small business community will continue to drive our economy forward!



Scott Daugherty

EXECUTIVE DIRECTOR – SBTDC

The past year has been an extraordinary one. The SBTDC:

- Celebrated its 25th Anniversary
- Piloted a unique job retention program, BIZ BOOST, for the Governor's Office
- Significantly expanded general business and technical assistance services across the state
- Expanded Procurement Technical Assistance Center services
- Increased the staff and services provided by our technology commercialization group
- Expanded the number of early-stage Inception Micro-Angel funds to four statewide
- Earned national accreditation for both the SBTDC as a whole and for its technology development and commercialization program
- Engaged over 650 students in practicum education experiences

Like all of our colleagues in SBTDCs and SBDCs across the country, the long road to economic recovery is placing incredible demands on our resources. We have been fortunate to attract added funding support to help us meet these demands.

We are needed more now than ever. I applaud our great staff for their willingness to stretch to respond to service demands and for their amazing responsiveness to their clients.

About the SBTDC



STATEWIDE OFFICES

Asheville	Greensboro
Boone	Greenville
Chapel Hill	Hickory
Charlotte	Pembroke
Cullowhee	Raleigh
Durham	Wilmington
Elizabeth City	Winston-Salem
Fayetteville	

HEADQUARTERS

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info@sbtcd.org
www.sbtcd.org

The Small Business and Technology Development Center (SBTDC) is a business advisory service of The University of North Carolina system. Since 1984, the SBTDC has helped over 115,000 North Carolina entrepreneurs make their businesses better.

SERVICES

The SBTDC's statewide team provides personalized management counseling and education services designed to help small and mid-sized businesses:

- Obtain quality business and market information
- Evaluate and improve financial performance
- Access new capital and markets
- Improve management and employee performance
- Make better decisions and achieve their goals

Our services revolve around areas critical to sustaining and growing businesses:

Strategy Development and Implementation – SBTDC assessments, strategic performance retreats and ongoing counseling help owners and managers:

- Assess and benchmark company performance and effectiveness
- Develop and implement successful strategies both short and long term
- Identify priorities and action steps
- Measure and monitor progress

Financing – The SBTDC specializes in helping businesses:

- Analyze revenue and costs, and understand financial data and reports
- Prepare financial projections
- Identify and access sources of capital, including traditional and SBA-backed loans, angel and venture capital, R&D funding, and international export financing

Marketing – SBTDC counselors and specialized market research staff help companies enhance their success in the marketplace by identifying:

- Information on industry trends, customers, competitors, and best business practices
- New or expanded markets for existing products and services
- Federal, state and local government contracting opportunities
- Commercialization options for new innovative technologies

Workplace Performance Improvement – The SBTDC's performance enhancement services help clients:

- Link business strategies to workplace learning and accomplishments
- Strengthen leadership and management skills
- Refine internal processes to improve performance
- Enhance communications and teamwork

Economic and Community Development – The SBTDC also provides research, planning facilitation and strategy development to public and private sector organizations, leading to enhanced economic opportunities and an improved environment for small businesses and entrepreneurs in their respective communities.

Building the Road to Recovery



In the last 25 years, the SBTDC has helped small to mid-sized businesses recover from three national recessions. While each proved difficult, the current economic climate is by far the most challenging for our state.

In response, the SBTDC has taken unique steps to help North Carolina businesses build the road to recovery. With the assistance of our partners, the SBTDC has developed and implemented initiatives such as Biz Boost, the Charlotte Recovery Initiative, Advanced Entrepreneurship Education, Distressed Rural County Project, and Accelerated Graduate Student Engagement. Each of these programs is designed to use SBTDC skills and resources to help our state's businesses adapt, survive and ultimately thrive.

"North Carolina's small businesses are the backbone of our economy, creating more than two-thirds of all net new jobs," said Governor Bev Perdue. "Small businesses will power North Carolina's economic recovery."

This annual report introduces you to 20 entrepreneurs who have worked with the SBTDC to make their businesses better. Their companies provide a wide variety of products and services, including security, home health care, testing services, wind turbine and solar panel installation, plastics manufacturing, energy audits, interior design, auto repair, recycled glass products, electrical contracting, meal replacement bars, and medical devices. They represent the thousands of small to mid-sized companies across North Carolina that are innovating, retaining and creating jobs, and helping to build North Carolina's post-recession economy.

"Small businesses will
POWER *North Carolina's*
economic recovery."



HOST CAMPUSES:

**UNC-ASHEVILLE
WESTERN CAROLINA UNIVERSITY**

The Western regional center is collaborating with WCU's Center for Entrepreneurship and Rapid Prototyping Realization Center to encourage innovation and product development from initial concept to commercialization.

Center staff worked with seven MBA student teams to complete marketing plan projects with SBTDC clients.

The center continues to partner with the Natural Products Association and others to foster development of the natural products industry in Western NC.

Center Director: Wendy Cagle



AMBIANCE INTERIORS

Asheville, NC

Kathryn Long
www.ambianceasheville.com

Interior design has been Kathryn Long's heart and soul since childhood. Kathryn completed a B.F.A. degree from ECU and a Master's degree from UGA. She traveled for a year in Europe, then lived in NYC. She returned to Asheville in 1975 and began working out of her parents' furniture store, Sluder Furniture. In 1977, she opened Ambiance Interiors next door. Ambiance Interiors' specialty is new construction, working with clients and architects from drawings to finished product. Business partner and brother-in-law, Wayne Caldwell, and designer Linda Constable have been in Ambiance's corner through the years.

Since 2002, Ambiance Interiors has utilized several of the SBTDC's services to better their business. The SBTDC has provided general business counseling, graduate business student interns and management education services to the business. These resources have helped Kathryn and Wayne restructure and relocate the business, develop marketing plans, enhance financial management, focus on interior design and project management, improve processes and increase technology skills. Ambiance has developed a more strategic

approach with the help of strategic planning retreats facilitated by the SBTDC's Strategy and Organization Development team. The SBTDC has also helped position the business for Kathryn and Wayne's impending retirements, including the development of Ambiance's first policy and procedures manual with assistance from a Western Carolina University MBA student.

For Kathryn, the focus on big picture "details" has been key to their success. When Kathryn came to Wendy Cagle, Director of the Western Carolina University SBTDC office, with big ideas for the business, Wendy helped her see how these ideas would affect the business positively, negatively or in no way at all. For example, when Kathryn was considering selling four buildings the family owned in downtown Asheville, they analyzed financials and market research to determine if it was wise to keep the buildings or consolidate and relocate. In the end, they decided to relocate the business.

Ambiance is in great shape today, and continues to add to the rich history of Asheville's business community by receiving nine ASID Design Excellence Awards from the Carolinas Chapter ASID. They



are also credited for the interior design of Tupelo Honey Café, an icon of the Asheville restaurant scene. Kathryn feels that the positive turnaround may not have happened without the SBTDC.

"The SBTDC keeps us focused. It's so easy to just do what's needed to get through the day, but you have to think about tomorrow. That's what the SBTDC has helped us do."

