The year 2012 was a challenging one for your Nebraska Business Development Center. At the same time, it was also one in which we continued to serve the economic development needs of Nebraska by delivering $357,988,432 in economic impact.

The challenges were prompted by an investigation into the assignment by NBDC of the time spent, or effort, by an employee to its Manufacturing Extension Partnership grant. A review by a major accounting firm showed that the assignment of personnel was allowable under terms of the grant. However, the investigation consumed a significant amount of NBDC administrative attention over 10 months. Throughout that period, NBDC consultants kept their focus on the mission of NBDC. For that effort, we are both grateful and proud.

It is an effort that means much to Nebraska. Yet, to assert an economic impact of nearly $358 million stretches credulity. It is common for economic development programs that engage in recruitment to assert large figures for the impact of a new branch manufacturing plant. It is less common to find such assertions with regard to a program, like NBDC, that engages small businesses rather than large. So, it is incumbent upon us to explain how we arrive at such a figure. It is, after all, an economic impact of about $194 per person living in Nebraska. Or, putting it another way, an economic impact of about $566 for every Nebraska tax dollar invested in NBDC.

The first thing we do is measure the investment of our clients and their lenders in their businesses. In 2012 that was $65,301,484. About 20% of that was equity the small business owners invested in their own businesses. The rest was loans from banks or other sources, often with guarantees from the U.S. Small Business Administration (SBA), the U.S. Department of Agriculture or other development agencies.

A fair question to ask is “Would those investments have happened anyway?” Some of them would have, but most would not—and those that did may not have had the benefit of business planning that working with NBDC achieves.
Entrepreneurs and even existing business owners can’t be experts in commercial lending. First, their attention is elsewhere. Second, the regulations and processes on SBA loans change two to four times per year and economic conditions that affect the lending market change daily. The small business owner may seek financing two to four times in the life cycle of the business.

This does not mean that NBDC ignores the contribution of Nebraska’s banks. We love Nebraska banks. They are the referral source for most of our clients. Nebraska’s banks want to make commercial loans to bankable clients and NBDC wants to help Nebraska entrepreneurs become bankable. In addition, NBDC works on many projects that have complicated, multiparty, investors. These will include banks, federal guarantees, economic development corporations, community development block grants, angel investors and other sources of debt and equity financing. We work to put together the package that will work for the entrepreneur.

To get to our economic impact number we add to the investment by our clients the increase in sales or decrease in operating expenses that mean profit growth. In 2012 our clients achieved $147,846,340 in operating improvement. The largest part of that number comes from our procurement technical assistance, which helped our clients make $121,017,342 in government sales. The rest came from market research and planning services and from lean process engineering services.

Then we take the value of the jobs created by our clients by starting and growing their businesses. In 2012 that amounted to 3,139 jobs.

We believe in our services and we believe in our clients. We believe that the businesses that are already here in Nebraska and the businesses that are created by Nebraska entrepreneurs are just as important in building the economy and quality of life in Nebraska as are the branch businesses recruited here from other states and nations.

We thank you for supporting your Nebraska Business Development Center and pledge to keep to our mission of Helping Good Businesses Become Better.

2012 NBDC IMPACT

2,966 clients served
$65,301,484 business investment (debt & equity)
$147,846,340 increased sales by clients
3,139 jobs created & saved

$374,788,432 ECONOMIC IMPACT

OMAHA
Clients .............................................1,413
Economic Impact .........................$251,417,129

LINCOLN
Clients ............................................769
Economic Impact ............................$8,090,122

KEARNEY
Clients ............................................ 348
Economic Impact ............................ $64,952,776

WAYNE
Clients ............................................179
Economic Impact ............................ $35,462,719

NORTH PLATTE
Clients ............................................ 91
Economic Impact ............................ $4,971,600

SCOTTSBLUFF
Clients ............................................ 84
Economic Impact ............................ $4,291,910

CHADRON
Clients ............................................ 33
Economic Impact ............................ $1,657,000

AUBURN
Clients ............................................109
Economic Impact ............................ $1,507,266
Services for the life cycle of your business.
At the Nebraska Business Development Center we know that there are a variety of services for entrepreneurs. Some are defined by what kind of entrepreneurs they assist. Others are referral and networking services. NBDC is committed to the development of entrepreneurship in Nebraska. We welcome the contributions of these other providers. We also know that the services provided by NBDC are different and valuable. They have been throughout our 36 years of operation.

NBDC has always been a provider of management and technical assistance. That phrase, “management and technical assistance,” is a term of art used by our primary sponsors. (They are the U.S. Small Business Administration and the Defense Logistics Agency, U.S. Department of Defense.) It is useful, in reviewing what we do, how we do it and why we do it, to spend a few sentences on what the term of art means.

What It Doesn’t Mean

First, NBDC is not a mentor organization. Mentors are extremely valuable and essential in building a culture of entrepreneurship. We value mentors. But, mentors should be experienced former business owners and should have a desire to devote a significant amount of time to a relatively few number of entrepreneurs.