MIND YOUR BUSINESS

Hendersonville, NC

Karen Caruso

www.mybinc.com

Mind Your Business of Hendersonville is recognized as an industry leader in the screening of applicants for corporations, businesses, organizations, and families that require accuracy, accountability, responsibility, and sensitivity in their hiring practices. After watching an Oprah Winfrey episode on abusive childcare providers in the early 1990s, Karen Caruso, a mother of two daughters, was inspired to ensure the protection for children and their families. This inspiration resulted in the creation of MYB.

Karen started MYB from the basement of her New Jersey home, with only \$2,000, a computer, and an unwavering determination, seeking change and commitment to achieving it. After an article was published about MYB in a local parenting guide, the New York Post contacted Karen for an interview. Following the publication of this in 1998, Karen found herself inundated with requests for televised interviews from major networks, including NBC, ABC, and CBS. An appearance on Gayle King's show became a catalyst for Mind Your Business and the success that it began to achieve. In only its third year of business, MYB became profitable.



In an effort to move into new markets, Karen sought assistance with finding and acquiring government contracts. She met with Mark Mills, now SBTDC's Procurement Technical Assistance Center (PTAC) Director, and MYB was soon registered with CCR and GSA. Mark helped her understand the value of sub-contracts in government work and encouraged her to connect with large prime contractors. In 2009, MYB was awarded a significant purchase order with the U.S. Department of Interior to provide equal employment opportunity services.

"My company has continued to grow and prosper in this difficult economy thanks largely in part to government contract opportunities," Karen said. "PTAC has been an integral part of this success."

Today, Karen continues to work with business counselor Annice Brown of the Asheville office. "Annice is a mover, shaker, and rainmaker," says Karen of Annice's ability to find first-rate resources including Western Carolina University students. The students worked with an MBA student who developed a marketing plan, and computer science students for improvements in their information technology and website.

Karen, a licensed private investigator with over 20 years experience, works hard to maintain MYB's success and ensure the success of her staff. She has hired several local women to join her 15-person staff, many of whom were disadvantaged and needed a new start.

"The SBTDC counselors are great guides and mentors to navigate the process," says Karen.



The SBTDC keeps us focused. It's so easy to just do what's needed to get through the day, but you have to think about tomorrow. That's what the SBTDC has helped us do.

– Ambiance Interiors

My company has continued to grow and prosper in this difficult economy thanks largely in part to government contract opportunities.

– Mind Your Business

Boone/Hickory



HOST CAMPUSES: APPALACHIAN STATE UNIVERSITY GARDNER-WEBB UNIVERSITY

In 2009, the Hickory office relocated to the NC Center for Engineering Technologies, a community-supported higher education effort in technical and engineering disciplines.

The regional center also established a new office in the Godbold School of Business at Gardner-Webb University, the first SBTDC office based at a private university, enabled by a 2-year grant from the NC Rural Economic Development Center as part of their Tier One Project.

Center Director: Bill Parrish

PARR FOODS

Boone, NC

James "Jay" Parr
www.parrfoods.com

Jay Parr, owner of Parr Foods, LLC, started making organic whole food meal replacement bars for himself after graduating from the Le Cordon Bleu School of Culinary Arts in 2004. With his experience as a chef and his passion for the great outdoors, the creation that would be known as the Boone Barr was inevitable. In 2008, Jay re-enrolled at Appalachian State University in Boone to study entrepreneurship and sustainable development. With encouragement from friends and family, he decided to sell the bars. After meeting with a local coffee shop owner, the Boone Barr was sold in its first retail location and sold 12 bars the first week. SBTDC business counselor Kevin McConnaghy has been by Jay's side from the beginning.

After successfully starting the business in his home kitchen, Jay came to the Appalachian State University SBTDC office for assistance with business planning. Kevin assisted with the development of a business plan that would allow Jay to continue part-time studies while growing his business. However, Jay eventually decided to put off school to focus on the business. The SBTDC also assisted the business with market research including food manufacturing industry data and break-even charts for financial analysis.

In 2009, Parr Foods raised capital from family and friends and grew from Jay's home kitchen to a 1,000 square foot sustainable production facility producing almost 1,200 handmade and vacuum-sealed bars per week. Parr Foods now employs 2 full-time and as many as 3 part-time staff. Parr Foods clients have grown to include universities and retail grocery chains, and the business has improved production methods to increase margins.



The business has also expanded its product line to include trail mixes, candied nuts, and plans to introduce a protein bar soon.

The SBTDC research and counseling support directly influenced each of these areas of accomplishment.

"The SBTDC was a very influential business mentor. Though I have read a great deal about entrepreneurship, Kevin gave me a realistic picture of what a business looks like," he says.

LOCKMAN'S BODY SHOP

Hickory, NC

Randall Harwood

Randall Harwood is no stranger to auto body repair. He has worked in the trade for over 33 years. After facing tough times when he first moved to North Carolina, he approached Melvin, the original owner of Lockman's Body Shop of Hickory, about employment. Melvin gave him a job, and Randall quickly proved his skill and dependability. Randall and Melvin later became business partners. As Melvin neared retirement, they discussed Randall's potential buyout of the business.

Randall and his wife, Alice, contacted the SBTDC in February 2009 after referral from Jim Chandler of the Western Piedmont Council of Governments for business counseling to attract capital to buy the business, move to a new location and expand products, services and employees. Chris Hayes and John Manderewicz, business counselors at the SBTDC's Hickory office, worked to meet Randall's needs. Upon review of preliminary financial projections, John helped develop a business plan to submit with the loan request. However, his lender indicated that his debt-to-income ratio was weak. Using the plan, the counselors then helped Randall find a limited partner who invested \$125,000 for purchase and expansion.



The counselors also provided assistance with business model enhancement, site location and selection, marketing strategy, government sales, business operating procedures, and even got Alice up to speed using QuickBooks.

All of the Harwood's hard work paid off. Lockman's Body Shop held a grand opening in a new 14,000 square foot facility in November 2009, and the Hickory SBTDC regional center staff were in attendance to show their support. With SBTDC help, the purchase of Lockman's Body Shop retained 5 full-time and 2 part-time employees and allowed the company to expand to 11 full-time employees. 2010 revenues are projected to increase 50%. There is also potential to add 5–7 more full-time employees as annual revenues increase toward the business plan projections of \$1 million by the end of 2010. Also, because of the move to the new facility Lockman's Body Shop is now eligible to perform insurance paid claim repairs and is demonstrating that they meet "preferred" status designation in the auto paint and body industry.

"Without the SBTDC's assistance, we may not have been able to do it," Randall said. He has come a long way from the struggles he faced when he first got to North Carolina. He's gone from being a part-time employee to the owner of a new 14,000 square foot facility. He attributes all of his success to his faith, remembering where he came from in life and the knowledgeable counselors of the SBTDC.



In 2009, Parr Foods raised capital from family and friends and grew from Jay's home kitchen to a 1,000 square foot sustainable production facility producing almost 1,200 handmade and vacuum-sealed bars per week.

– Parr Foods

With SBTDC help, the purchase of Lockman's Body Shop retained 5 full-time and 2 part-time employees and allowed the company to expand to 11 full-time employees.

– Lockman's Body Shop

Chapel Hill/Durham



HOST CAMPUS: UNC-CHAPEL HILL NC CENTRAL UNIVERSITY

The Chapel Hill regional center assists the Town of Carrboro with its Revolving Loan Fund and delivery of customized training programs for Carrboro area businesses.

The center hosts the SBTDC's statewide SBIR/STTR specialist, who along with his technology counselor colleagues across the state helped SBTDC clients access over \$22 million in SBIR/STTR funding.

Law students from UNC-Chapel Hill provided legal audits and other valuable services to SBTDC clients under the auspices of the SBTDC's Executive Director.

Center Director: Dr. Ron Ilinitch



BIOPTIGEN

Research Triangle Park, NC

Eric Buckland, Director, President & CEO
www.bioptigen.com

Research Triangle Park is home to Bioptigen, a leading developer of ophthalmic imaging devices for research and clinical use. Bioptigen's technology is based on the science of Optical Coherence Tomography (OCT), an imaging system similar in function to ultrasound, but using low-power light rather than sound waves. OCT offers resolution 100-times finer than standard ultrasound, suitable for analyzing tissue microstructure with features smaller than 10 micrometer. Bioptigen offers a uniquely versatile ophthalmic imaging system for visualizing the effects of conditions such as macular degeneration, glaucoma, and trauma, including trauma induced from shaken baby syndrome. The Bioptigen system is finding adoption among leaders in eye disease research and pediatric ophthalmology.

Dr. Eric Buckland, Co-Founder, President and Chief Executive Officer, is an expert in this area of research and development. Eric first learned about the SBTDC when preparing for the 2005 Five Ventures Business Plan Competition while seeking assistance with their pitch as well as marketing/sales.

In 2009, Eric began working with the SBTDC's Technology & Commercialization Director Paul Ulanich on expanding Bioptigen's market and quantifying their value proposition in the research market. Since they were transitioning from an R&D SBIR-funded company to a sales-driven investor-backed company, Paul engaged a team of skilled professionals to help the transition run smoothly. To help bridge the talents of SBTDC and local University faculty and students, Paul matched Bharath Raju, a Wake Forest University MBA student intern, with Bioptigen for several months. With SBTDC guidance, Bharath helped quantify value propositions, assisted with the definition and a bottom-up view of the market, and developed a cost-of-sales model stressing the importance of live demos.

In part due to support from the SBTDC, Bioptigen has won a number of SBIR grants and completed equity financing through the southeast angel community. When Bioptigen submitted a recent Phase II SBIR grant proposal, they received a perfect score. With business doubling in 2009, they are in a strong position to accelerate sales and attract partners and capital.

Eric and Bioptigen plan to continue working with the SBTDC in the future. They have already planned for strategic planning assistance (Technology Roadmapping) from the SBTDC in 2010.

"The engagement with the SBTDC and Bharath Raju had a positive impact on Bioptigen along many dimensions. With their independent review of our market, we have gained additional confidence that we are serving a market that wants the unique features that Bioptigen has to offer."



ENVIRONMENTAL SOLUTIONS GROUP

Greensboro, NC

Craig Whitaker, CEO

www.esg-energy.com

Environmental Solutions Group (ESG) established by Dr. Craig Whitaker in 2002 is committed to making the world a greener place, one building at a time. ESG provides residential and commercial clients with comprehensive indoor and outdoor environmental assessment and testing services, including third-party verification for ENERGY STAR Homes, Green Building, and LEED Indoor Environmental Quality (IEQ) and Indoor Air Quality (IAQ). With the world's renewed emphasis on improving the environment and overall quality of life, ESG is doing quite well. However, in the beginning Craig wasn't so certain of the potential for success. Though Craig has over 16 years of experience in the environmental health and safety field, he lacked a formal business education and he wanted to make sure that the business got off to a fair start.

Craig worked with business counselor Scott Rockafellow of the SBTDC's University of North Carolina at Chapel Hill office on many aspects of the business including business planning, financing for expansion, strategic planning, marketing, government contracting, and ProfitCents financial analysis.

ESG's business counselor listened to their questions and ideas, assessed them, and gave them critical feedback. "Our counselor helped us realize that we needed a sound business plan that looked down the road at the future of the business. I initially hesitated to put time into the plan, but then realized it was an essential document for guiding the most important aspects of the business."

ESG members also participated in NxLevel™ for Entrepreneurs, a course designed to help entrepreneurs learn the skills needed to create, develop and strengthen successful ventures by providing a practical, hands-on, and commonsense approach to developing their business. "It was encouraging to take the NxLevel course with other entrepreneurs because it helped us realize that there are others who are experiencing the same types of business issues," says Craig.

ESG continues to make great strides in helping businesses and homeowners cut costs, reduce their carbon footprint and increase social responsibility. ESG is now Green Plus Certified through the North Carolina-based Institute for Sustainable Development. In June 2009, ESG was named and ranked 45th among North Carolina's Top 100 Small Businesses by Business Leader Magazine. In addition, the Triad Business Journal's Book of Lists recognized ESG as one of the top environmental firms in the Triad in 2006, 2007, 2008 and 2009. Their achievements are impressive, and Craig plans to continue working with the SBTDC in the future, stating "The SBTDC is a wonderful program."



In part due to support from the SBTDC, Bioptigen has won a number of SBIR grants and completed equity financing through the southeast angel community.

– Bioptigen

In June 2009, ESG was named and ranked 45th among North Carolina's Top 100 Small Businesses by Business Leader Magazine.

– Environmental Solutions Group



HOST CAMPUS: UNC-CHARLOTTE

The Charlotte region focused on developing and implementing Governor Perdue's two small business recovery initiatives in the Charlotte Regional Partnership's 12-county region. The first was centered around helping unemployed individuals start businesses using the Ewing Marion Kauffman Foundation's FastTrac® New Venture Program. The second, named Biz Boost, was designed to aid existing businesses dealing with the recession.

To date, Charlotte Biz Boost clients represent over 13,250 full-time jobs (an average 92 jobs per business) and over \$630 million in sales. The Biz Boost initiative rolled out statewide in 2010.

Center Director: George McAllister

SAN-KAWA

Albermarle, NC
June Mabry

Six years ago, June Mabry began researching recycled and reclaimed glass suitability for use in glass art. A creative innovator and glass art lover, she developed a business plan in 2008 for San-Kawa, a glass recycler and manufacturer of post-consumer glass products and materials. She worked with local organizations like STARworks Glass Studio to continue her recycled glass art research.

June initially came to the SBTDC seeking assistance with process flow, cost analysis and marketing ideas as she soon realized that her facility size was impairing her expansion goals. SBTDC business counselor Stu Bantit of the UNC-Charlotte office worked with June to develop and review costing and production of glass product. The SBTDC's Strategy and Organization Development team assisted with recommendations for improvements to the manufacturing process using lean techniques. Through the process, June also shifted some strategies to include a small glass blowing studio in the plant for the local community and the art glass market. . Stu and business counselor Lewis Deaton co-counseled June on sales and marketing strategies. The new glass blowing studio will not only introduce glass art students to the use of recycled glass, but also to environmentally friendly practices.