Second, NBDC is not a sounding board for persons with entrepreneurial ideas. Again, this is an essential service but one better performed by SCORE or other organizations with persons who have long-term business experience.

Third, NBDC is not an alternative management resource. Some consulting firms will literally take over a business to turn it around or make it grow. NBDC does not make decisions for our clients. We give them, as we say, “the freedom to fail.” Only in that way do they get the freedom to succeed and find the reward in that success.

Finally, NBDC does not take an equity interest in our clients and our consultants do not seek (or even accept) material rewards outside of the agreed terms of service (which is sometimes a fee and sometimes free, depending on how the service qualifies for federal grant support).

What It Does Mean

NBDC provides knowledge to and specific products for the business owners or managers that enable them to achieve business success. To do that, NBDC must have consultants who understand the key components of management decision making: especially with regard to financial management, business development and operational management. Indeed, NBDC divides its services into those three components and focuses on keeping its consultants abreast of new knowledge and practices in those areas. (continued on page 7)
Financial Management

In financial management we focus on entrepreneurial finance. That means a strong emphasis on cash flow management and cash flow forecasting.

Cash flow forecasting is the key ingredient in loan packaging. A bank needs to know how the business intends to pay back the loan. This isn’t an accounting exercise. It is an integration of finance, marketing and management because only by incorporating those knowledge sectors can the consultant assist the entrepreneur in developing a sound plan.

We don’t always predict accurately. In that way, we are like economists. But, we predict accurately enough, often enough, that commercial loan officers at Nebraska banks are our largest source of referrals.

NBDC consultants in financial management have formal education, usually a Master of Business Administration degree, enhanced by completion of the Economic Development Finance Professional certification from the National Development Council. Through this education they learn to put together rather complicated financing packages.

For instance, an entrepreneur who wants to open a grocery store and needs a package of financing that includes personal equity, and SBA 7a guaranteed loan, a Community Development Block Grant and a loan from the local economic development corporation should inquire first at NBDC. We know how to do it.

Recently, SBA has required that loans to acquire an existing business include a valuation of the business being acquired as a going concern. The transition of existing businesses to a new generation of owners is a significant concern in rural Nebraska. That is why NBDC funded special training for our consultants at the University of Nebraska at Kearney to provide business valuation services.

Business Development

We focus on helping our clients achieve higher sales. We do that through our market research program that helps business identify customers and evaluate their position relative to competition.

We have also made significant advances in our assistance to businesses who wish to export. Veronica Doga, an NBDC consultant, has completed the SBA certification programs in exporting. She is a native of Moldova and speaks fluent Russian and Romanian. Other NBDC consultants contribute language skills. Marisol Rodriguez is a native of Colombia and speaks fluent Spanish. Aretha Prodjinotho is a native of Benin and speaks fluent French and Russian.

Our biggest program in business development is our procurement technical assistance program. This program helps businesses sell their goods and services to the federal government, and also to state and local governments. Last year, the NBDC procurement clients sold more than $121 million in goods and services to the government. In this arena technical assistance is crucial because the rules of government purchasing are not intuitive or easy to understand.

NBDC consultants help our clients register with the government. We alert them to sales opportunities through our bid match system. And, we advise them as they prepare their proposals or quotes. We also help them after the sale with performance tips and help getting prompt payment.

Our consultants in the procurement technical assistance program receive professional development training from the Association of Procurement Technical Assistance Centers every year to assure our clients that they are up to date on regulations and processes.

Operations Management

Operations consultants focus on efficiency and cost reduction. NBDC has specialists in lean process engineering who do all aspects of lean consulting, including value added process mapping and kaizen events. We work with our clients to make operations better—more efficient, safer and customer responsive.

Since lean process is focused on outcomes for customers, NBDC lean process consulting is also an excellent path to product innovation.
2013 graduate assistants in the Omaha office are clockwise from left: Lakelyn Hogan, Tatiana Bodrug, Nishtha Rajbhandari, Kelly Grant, Tara Clawson, Luis Munoz, Elizabeth Rouse, Cesar Galindo. Not pictured: Balkissa Mahamane, Ousola Ajala, Tate Hanzlicek (undergraduate intern). In the Chadron office (right): Lori Frederick, Doris Liang (undergraduate intern).
Since its inception, NBDC has used graduate assistants to help deliver services. NBDC graduate assistants are students in the Master of Business Administration, Master of Arts in Economics or other graduate program at UNO and at Chadron. They each have already earned a bachelor’s degree. Most assistantships last two years. These students receive a monthly stipend and their tuition is paid. In return, they work 20 hours per week assisting in delivery of NBDC services.

Graduate assistants in the small business development center program learn how to develop cash flow projections for small businesses and to assist in putting together a loan package. They also do basic secondary market research, business plan reviews and ratio analysis. In 2012 NBDC had two graduate assistants from Colombia who provided counseling for clients at the Juan Diego Center in South Omaha.

NBDC also had graduate students in 2012 who helped with the procurement technical assistance program, the Pollution Prevention Regional Information Center, the Federal and State Technology Partnership program and the Regional Energy Business Network.

NBDC clients benefit from the work of NBDC graduate assistants and they benefit by getting real life practice in applying the knowledge and skills they learn in the classroom.

Former outstanding graduate assistants now pursue business careers as consultants for NBDC. From left: After earning her degree, Marisol Rodriguez, MBA, became the Lincoln center director and is now the SBIR/STTR technology commercialization specialist for NBDC; Veronica Doga, MA Economics, is the SBA-certified export consultant for NBDC; Aretha Prodjinotho, MBA, was mentored by Cliff Mosteller and is now the new Omaha center director.
During 2012, NBDC continued to anticipate industry trends by developing and offering continuing education programs and development services for area organizations. We divested certain lines of business, added some new ones, and resumed publication of a printed catalog. We also brought on board new facilitators who are experts in areas such as strategic thinking, appreciative inquiry and many more.

**SUSTAINABILITY FACILITY PROFESSIONAL PROGRAM LAUNCHED**

Preparing participants for a professional credential from the International Facility Management Association (IFMA), a new program focuses on an area of growing interest to companies—the management and operation of sustainable facilities. NBDC’s inaugural program was delivered twice in 2012 and attracted engineers, facility managers and operations managers from the Omaha area and beyond. The robust curriculum is facilitated by Rick Yoder, sustainability manager for UNO’s College of Business Administration, and awards 70 general credit hours for LEED professional credential maintenance.

**NEW AGILE COURSES ADDED**

Among its new offerings, NBDC’s Certificate of Project Management program added courses in agile that examine the models of most interest to Omaha workplaces—Scrum, Kanban, and Lean (including Lean Software Development). All project management instructors for NBDC are PMPs (Project Management Professionals) and PM courses are created in collaboration with area companies.

**HUMAN RESOURCES OPPORTUNITIES**

NBDC’s online preparatory course for the Professional in Human Resources (PHR) or Senior Professional in Human Resources (SPHR) credential exams attracted participants from out of state. Our “Successful Project Management” class was approved to award PHR/SPHR continuing education units, and we recently added a two-day “Essentials of HR Management” workshop geared for small business owners, office managers, HR practitioners and frontline supervisors.

**LEAN ENTERPRISE WORKSHOPS EXPANDED**

More than 100 participants enrolled in Lean Certification workshops last year. This year, NBDC is expanding and improving the Lean Enterprise workshop series by revamping the “Cellular Manufacturing” workshop and adding an “Overall Equipment Effectiveness (OEE)” workshop. We will also be offering new services to manufacturing clients, including Lean coaching and customized Lean leadership training.

**EXPLORING ADVANCED LEADERSHIP TOPICS**

NBDC delivered custom programs in leadership development. Program participants were managers identified as emerging leaders in their organizations and addressed advanced topics including well-being, strengths-based leadership, sustainability and ethics.

**Operations Improvement Lean Enterprise Leadership Development**

From left: Renee Held, Roger McCullough, Cindy Wofford, Harold Sargus, Beth Giesbrecht
2012 PROFILES OF SUCCESS & BUSINESS OF THE YEAR AWARDS

We’re optimistic about Nebraska businesses.
Improves Productivity with Lean Training

FILTER SPECIALISTS INC., GRAND ISLAND

Plant Manager Gus Roessler says Filter Specialists, Inc. of Grand Island stays competitive by constantly incorporating innovative ideas and improving manufacturing processes, thanks in large part to the training in lean manufacturing techniques employees are receiving from the Nebraska Business Development Center.

Lean manufacturing describes a concept of business operation that uses less human effort, capital investment, floor space, materials, and time in all aspects of production. Lean can improve the bottom line of almost any manufacturing operation. Benefits can include productivity improvements of 10 to 30 percent, up to a 90 percent reduction in work-in-progress, a 50 percent increase of space utilization and improved quality.

As far as quantifying the impact for us, direct labor costs versus sales have gone down every year the past four years,” Roessler says, “and that is important in today’s economy.”

Headquartered in Michigan City, Indiana, Filter Specialists, Inc. (FSI) employs 76 people at the Grand Island facility in the manufacture of high volume liquid filtering products for industries including beverage production, oil and gas, health care processing and water systems. The company has sales and manufacturing facilities around the world.

Roessler has been with FSI for 27 years and became plant manager about five years ago. He and his management team have created a culture that involves each employee in developing process improvement plans. Employees have personal goals and work as teams to improve the processes they perform. “We have lean manufacturing projects every year that the teams are responsible for,” he says.

FSI began participating in NBDC Lean training in 2005. In 2008, NBDC provided a two-day, 5S (Sort, Set-in-Order, Shine, Standardize and Sustain) Workplace Organization event. Currently, FSI has several employees attending NBDC training in Grand Island. FSI was a host company for the class, and held the 5S Workplace Organization workshop on-site.