Thanks to the SBTDC's guidance, San-Kawa soon saw significant improvements. Two jobs were created with the help of NC Workforce Development grants. Operations and productivity improved due to changes in work flow and processes in the facility. In addition, a glass blowing furnace is being installed in advance of the studio opening while a new partnership is being developed with a high-quality local granite countertop manufacturer who will use San-Kawa's recycled glass product. Stu and June are also working to get the company LEED-certified, which would formally recognize San-Kawa as a proponent of "green" business practices.

June wants to make sure that she leaves a legacy behind for her staff that she considers family. She believes people who work together and enjoy what they do can and should contribute to the future success of the business. "We have an idea wall where we post ideas and discuss once per week. It's important that everyone is invested in the business." San-Kawa, in essence, means "three rivers coming together." So it's only natural that June would do her best to create a smooth-running business with the use of excellent resources.

"The SBTDC worked with me like a board of directors and heads of departments that San-Kawa doesn't have. They are like an extension of the business, and that's comforting," June says.

APPLEBLOSSOM INSULATORS

Concord, NC

John Meeks

www.abinsulators.com

Being involved in a horrifying and nearly crippling plane crash changed John Meeks' life. He realized that in the blink of an eye, he could have lost his life. After months of physical therapy, John decided not to return to a miserable job. He wanted to do work that would be enjoyable and make a positive difference in the lives of others. While working with a friend on weatherization, he developed a passion for the eco-friendly, energy-conserving building processes.

In 2006, he started AppleBlossom Insulators, which specializes in cellulose insulation, weatherization and energy audits. Their eco-friendly insulation is made up of recycled newspaper and borates that act as a natural pesticide, flame retardant, and wood preserver. AppleBlossom also has a building science training program led by James McGarvey and Michael Guy that certifies graduates to work in the industry.



After being referred to the SBTDC by Self-Help Credit Union, John visited the UNC-Charlotte SBTDC office located at the Ben Craig Center to get help with seeking funding to provide working capital for expansion. He worked with George McAllister, the Charlotte SBTDC director, and business counselor Lewis Deaton to develop a strong business plan.

Lewis worked with the AppleBlossom team to analyze their financials by developing cash flow projections and using ProfitCents, a reporting tool that reviews, compares, and offers tips for improvement in general liquidity conditions, profit margins, sales, borrowing, employees, and key ratios compared to the industry. After reviewing AppleBlossom's financial needs, George and Lewis referred John to developers and SBA lenders. They also encouraged John to participate in the SBTDC's *Becoming an Investor-Ready Entrepreneur* workshop designed to educate and prepare growth-oriented entrepreneurs to successfully engage private equity investors.

With the SBTDC's support and encouragement, AppleBlossom has experienced nearly 100% growth in annual sales, added employees, expanded its training programs for conducting energy audits, and opened an office in Asheville. They have also established an agreement with an "Inflector" product and will be the exclusive manufacturer and distributor of this product in North Carolina. John is thankful for their success and the support of the SBTDC and his "angel" investor and wife, Dr. Jennifer McMillan.

"The goal is to make North Carolina a leader in sustainability," says John. "We have the talent, but we also need more businesses to be profitable and receive more funding in order to create jobs."

The SBTDC worked with me like a board of directors and heads of departments that San-Kawa doesn't have. They are like an extension of the business, and that's comforting.

– San-Kawa

With the SBTDC's support and encouragement, AppleBlossom has experienced nearly 100% growth in annual sales, added employees, expanded its training programs for conducting energy audits, and opened an office in Asheville.

– AppleBlossom Insulators



HOST CAMPUS: ELIZABETH CITY STATE UNIVERSITY

The Elizabeth City regional center co-sponsored programs with the ECSU School of Aviation, NC Aerospace Alliance, Albermarle Economic Development Commission, NC Northeast Regional Economic Commission, and others.

Two center staff members participated in the SBTDC's Leadership Education and Advancement (LEAD) Program, along with 12 colleagues from across the state.

Center Director: George Brown

SANDSPUR COTTAGES

Nags Head, NC

Susan Boncek
www.sandspur.net

Early June 2009, Susan Boncek, owner of Sandspur Motel and Cottages in Nags Head, noticed occupancy percentages were running abnormally low. Sandspur was also experiencing a significant drop in annual revenues – a drop that would make it impossible to meet financial responsibilities. The family-owned business had been open since the 1950s, and she couldn't let it fail. Facing potential financial disaster, Susan decided to lower summer season rental rates to their off-season rates for the remaining summer season beginning July 1. After making this decision, the business saw reservations increase to average levels. However, Sandspur was still experiencing a drop in their revenues.

In late July, Susan contacted her accountant for guidance in pursuing operating capital. Her accountant referred her to Michael Twiddy, business counselor at Elizabeth City State University's SBTDC office. She and the accountant met with Michael seeking assistance. The accountant completed financial analysis, which was reviewed by the SBTDC counselor who recommended that Susan seek a debt restructuring loan from Sandspur's lender.



Michael set up and facilitated a debt restructuring discussion with the lender. From these discussions, the bank and Susan agreed to a restructuring commercial loan package that created an excellent short- and long-term financial plan for Sandspur.

Somewhere along the documentation gathering and loan closing process, miscommunication caused chaos and halted the deal. Susan contacted the SBTDC pleading for help. They quickly got engaged, set up a meeting with the lenders, and got conflicting issues on the table for resolution. This resulted in Michael facilitating a meeting of all the parties involved in the lending negotiation process.

Subsequently, Susan was able to secure the loan in order to save Sandspur. In September 2009, the debt restructuring loan closed and lowered Sandspur's monthly debt payments by \$6,000.

With a lot of the financial woes behind them, Susan feels that Sandspur is on the road to recovery. "Sometimes having to ask for help makes you feel like you have failed at everything," she says. "But going to the SBTDC early on likely saved my business. Lots of businesses are closing, and Sandspur is open. Now I'm in a better cash flow position because I did ask the right people, the SBTDC, for help."

EAST COAST WIND POWER

Winterville and Powells Point, NC

Dean Carrico, Albert Holloman & Richard Holloman

East Coast Wind Power sells and installs small wind turbines and solar panel systems. Owned by Dean Carrico, known as the “ambassador of alternative energy before it was popular,” and his former classmates, Albert and Richard Holloman, the business’ long-term goal is to develop and build energy solutions entities including large utility scale solar and wind farms. The trio researched the wind turbine industry and realized eastern NC was a great location. At the time, they also considered bringing their separate businesses under one entity.

Eleven years ago, Dean created DRC Development, a company that researches the energy industry and assists with the creation of residential and commercial wind turbine ordinances. In 2007, Dean helped create a wind ordinance in Currituck County, which has been a model for other counties. DRC and ECWP were a good match.

The partners sought funding, but lenders and investors wanted to see a detailed business plan. They went to the Elizabeth City State University SBTDC where they met business counselor Michael Twiddy. He worked with them to develop a business plan and analyze the best ways to combine their entities.

SBTDC counselors and ECSU Center for Green Research and Evaluation leaders scheduled a strategic planning retreat to pull ECWP and DRC together. With their assistance, the entrepreneurs received a Green Business Fund grant that afforded them the opportunity to have a strategic planning session facilitated by the SBTDC’s Strategy and Organization Development team.