FSI utilizes the training in lean manufacturing techniques to improve productivity at the Grand Island plant. New equipment keeps pace with the latest technologies. For example, a new machining center enabled the company to reduce work-in-process inventory by $100,000. It also resulted in a reduction in manufacturing lead times, a more organized flow of goods and improved plant layout.

Roessler says additional equipment upgrades are planned that will allow FSI to supply products with reduced in-house handling and processing.

He credits NBDC consultants and instructors Renee Held and Roger McCullough with presenting information in ways that have an immediate and sustained impact on production.

“ Their enthusiasm and knowledge are tremendous, and they present the material so it’s very easy for our employees to learn. It’s been a great benefit to us.”
High quality meats and the freshest produce—coupled with personal customer care from carry-out service to home delivery—are trademarks of Hometown Market in St. Paul.

Owner Blake Schwartz, 33, has worked in grocery stores since he was old enough to get a job. He started as a “bagger” and gained experience in every department from frozen foods to produce, becoming a department manager for a Grand Island grocery at age 21. He knows first-hand the difference great service can make in customer loyalty.

“We’ve always carried groceries out for people and we’re never going to get rid of that,” Schwartz says. “You have to take good care of your customers. It’s important everywhere, but I think it’s especially important in a small community where it’s more noticeable.”

Schwartz became a co-owner of the store, then a Jack & Jill Grocery, in 2005 when three investors were looking for a fourth who would also serve as store manager. In June 2012, he had the opportunity to buy out the other investors—and did so with help from business consultant Sara McMillan at the Nebraska Business Development Center’s University of Nebraska at Kearney regional office.

“I was looking for Small Business Administration financing but I actually was able to get a loan from Homestead Bank here in town,” Schwartz says. “The valuation Sara worked on was the key.”

He says McMillan utilized her considerable expertise to help him navigate and complete the daunting paperwork involved in the application and purchase. “When it came to determining Fair Market Value, everyone seemed to have their own definition,” Schwartz says. “But Sara’s knowledge of the valuation process was extensive, especially knowing which questions to ask and answer.”

“To get help from a professional like her really proved what the business was worth, and that impressed our bank.”

Hometown Market employs about 30 people on a full- or part-time basis. Schwartz has gradually updated the 10,000-square-foot store’s hot, deli and beverage cases, as well as incorporated other improvements. “We’re moving in the right direction,” he says. “Visually, I think the store looks really nice. The community is happy with what we’re doing, based on customer feedback.”

He says Hometown Market has benefitted from its partnership with Affiliated Foods Midwest and its distribution center in Norfolk. “Being an independent grocery, our relationship with Affiliated Foods gives us access to the tools we need to be successful,” Schwartz says, including a customized website (stpaulgrocery.com), extra-savings programs and lower costs that he can pass on to his customers.

“Owning the store gives me the motivation to constantly improve our services,” Schwartz says. “We’ve always tried to make things better for our customers, but sole ownership has really heightened the incentive.”
Sue Blauvelt has experienced how difficult it can be for children and adults who have celiac disease to find a wide variety of gluten-free food products. Diagnosed with the disease herself in 1990, she now provides a wide variety of gluten-free and other organic and natural foods through her business, Happy Heart Specialty Foods in North Platte.

“Back when I was first diagnosed, there was practically nothing gluten-free on the market,” Blauvelt says. “You couldn’t manage the disease very well, compared with what is available today.”

Celiac disease is a digestive condition caused by sensitivity to the protein gluten. The gluten triggers an immune reaction, which causes the body to create antibodies to eliminate it. This can damage the small intestine and result in the reduced absorption of important nutrients and long-term complications.

It is estimated that more than three million people in the United States are affected by celiac disease but only a fraction of that number have been diagnosed. The disease can be effectively managed by following a gluten-free diet, avoiding any ingredient derived from wheat, rye, oats (although gluten-free oats are available), barley or malt. This includes non-food products such as cosmetics, lotions and personal care products. The diet must be followed for a lifetime because ingesting even small amounts of gluten can lead to problems in the intestinal tract.

Happy Heart carries a full line of supplements, organic and natural foods, gluten-free foods, organic produce, health and beauty products, bulk foods, frozen and dairy products, as well as household laundry and cleaning supplies and books.

“I attend a lot of trade shows so I can bring in new products all the time,” Blauvelt says. "I like to carry a little bit of everything.”

Originally owned by a North Platte physician, Blauvelt had co-owned the business since May 2011. In October 2012, she was able to buy out her partner and assume ownership. She has four other employees who work part-time.

Blauvelt says the purchase was made possible with the assistance of Jason Tuller, director of the Nebraska Business Development Center office in North Platte, who worked with her to develop a business plan.

“The input and advice Jason had were very helpful when it came to getting a loan.”

Blauvelt sees a growing market for Happy Heart. "More and more people are on gluten-free or special diets, and a lot of people are eating organic foods," she says. “People are always looking for new products and foods to buy, and I am happy to provide them.”
Tim and Michelle Mathison know a lot about cheerleading and high-level, competitive trampoline and tumbling, but they didn’t know what it takes to start a business.

“We knew exactly what we wanted to do,” Tim Mathison says. “We had no idea how to get there.”

On March 1, the Mathisons opened Airborne Academy, a cheer, trampoline and tumbling center in Omaha. “Our primary focus is on lessons and instructions,” says Tim Mathison, a former teacher in the Papillion-LaVista School District. “We offer training and classes to show how to properly do the different elements of these sports.”

In order to secure capital for the start-up business, Mathison worked with Elizabeth Rouse, business consultant at the Nebraska Business Development Center (NBDC), to develop a business plan and financial projections.

“The very day we called, we were able to set an appointment with Elizabeth,” Mathison says. “She went through a checklist to show us what we needed, and gave us suggestions and advice regarding what our student-teacher ratios and annual fees needed to be to reach a profit.”

Rouse says it was clear Mathison was eager to do whatever he needed to get his business going successfully. “There is usually quite a bit of interaction required to get all the fine points of these documents outlined clearly,” she says. “The great thing is that Tim dedicated a lot of time and energy to putting together a sound business plan. So much of the success of our clients is dependent on their willingness to do the work, and Tim did the work.”

Mathison says it was helpful to have Rouse’s unbiased opinion. “She was so focused on the numbers while I had a lot of emotion tied into it,” he says. “She was able to take that emotion out of the equation and say, ‘Here’s what the numbers tell us.’ She wanted us to succeed, but she also wanted us to know the truth.”

One of the most time consuming aspects of the business consulting services NBDC provides is the financial piece, Rouse says. “Identifying numbers that are realistic for the specific markets our clients operate in can be challenging,” she says. “Tim and I had several conversations to piece through the particulars of his financials. Again, his willingness and enthusiasm made this process a success.” Their joint efforts paid off.

“My banker (at American National Bank) and my landlord said it was the best, most thought-out and thorough business plan they’d seen.” Mathison says.

“Without Elizabeth and NBDC, that would not have happened.” Thanks to his partnership with NBDC, Mathison’s prospective future Olympians can now take to the trampolines and jump for joy.
Takes a Strong Business to the Next Level ... and the Next ...

INDUSTRIAL SYSTEMS & SUPPLY, WAYNE

To survive and grow in an unstable economy, small businesses can greatly benefit from an advocate who offers expert advice and highlights programs that can have an immediate, positive impact. Duane Ohlrich, president of Industrial Systems & Supply Inc. in Columbus, says he has found such an advocate in Loren Kucera, director of the Nebraska Business Development Center office at Wayne State College.

"Loren has a lot of resources available and he watches out for us and our customers," Ohlrich says. "He keeps his eyes on the programs available to us and finds ways to help us grow."

Industrial Systems & Supply is a family-owned business that distributes computer-controlled machine tools for the manufacturing industry. It provides complete manufacturing systems, complex automated machines and state-of-the-art machine tools. The company is one of only 17 distributor principles in the United States for Mazak Corp., the largest machine tool builder in the world.

Founded in 1974 as Lloyd’s Industrial, Ohlrich and a partner purchased the company in 1991. He became the sole owner and president in 1995.

In 2009, Industrial Systems & Supply secured a Small Business Administration (SBA) 504 loan with the Nebraska Economic Development Corporation. Kucera and the Wayne NBDC office helped package the SBA loan, which enabled the company to move from a 3,000-square-foot facility to a 14,200-square-foot building situated on a two-acre lot. The spacious "Technology Center" offers customer training, equipment run-off and joint product development, as well as expanded stocking of cutting tools, cutting lubricants and perishable machine tool components and supplies.

"Loren helped us complete the paperwork for the building," Ohlrich says. "He made a very complicated process much more understandable."

In addition, the business received technical assistance and loan packaging assistance from Kucera in 2007 and 2008, and continues an ongoing relationship with NBDC Wayne. Most recently, Kucera coached the business in the 2012 Gallup Entrepreneur Acceleration System program. The well-recognized program specifically targets small and medium enterprises (SMEs) that have significant potential for economic growth.

Kucera nominated Ohlrich and his wife, Patricia, for the 2012 Nebraska SBA Small Business Persons of the Year Award—which they won.

Kucera is more than a resource to area businesses, Ohlrich says. "We’ve formed a good friendship as well as a working relationship," he says. "Everyone who knows Loren really likes him. He watches out for more than me, now he watches out for my customers, too."

Ohlrich says his collaboration with the NBDC is moving Industrial Systems & Supply into another growth cycle. "Loren helped build the infrastructure so I could take the company to the next level," he says. "Of all the people I’ve met in business, he is one of the shining stars."
AFTER

BEFORE
NRN Partnerships that Fuel Community Growth

NEBRASKA NORTHWESTERN RAILROAD, CHADRON

Smart investing and recognizing the benefits of partnerships have yielded new opportunities for expansion for Nebraska Northwestern (NNW) Railroad in Chadron.