The business partners are now well on their way to becoming one entity with assistance from many of the SBTDC’s services including Marketing and Research Services, who helped them research their market and potential new names for the umbrella entity.

ECWP also worked with the SBTDC’s PTAC program to find state, local and federal projects that may help acquire more funding. To date, the company has sold and installed solar systems and wind turbines in North Carolina and Virginia.

ECSU’s Center for Green Research and Evaluation leaders feel that increased interest in solar and wind power will create jobs and training opportunities in the area. “It will help realize our place in the new economy,” says Sharon Campbell, ECSU CGRE Managing Director. ECWP’s products are not only good for the environment, but also an asset to the area’s farmers who could convert acres of farmland to energy-producing wind farms.

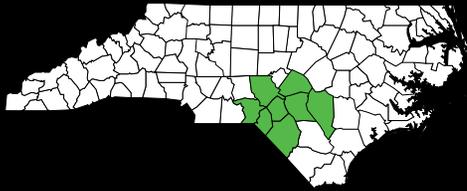


Going to the SBTDC early on likely saved my business. Lots of businesses are closing, and Sandspur is open.

– Sandspur Cottages

ECWP’s products are not only good for the environment, but also an asset to the area’s farmers who could convert acres of farmland to energy-producing wind farms.

– East Coast Wind Power



HOST CAMPUSES: FAYETTEVILLE STATE UNIVERSITY UNC-PEMBROKE

The 2009 SBTDC Graduate Business Student Competition (GBSC) concluded with all three winning teams either from Fayetteville State University or Campbell University. This competition paired MBA student teams with SBTDC client companies for a period of three months. Their resulting analysis, recommendations and outcomes were evaluated by a panel of judges with winners receiving cash prizes.

The Cape Fear Region worked very successfully with the community college system to present six *Business Success in Tough Economic Times* seminars. These seminars, designed to help businesses survive and thrive in an economic downturn, were held in Fayetteville, Pembroke, Southern Pines, Rockingham, and Laurinburg in the region, and in other cities across North Carolina.

Center Director: Johnnie Marshburn

COMFORCARE SENIOR SERVICES

Lumberton, NC

Diane Surgeon

www.lumbertonnc.comforcare.com

Diane Surgeon, an attorney with over 20 years of experience, has worked in the service sector for several years. She left a job as a public defender in December 2005, after having researched service businesses and learned about ComForcare Senior Services, a franchise that provides caregivers to meet the home care needs of seniors through companion and hands-on personal care services. Diane always held seniors in the highest esteem, so she decided to contact ComForcare to learn more. She could tell they cared about the wellbeing of their clients and franchisees. Diane bought into the franchise and in January 2006 opened up for business in Lumberton.

ComForcare's outstanding service quality and strategic marketing helped the business grow quickly. With the rapid growth came pains, including the potential to outgrow its current space. This became a major concern for Diane because moving can be costly and time-consuming for any business. During a *Business Success in Tough Times* seminar, Diane met Fayetteville State University SBTDC business counselor Ron Duffer.



Diane and Ron quickly met to discuss Diane's space issues, business planning, loan options, and available grants. They worked to research, find and apply for appropriate loans and grants to expand her business. Ron also reviewed ComForcare's finances to make sure that all changes would be profitable.

"The SBTDC's advice was critical because an experienced counselor can say 'this change may not be the right direction for the business.' Having an SBTDC expert review is important to keep from making mistakes and to help build a better business," Diane says.

With the SBTDC's assistance, ComForcare was approved for a loan and recently received a grant from the NC Rural Center which was based on employment.

Diane is undoubtedly a successful business woman, yet she does not tire when it comes to helping those that may not be able to help themselves. While at the helm of ComForcare and its 50 employees, she also owns The Elder Law Center-Surgeon Law Firm, a law practice that focuses on long-term care education and planning for seniors. In fall 2010, Diane will open an adult day healthcare and eldercare resource center with funding already received with help from the SBTDC.

"The SBTDC knows how to help you achieve your goals by giving guidance and expert advice. Their strong knowledge-base will help your business achieve them."

SOUTHERN CHRISTIAN TRANSPORTATION

Pembroke, NC

Robert & Lanette Locklear

Robert and Lanette Locklear own Southern Christian Transportation, a 30-year-old trucking company that hauls general freight across the US and Canada. The family-owned Pembroke-based business also has a revenue-generating service division that repairs SCT vehicles and others in the industry. The recession's increased fuel costs and decreased consumer spending have affected the trucking industry, causing many businesses to park their trucks for good. However, the Locklears believed in a positive future for their historically solid business.

Both active at UNC Pembroke, the couple received referrals to the SBTDC from the university. When they met with UNCP's SBTDC



Assistant Director Beth Wilkerson in 2009, she learned the once profitable business was being crippled by increased fuel costs, a negative operating balance, and high fees and low collection returns of their factoring company. In addition, some clients were showing signs of financial trouble. To keep up with accounts better, they needed a review of their bookkeeping methods.

Beth reviewed their documents and provided a trucking industry analysis. It was evident SCT needed to reduce operating costs and find new revenue streams. PTAC counselor Lynn Crawley met with the Locklears to assist with the process of government contracting to expand their client base and increase revenue. The UNCP School of Business provided three MBA students who researched SCT's current and potential factoring company costs. Their findings showed two companies who would cut the fees in half and provide a higher guaranty for collection compared to their current factoring company. Biz Boost Counselor Sheila Harris has also worked with the Locklears to analyze SCT's profits and assist with bookkeeping processes.

Beth is currently assisting SCT with a low-interest loan application from a local energy co-op. The loan will facilitate debt restructuring and the purchase of auxiliary power units for each truck to increase fuel efficiency and cut costs considerably. To further reduce costs, with Beth's assistance Robert pursued new rates for truck, liability and workers compensation insurances and cellular phone service. This resulted in a 50% cut in truck insurance costs and thousands of dollars less for cellular service.

"Our SBTDC counselors' knowledge and the students' ability to closely analyze contracting costs have been vital to our turnaround," said the Locklears.

Today, SCT is in a much better position with 40 employees, 30 trucks, and modified financial practices that can help them survive the toughest times.

Having an expert review is important to keep from making mistakes that you may otherwise make.

– ComForcare Senior Services

Today, SCT is in a much better position with 40 employees, 30 trucks and modified financial practices that can help them survive the toughest times.

– Southern Christian Transportation



HOST CAMPUSES:

NC A&T STATE UNIVERSITY

UNC-GREENSBORO

UNC SCHOOL OF THE ARTS

WAKE FOREST UNIVERSITY

WINSTON-SALEM STATE UNIVERSITY

The SBTDC managed the activities of the Higher Education Innovations Council (HEIC), part of the Piedmont Triad Partnership's Workforce Innovation in Regional Economic Development (WIRED) Project during 2007–2009. The HEIC served as a value-added platform for engagement, collaboration and innovation between universities, colleges, community colleges and industry in a 12-county area. Center staff assisted with the research for the HEIC Asset Inventory.