NNW is a short line railroad in the northwestern panhandle with interchange points with the BNSF and the Canadian Pacific railroads. NNW has a yard capacity of 600 cars and the capability to expand to 1,000. The NNW shareholders purchased the property in 2010 with the hope of revitalizing the Chadron facility and creating jobs.

In 2011, the City of Chadron received a $6.2 million TIGER II grant in partnership with NNW to rehabilitate portions of the short line and attract railroad-related business to the area. “They put in the latest heavy-duty track to support the modern trains and loads, added rail siding to store cars along the route and expanded the rail yard so it could hold more cars for storage,” says Timothy Donahue, Ph.D., director of the Nebraska Business Development Center’s Chadron office. “They upgraded the equipment in the round house and are now able to work on modern large locomotives and other track equipment.”

In 2012, Transportation Services, Inc. (TSI) of Calera, Ala. announced the opening of a new railcar repair facility in Chadron along the NNW lines. The company expects to hire 12 employees initially at the Chadron location.

“Transportation Services was one of five companies that looked at a relationship with NNW,” Donahue says. “They lease space in the Chadron Yard and perform mechanical repair work on cars coming into the yard. It is perfect synergy: TSI does car repair and NNW stores cars for various railroads.”

Donahue has an ongoing working relationship with NNW. “I was asked to assist the NNW, along with the Nebraska Northwest Development Corp. (NNDC), as they perused various business relationships with companies like TSI,” he says. “I was involved with meeting the clients as part of the NNW team, explaining services the NBDC had that could provide assistance to any company that would align with NNW railroad. We worked side by side with NNW and NNDC to answer questions about local resources, candidate pools and training.”

NNW is considering an expansion of its line to the north, potentially adding more business to the Chadron yard, Donahue says.

“NNW railroad and TSI have added about 20 good paying jobs to the community of Chadron, and that will grow as the businesses increase their visibility and add to their scope of work.”

These new jobs fuel other growth locally, Donahue says. “In a study I did years ago, I found that for every high-paying job created by such companies as NNW, 1.08 additional jobs were created in retail and service sectors in a community.”

Partnerships such as that forged between NNW and TSI, Donahue says, “are force multipliers for the community of Chadron and the region.”
Deanne Caspers-Moon needed advice and she needed it right away. As the project manager at Caspers Construction Co. in Beatrice, she was fighting the clock trying to complete a complex bid on a contract. It was already afternoon and a delivery service was going to pick up the completed bid at 7 p.m. She turned to the place she knew could help: the Nebraska Business Development Center in Auburn.

Caspers-Moon called the NBDC office and spoke with Julie Ann Wilhelm, government contracting counselor. Wilhelm listened to Caspers-Moon describe her predicament. She knew there was no time to waste. “I stopped what I was doing and drove to Beatrice,” Wilhelm recalls. “We sat down and reviewed the language in the solicitation.”

To be absolutely positive about her advice, Wilhelm telephoned Scott Knapp, certified contracting assistance specialist in the Kearney regional office of NBDC. “Scott confirmed what I thought, and DeAnne felt comfortable completing her bid and sending it out that evening,” Wilhelm says. “As a result of the immediate service I was able to provide, after a couple-hour drive, she was successful in being awarded the contract.”

Caspers Construction has been in business since 1974. It was founded and is still owned by Caspers-Moon’s mother, Elsie, and her father, Eugene Caspers, who had served in Vietnam as a Seabee, the members of the U.S. Navy Construction Battalions. “Back then it was pretty much just him and one other guy,” Caspers-Moon says. “Mom did the books for him.”

Caspers-Moon earned a bachelor’s degree in finance from the University of Nebraska-Lincoln and was working for an Omaha telemarketing firm, specifically on site selection and new building construction, when she came to a realization. “I figured that as the only child, if I was going to be involved in construction, I might as well go back to the family business.”

Caspers Construction focuses on general contracting and finds no job too large or too small. Along with Sampson Construction of Lincoln, Caspers Construction served as contractors for the new Beatrice Community Hospital and Health Center, which opened in 2012.

Wilhelm originally contacted Caspers-Moon to introduce herself and the services NBDC make available. “Right away, Julie started emailing me links to federal contract opportunities that fit our profile,” she says. “She took a real interest in our success.”

While dropping everything and rushing to Beatrice to assist with a contract may seem extraordinary, “I don’t think it’s that unusual for Julie,” Caspers-Moon says. “She is always willing to go above and beyond to help us out.” That means a lot.

“Dealing with the government can be daunting. Having someone to help you out with opportunities and proposals is really comforting.”
Candi Wingate knows the nanny business inside and out. She was a nanny when she was placed though an agency known as Nannies of Nebraska. She worked in the agency until the day she bought the business.

Wingate saw the thousands of dollars that some parents spend locating, interviewing and hiring a qualified nanny for their children. “I knew there must be a simpler, more cost-effective way for families to find the right nanny,” she says.

Her answer is Nannies4hire.com, an online database that helps families find a quality nanny for their specific needs as well as offers nannies a place to advertise their availability and experience. Families begin with a free preview of available nannies in a specific zip code area, then may subscribe to various levels of service that afford access to contact information, reviews, references and other advanced search features.

The service lists thousands of nannies whose profiles are updated every 35 days, and is available in the U.S. and Canada. Nannies4hire has partnered with several corporations to provide child care for employees and event participants.

In 2010, when Wingate wanted to expand her business and bid on contracts to provide nanny services to U.S. military families, she sought the help of Scott Knapp, certified contracting specialist and procurement technical assistance counselor in the Kearney office of the Nebraska Business Development Center.

“The particular contracts they were looking at were tied up on long-term basis, but Candi and her team kept working with us to establish other government contracting that might be available,” Knapp says. “Over the course of the past two years, we began to find opportunities for providing babysitting services for Yellow Ribbon Events that are held by the National Guard around deployment of troops overseas.”

Wingate, who is the author of two nanny informational books and whose business has been featured on television by Dr. Phil and on the Discovery Channel/TLC, says the new market is a good opportunity for her company and the nannies and families it serves. “Military families often need nannies for weekend events or nights, and by having our name out there, it’s a win-win situation for everyone involved,” she says.

As a mother of two boys, Wingate knows the value of professional care and advice, both in the home and for her business. “When we first talked to Scott, we told him what we’d like to do but that we had no idea where to start,” she says.

“He has been there literally every step of the way as we grow into this new area. It’s a whole new adventure for us, and I am glad Scott is here to help.”
NBDC has honored Champions of Small Business since 1983.

The Champion of Small Business Award is presented annually to a Nebraska small business owner who is a SUCCESSFUL ENTREPRENEUR who has triumphed in the field of business and is an EMPOWERING ENTREPRENEUR who stands up for other small business owners.

1983 Jack Barnhart, Barnhart Press, Omaha
Robert Hoig, Midlands Business Journal, Omaha

1984 Ronald Kennedy, Kessler, Kennedy & Assoc., Omaha

1985 Ken Wortman, Wortman Enterprises, Aurora

1986 Paul Dutton, Dutton & Associates PC, Omaha

1987 Irving Rushall, Scottsbluff Pipe and Supply, Scottsbluff


1989 Roy Smith, H.P. Smith Motors, Inc., Omaha

1990 Carol Corey, Ark Printing & Graphics, Omaha

1991 Maxine Maul, Maverick Media, Syracuse

1992 Joyce McLaughlin, InterState Telemarketing, Inc., Omaha

1993 Bob Campos, Campos Construction Co., Omaha

1994 Phillip C. Nelson, Hamilton Telephone Co., Aurora

1995 J. Richard Abramson, Prairie Systems, Inc., Omaha

1996 Tom Feller, Feller & Company, Wisner

1997 Clark Griffith, Medical Center Pharmacy, Scottsbluff

1998 Deborah Bass, Bass & Associates, Omaha

1999 Kerry Winterer, The Benefit Group, Omaha

2000 John and Karen Miskimens, Miskimens Motor Co., Inc., Chadron

2001 Jim J. Jenkins, Whiskey Creek Steakhouses, Kearney

2003 David Alan Chally, Barney Insurance, Inc., Kearney

2004 Patricia Crittenden, Flowers on Broadway, Scottsbluff

2005 Terry and Dena Mills, Mills Hardware, Arnold

2006 Ervin Eisenmenger, WestPoint Implement, West Point

2007 Jeff White, Haque Quality Water, Lincoln

2008 Jim and Connie Hellbusch, Duo Lift Manufacturing Co., Inc., Columbus

2009 Nick Bock and James Bowen, Five Nines Technology Group, LLC, Lincoln

2010 Michael L. Mawby, Come and Get It, Kearney

2011 Kelly Newell, Scout Goods & Trade, Omaha

2012 Jim and Tim Schneider, S&S Plumbing, Mitchell
An emphasis on home and community are the foundation of a thriving business for brothers Jim and Tim Schneider, co-owners of S&S Plumbing in Mitchell, Neb.

Originally from the Bridgeport, Neb. area, Tim Schneider was living in Lincoln working on the night shift for a publishing company. "I'd only get home twice a year," he says. "I wanted to be closer to my family."

He moved back to western Nebraska in late 2004. The following year, he and Jim, a journeyman in Nebraska, received assistance in writing a business plan from Ingrid Battershell, director of the Nebraska Business Development Center’s Scottsbluff office.

"Ingrid not only helped with the business plan," Tim Schneider recalls, "she came in and actually set up our computer and got our payroll and taxes started."