The Triad regional center hosted multiple offerings of the SBTDC's *Becoming an Investor-Ready Entrepreneur* (IRE) program for growth companies seeking equity funding.

Center Director: Blair Abee



BBQ JOE'S COUNTRY COOKING & CATERING

High Point, NC

Big Joe & Patti Housand
www.bbqjoes.com

The Housand family has an extensive history in the local BBQ industry. Big Joe Housand was among the founders of the original Lexington BBQ Festival. He won a BBQ cook-off between North and South Carolina held at the White House in Washington, DC, worked for famous BBQ restaurants in Lexington, NC for over 20 years, and was day manager at a chain of BBQ restaurants in High Point, NC. Big Joe's wife, Patti, served as a bookkeeper for this BBQ chain. Their son, Little Joe Housand, managed a second BBQ restaurant, and Stephanie, Little Joe's wife, was involved in the front operations at the same BBQ restaurant chain.

In 2005, Patti sought assistance to start their own restaurant from the Small Business Center (SBC) at Randolph Community College. Victor Dau, then the SBC's Director, helped them develop a business plan – their banker called it “the best business plan he's ever seen” – and the Housands received the loan they needed to start their business in 2006.



BBQ Joe's Country Cooking & Catering opened on September 5, 2007, and was cash flow positive from day one. In less than one year, BBQ Joe's was voted both the best new restaurant in town and the best lunch in town. Within six months they were able to purchase a trailer to add catering services as an additional income stream.

After the business opened, Victor (now an SBTDC counselor based at NC A&T State University) helped them set up an easy system to project and track their daily and weekly sales, expenses, and cash flow, and continues to monitor their projected cash flow and outcomes, keeping a close watch on key financial indicators, especially their food and labor costs, extremely critical in this industry.

The family's ongoing focus on operational and financial efficiencies has helped BBQ Joe's weather the recession – while 2009 sales were down vs. 2008, profits were up, and 2010 has exceeded expectations so far. BBQ Joe's now has 16 full-time and 17 part-time employees and over \$3 million in revenue.

The Housands continue to work with the SBTDC in streamlining their operations, expanding their market, and exploring the possibility of opening franchises with a trimmed down fast food concept, BBQ Joe's Express. To quote Big Joe: “Our counselor keeps us on track and motivated – we couldn't have done it without him.”

LEONARD BUILDINGS AND TRUCK ACCESSORIES

Mount Airy, NC – Headquarters

David O’Neal, President & CEO
TJ Glover, Marketing Director
www.leonardusa.com

Leonard Buildings and Truck Accessories has been building and selling portable storage units and trailers from its 50 factory outlets in and around North Carolina since 1963. The economic downturn really hit the business hard. Leonard’s sales in retail locations were down 30% causing a significant reduction in production, sales and corporate staff. Soon David O’Neal, President and CEO of Leonard Buildings, and other members of the management team were searching for creative ways to turn the business around.

TJ Glover, Marketing Director, was seeking business assistance resources online when he learned about the SBTDC. He contacted and was soon visited by Blair Abee, director of the SBTDC’s Winston-Salem State University office. Working with Blair, Leonard’s management team assessed the company’s strategic needs and realized expanding their customer base by effectively using the internet and selling to state and federal government agencies would be key to success.

Abee brought in undergraduate marketing students from UNCG who completed market research for Leonard Buildings as a course project. Two of the students went on to work as paid interns for the business focusing on projects to make it easier for people to find Leonard through search engines like Google and the online yellow pages. With this assistance, Leonard gained many new customers through online marketing.

In 2009, with the help of the SBTDC and Governor Perdue’s Biz Boost initiative, even better things happened for Leonard. The business received a grant from the Workforce Development Board to provide technical training for management skills. In addition, strategy sessions with the SBTDC’s Strategy and Organization Development experts led to a new rent-to-own business model for Leonard’s products. Sales under this model went from zero to 200 units per month in just a few months.

“Having the counsel of the SBTDC support our senior leadership team in its strategy formulation, planning, and execution has made the biggest difference for Leonard Buildings,” says TJ.

As a result of their turnaround success, Leonard doubled their sales of storage buildings and has been adding new jobs in Surry County where the unemployment rate reached as high as 13% in 2009. “Over the last three years we went from 70 manufacturing employees to as low as 45, but in just the last few months we’ve hired 40 more employees in manufacturing and operations,” said David.

TJ added “The SBTDC has helped build a think-tank around us so that we don’t have to evaluate decisions in a vacuum.”



The family’s ongoing focus on operational and financial efficiencies has helped BBQ Joe’s weather the recession.

– BBQ Joe’s

As a result of their turnaround success, Leonard doubled their sales of storage buildings and has been adding new jobs in Surry County where the unemployment rate reached as high as 13% in 2009.

– Leonard Buildings and Truck Accessories



HOST CAMPUS: EAST CAROLINA UNIVERSITY

The Greenville center supports IMAF-East, a regional seed stage angel fund, by helping clients prepare company presentations and get ready for the due diligence process.

Center host East Carolina University relies on the SBTDC to help match online MBA students with SBTDC client companies throughout North Carolina. In 2009, the SBTDC placed 25 MBA students.

Center Director: Carolyn Wilburn

PITT ELECTRIC

Greenville, NC

Jimmy Benson, CEO
Mike Benson, President
www.pitteletric.com

In 1981 Pitt Electric, an electrical service and installation company in Greenville, North Carolina, opened for business. Jimmy Benson, founder and CEO, started during a recession with two trucks and good commonsense decision-making. The early years were tough, but Pitt Electric thrived and grew into a family-owned business with a fleet of trucks and almost 80 employees. The business has done well, but there have been a few bumps in the road.

The recent recession was a challenge because of the extreme rise in materials costs, particularly copper. This really hit the company hard in 2005, causing Pitt Electric to lose a great deal of money. "It forced us to make some very difficult decisions about the way we do business; decisions that have been key to our most recent success," says Mike Benson, son of Jimmy and President of Pitt Electric. In an effort to keep the business strong, the Bensons sought expert business advice.

The Bensons will be the first to say that one of the best decisions they made was to attend an SBTDC seminar where they met Carolyn Wilburn, Director of the SBTDC's office at East Carolina University. They soon met to analyze Pitt Electric's performance, and many great ideas to reduce overhead costs came from that initial review. The SBTDC has worked with Pitt Electric's leaders ever since to give expert advice, guidance and support on everything from annual ProfitCents financial analysis to succession planning.



Carolyn has also worked with ECU School of Business faculty and graduate students to help the business transform some ideas into realities. With SBTDC guidance and ECU faculty guidance, an MBA student worked with Pitt Electric to develop a much-needed employee handbook, while information system students helped develop software to improve the project management process.

At the close of 2009, Pitt Electric revenues were \$11.1 million, and they project that they will soon reach their goal of \$15 million dollars annually. They have transitioned from a single-owner corporation to a second-generation family-owned business. They are also currently working on expansion into the energy saving alternatives and commercial service sector. Once again, Pitt Electric has made it through tough times. "The SBTDC's analysis has confirmed the validity of our decision-making process and shown us where we stand in the world. And today we are in a lot better shape than the industry as a whole."



BIOKIER

Chapel Hill, NC

Roger Nolan, President; George Szewczyk, CEO

Chapel Hill-based BioKier researches therapeutic treatments for Type 2 diabetes and obesity. The drug discovery and development company was started by Dr. Roger Nolan, a biological pharmacologist, and Dr. George Szewczyk, a medicinal chemist. Their hope is to find treatments for endocrine problems that plague an alarming percentage of our population. As a start-up in 2008, they faced the common challenges of most — the need for working capital and expert business advice.

Fortunately, in 2009 the duo met an SBTDC technology counselor at a Council for Entrepreneurial Development (CED) networking event. The two were highly impressed with the expertise offered, and soon met with other technology counselors, including Natoiya Hasan of the East Carolina University SBTDC office. One of the BioKier's initial needs was funding to continue their research and development efforts, which would include preparing for meetings with angel investors.

SBTDC counselors worked with them to improve their business plan, review proforma financial statements, and prepare for investor pitch presentations. BioKier participated in the SBTDC Technology Group's Investor Pitch Practice Presentation Session, where technology counselors acted as angel investors by asking Roger and George important questions and letting them know which parts of their presentation needed more detail or trimming.

To strengthen their investor knowledge even further, BioKier attended *Becoming an Investor-Ready Entrepreneur*, a workshop designed to educate and prepare growth-oriented entrepreneurs to successfully engage private equity investors. By understanding what investors look for, entrepreneurs can reduce barriers to funding, navigate the process more easily, and increase the chances of obtaining funding for their business. It was also a great opportunity to meet with businesses and share experiences.

Roger and George agree that this preparation was key to present the best possible case to angel investors. "We met a lot of people and learned a lot from other entrepreneurs when attending events held by SBTDC, CED and NC Biotechnology Center, and this has been invaluable to the success of our business," says George. They both feel that these meetings have created a forum for interactions within the biotechnology community.

BioKier's preparation lead them to receive \$250,000 in equity financing for the venture, and they are currently working with the University of Cincinnati and Carolina Research in Greenville NC on preclinical and clinical studies, respectively.

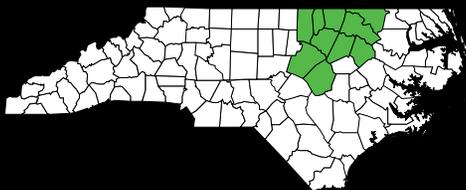
"The SBTDC's expert guidance has given us encouragement and even stronger confidence in our business model. We feel that we've been set up for success," says Roger.

The SBTDC's analysis has confirmed the validity of our decision-making process and shown us where we stand in the world. And today we are in a lot better shape than the industry as a whole.

– Pitt Electric

The SBTDC's expert guidance has given us encouragement and even stronger confidence in our business model. We feel that we've been set up for success.

– BioKier



HOST CAMPUS: NC STATE UNIVERSITY

The Raleigh regional center has taken the lead role in marketing and delivering NxLevel for Entrepreneurs, a practical hands-on common sense approach to developing small business management competencies.

Center staff assist SBTDC counselors across the state using ProfitCents, a program which produces financial reports and projections to help clients optimize financial decisions.

Center Director: Dr. Mike Seibert



CASTLE WORLDWIDE

Morrisville, NC

Jeffrey LaRiche, CEO & President
www.castleworldwide.com

Jeffrey LaRiche heads Castle Worldwide, one of the nation's leading certification and licensure testing companies. The 23-year-old business specializes in training and testing for high stakes examinations for trade and professional groups as well as private and government entities. Castle Worldwide has over 1,000 test centers in more than 500 cities in 70 countries that provide Internet-based and paper-and-pencil testing.

When Jeffrey needed technical business assistance, he talked to a fellow entrepreneur who referred him to the expert advisors at the SBTDC's Raleigh office. Jeffrey soon contacted Mike Seibert, Regional Director at the NC State University SBTDC office, to discuss Castle Worldwide's need to link business strategy to people and performance, or more specifically, implementation planning. Castle Worldwide leaders participated in *Are We Making Progress? (AWMP)*, a workshop that provides tools and tests for business leaders to see if their perceptions of the business are the same as those of their staff. They also received strategy and organization development assistance, including an Implementation Planning Retreat.

To strengthen Castle Worldwide's already strong international presence, Mike and Jeffrey discussed Ex-Im Credit insurance and their international expansion efforts. The SBTDC's Export Financing Services, also lead by Mike Seibert, help businesses develop an international strategy, market and promote products to international buyers, understand international business protocol, and access industry and country research. They also worked closely with the US Export Assistance Center and the NC Department of Commerce (NCDOC) International Trade Division to prepare Castle Worldwide to sell to these new overseas markets.

To build on some initial success in the China market, Castle has been working with the SBTDC and the NCDOC to generate business leads in Brazil, Canada and India, and also has launched a certificate training program in China. In addition, Castle Worldwide has started participation in the federal Gold Key Matching Services program, which offers a variety of customized services around locating and pre-screening potential trading partners.

With over 45 full-time employees, Castle Worldwide is quite successful. Over the past six years, the business has developed the third-largest testing network in the world and is poised to serve large candidate volumes. Castle Worldwide cherishes the partnerships it has with clients because their clients' success is their success. Just like the partnership they've had with the SBTDC.

"The SBTDC is wonderful and has helped Castle Worldwide sharpen our saw and expand globally," Jeffrey says.



PROVANTAGE CORPORATE SOLUTIONS

Raleigh, NC

Chandler Rose, CEO
www.provantage-corp.com



For over 17 years ProVantage has provided professional operational, marketing and merchandising solutions to Fortune 100 companies throughout the United States, Canada and Mexico. Lead by Chief Executive Officer, Chandler Rose, ProVantage's team brings years of experience working with retailers in a vast range of project types including new store set ups, remodels, resets, merchandising and traditional service duties. At ProVantage, their product is their people. With employees being key to the viability of the company, Chandler places a strong focus on employee development, communication, accountability and professionalism.

Chandler's vision was to develop a program that not only prepares ProVantage employees to be successful at their job, but also provides skills that can be used throughout their career. Learning of the SBTDC through an intern from Campbell University's MBA program, Chandler contacted Mike Seibert of the SBTDC's NC State University office. They discussed the needs of the company including ideas for "ProV U," a face-to-face and online training program that enables employees to train on topics such as time management, team building, dispute resolution and communication skills. With 80–90% of his employees located throughout North America and traveling on the road, the need for the program was critical. ProVantage and the SBTDC worked together with Campbell University faculty and students to develop ProV U. For a staff that deals with the stresses and challenges of life on the road, ProV U gives them an opportunity to develop their professional skills

through various communication methods. This has proven to be a crucial part of strengthening ProVantage's culture and values and has had a significant impact on their ability to retain and gain clients.

"Though ProVantage has a large geographic scope and several hundred employees, we strive to maintain a small company feel," says Chandler. "The SBTDC has given us opportunities a company of our size is not normally afforded – access to business experts which gives us a competitive edge against others in our industry."

ProVantage's goal is to be the number one merchandising company in the industry by developing highly trained, motivated and professional employees. In fact, they are well on their way to being number one as ProVantage has seen significant increases in revenues throughout 2009, and has been able to diversify its client base, now employing close to 400 full- and part-time employees working in all 50 states, Canada and Mexico.



With over 45 full-time employees, Castle Worldwide is quite successful. Over the past six years, the business has developed the third-largest testing network in the world.

– Castle Worldwide

ProVantage has seen significant increases in revenues throughout 2009, and has been able to diversify its client base, now employing 400 full- and part-time employees working in all 50 states, Canada and Mexico.

– ProVantage Corporate Solutions

Wilmington



HOST CAMPUS: UNC-WILMINGTON

The Wilmington regional center supports the MBA Learning Alliance at UNCW, and this past year SBTDC clients received 5,000 hours of service from participating MBA students.

Two center clients applied for and received NC Green Business Fund grants, along with several others from across the state.

The center partnered with a black sorority to hold a minority entrepreneurship event that attracted 80 attendees in January.

Center Director: Fran Scarlett

FLOW SCIENCES

Leland, NC

Ray Ryan, CEO

Steve Janz, VP, Marketing & Business Development

www.flowsciences.com

Flow Sciences, Inc. (FSI) designs and manufactures containment solutions for laboratories and production facilities where toxic powders, fluids or gases require safe handling. Ray Ryan, CEO, started the company in 1987 on his dining room table. While working in Research Triangle Park testing safety equipment, he was approached by a researcher who had a problem – the fume hoods in his laboratories did not meet his needs. The researcher challenged Ray to create something that would work and he met the challenge. In 1994, FSI pioneered Vented Balance Safety Enclosures (VBSE™) introducing a first independent fan exhaust system to isolate vibrations for balance accuracy. Ray was soon receiving calls from large pharmaceutical companies just from word-of-mouth. Swiftly becoming a leader in laboratory safety, FSI continued innovative engineering design by introducing integrated fan exhausts, waste chutes and lateral flow filtration to the powder containment industry.

In 1996, FSI came to the SBTDC for help to further define and expand its manufacturing business. Warren Gulko, Leslie Langer and Jim Howell of the SBTDC staff facilitated a strategic planning retreat for the business. SBTDC business counselor Jim Howell has been instrumental in the progression of the business with review of business plans, cost/profit analyses, and introduction to several key people throughout the state and the country.



Over the ensuing years, Jim and Flow Sciences' VP of Marketing and Business Development, Steve Janz, have worked closely with three student teams from the UNCW Cameron School of Business' MBA Learning Alliance Program. The teams work along with FSI for over 15 months to deliver projects which include market environmental analyses and financial growth and profit strategy.

Steve gave direction to the MBA teams along the way to ensure the projects have real-world application. "The UNCW MBA teams and undergraduate interns work hard with Flow Sciences to produce great results. From viable industry analysis to tangible marketing programs, their deliverables have improved our company and increased the students' future job prospects."

Since working with the SBTDC, Flow Science's sales and profits have grown steadily, propelling them to multi-million dollar sales. Several UNCW alumni from both graduate and undergraduate programs are employed by FSI and work among its talented family-oriented atmosphere.

One of Flow Science's greatest achievements was the 2009 US Department of Commerce's Export Achievement Award presented by Congressman Mike McIntyre for its success in generating export sales internationally in Europe, Asia, and the Middle East.

CLEAN MARINE SOLUTIONS

Wilmington, NC

David Flagler

www.cleanmarinesolutions.com

David Flagler, owner of Clean Marine Solutions, has a goal of cleaning up the environment and creating jobs by developing “green” marine wastewater treatment and recycle systems. Pressure wash wastewater has been measured at 70,000 times over the US EPA’s discharge limit. Releasing this wastewater into waterways is a violation of the Federal Clean Water Act. The wastewater is highly toxic to marine life and discharge and could cause a marina to incur heavy fines. To fulfill his goal, David developed the Vanish 300TM, an affordable environmental compliance solution for boatyards and marinas that reduces 50 gallons of power wash wastewater to less than a cup of dried precipitate.

David has had an extensive career in the boating industry during which he worked with Mike Bradley, SBTDC Director of Boating Industry Services, to bring boating manufacturers to North Carolina. In 2008, David came to the SBTDC to get help with acquiring funds to further develop and market his product. Working with business counselor Jack Morrow at the UNC Wilmington SBTDC, David completed applications and a business plan for his new “green” contaminated water collection and disposal system. Well-connected throughout the NC boating industry, Jack introduced David to fellow entrepreneurs who proved invaluable to project development.

When David and Jack learned about the NC Department of Commerce’s Green Business Fund grant program, they began the application process. This grant helps NC small businesses develop commercial innovations and applications in the biofuels and green building industries, and support environmentally conscious technologies and renewable energy products. As a result of

the SBTDC’s guidance, Clean Marine Solutions won an \$84,600 grant in 2009, which helped turn David’s working prototype into a refined, marketable product. In fall 2009, David received news from the NC Division of Water Quality that the Vanish 300TM system was approved for managing contaminated power wash wastewater at boatyards and marinas – the only system currently with this distinction.



Clean Marine Solutions is now positioned to deliver the new system to boatyards and marinas across the nation and internationally. A great supporter of the SBTDC, David continues to work with the SBTDC and attends events like NxLevel, a workshop designed to help entrepreneurs learn the skills needed to create, develop and strengthen successful business ventures.

“The SBTDC has helped me get to my goal destinations like a river pilot steering a ship through local waters,” David says.



Since working with the SBTDC, Flow Science’s sales and profits have grown steadily, propelling them to multi-million dollar sales.

– Flow Sciences

Clean Marine Solutions is now positioned to deliver the new system to boatyards and marinas across the nation and internationally.

– Clean Marine Solutions

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Partnerships are a key to our success. The SBTDC is administered by NC State University on behalf of The University of North Carolina system, and is operated in partnership with the US Small Business Administration. As a university-based program, the SBTDC engages hundreds of undergraduate, graduate and professional students each year, effectively enhancing their classroom work with “real-world” business experience.

The SBTDC is North Carolina’s representative in the:

- US Small Business Administration’s (SBA’s) national Small Business Development Center (SBDC) program since 1984
- Department of Defense – Defense Logistics Agency’s national Procurement Technical Assistance Center program since 1986
- US Export-Import Bank’s national City-State Partnership program since 1997

The SBTDC works closely with the NC Department of Commerce, and is the State’s designated disaster assistance resource for businesses, providing business counseling, SBA loan assistance, and state-funded low-interest loans as available.

Various private sector partners assist the SBTDC with educational and other programs as board members, planners, sponsors, and expert panelists.

All these university, federal, state and private sector partners enable the SBTDC to leverage resources and provide innovative and effective services for the benefit of North Carolina’s business community.



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Wendy Cagle, SBTDC Center Director with Bill Payne, NC Department of Commerce at the Opportunities 2010 Conference in Asheville.



SBTDC Executive Director Scott Daugherty presents the “Champion of Entrepreneurship” award to Lt. Governor Walter Dalton.

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For detailed information for each office, visit www.sbt dc.org/offices

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