S&S Plumbing opened in June 2005, operating out of Jim Schneider’s basement and garage. In 2006, Jim Schneider, the company’s president, became licensed to install sewer septic systems and as a pump installer contractor in Nebraska and Wyoming, and the brothers purchased a warehouse building for storage of vehicles, equipment and materials. In 2007, they purchased a storefront building on Center Avenue for retail customers.

In addition to the Schneider brothers, S&S Plumbing employs four people. The company is licensed for plumbing, well service and septic systems in Nebraska and well service and septic systems in Wyoming, and has added heating, ventilation and air conditioning (HVAC) service.

The Schneiders are strong believers in giving back to the community. As members of the Mitchell Chamber of Commerce, each year they assist the Chamber with the Scottsbluff County Fair parade. For advertising, they partner with area schools in Mitchell, Morrill, Minatare and Banner County by promoting their business on sports calendars, t-shirts, footballs and towels. The company also provides plumbing work for several Habitat for Humanity projects.

"This is our home, and the people we work for are our neighbors and friends," Tim Schneider says. "It gives you a good feeling to help somebody who needs it—and good news travels fast."

The Schneiders consider Battershell more than an expert resource for area businesses. "We're really in the loop with Ingrid," he says.

"She stays in touch and helps us out whenever we need her. She and NBDC have really helped us grow."
Two brothers who are tool makers and a third who is a design engineer have turned their skills and dedication into Tri-V Tool & Manufacturing Co., a thriving Omaha company that encourages and celebrates the advancement of its 115-person workforce.

Tri-V was founded in 1984 by Dave, John and Jim Vyhlidal and has enjoyed steady growth since its inception, evolving from a tool and die shop to a diverse manufacturer. When hit by drops in sales during two recent economic downturns, the brothers’ willingness to make investments showed their determination. In 2003, the company obtained ISO 9001 approval. In 2009, investments in new equipment and the purchase of another company, CSE Automation of Omaha, have kept growth on track.

The company continues to add new state-of-the-art equipment and processes including a water jet cutting machine and high-speed machining center. It is one of few job shops with high-rise pallet systems on the horizontal machining centers. Aware of environmental concerns, Tri-V has converted to all water-soluble coolants, reducing hazardous waste to near zero.

Actively committed to the community, John and Jim are involved in the Nebraska Advanced Manufacturing Coalition’s “Dream It Do It Initiative,” encouraging students to consider rewarding careers in manufacturing. Tri-V also sponsors a “High School to Career” program, where students can work part time at Tri-V, with successful candidates receiving tuition reimbursement for completion of the Machine Tool Technology program at Southeast Community College.

Believing lean manufacturing is a valuable skill set, the company management team, including the president, vice presidents, managers and team leaders, is participating in Nebraska Business Development Center training sessions. “They held classes at different manufacturing facilities including our shop,” says Bob Wood, vice president technical sales.

“Rather than sit in a classroom, we participated in hands-on projects. It showed us the problems our different businesses share, and how others handle similar issues.”

Company President Dave Vyhlidal says Tri-V strives to partner with customers and vendors. An annual survey of all customers gauges their perception of service, quality and delivery, and an action plan addresses any concerns. “We’ve worked to improve and grow our business since the day we opened,” he says, “and we continue to pursue sustainable growth.”
ServiceMaster, Lincoln

Business of the Year in Energy and the Environment

The sustainable cleaning services offered by ServiceMaster Professional Building Maintenance (PBM) of Lincoln are efficient, effective and a benefit to the company’s customers and its 170 employees, says Jon Paolini, who co-owns the business with his wife, Angela.

Utilizing natural cleaning substances means less exposure for employees as well as customers to harsh chemicals like ammonia. The Servicemaster Clean Green For products use 90-100% less toxins than traditional cleaners.

The “green cleaning” methods can be more effective than traditional methods, he says. “Instead of a feather duster we use vacuums with attachments and high-filtration bags that capture the dust particles,” he says. “When you sweep a hard floor, it all ends up going airborne, even if you go outside to shake it. Running a vacuum down the same hallway captures and removes all that dust.”

Ergonomically correct cleaning tools such as “hip vacs”—vacuums held to workers’ hips by a belt rather than strapped to their backs—with long pole attachments that allow the workers to stay upright have reduced back injuries and pain, Paolini says.

Paolini worked more than 15 years with ServiceMaster PBM of Lincoln, ultimately rising to the position of general manager, before he and Angela bought the company in 2009. Prior to the purchase, the Paolinis came to the Nebraska Business Development Center’s Lincoln office for help creating a business transition plan. They also relied upon NBDC’s services when preparing the loan application.

In the time since, the Paolinis have utilized the Lincoln office’s procurement technical assistance services in obtaining government contracting opportunities.

ServiceMaster PBM is dedicated to environmental stewardship. The company’s environmental policy details goals that include zero waste, community and employee wellbeing, reduction and eventual elimination of hazardous products, net zero energy usage and reduced fossil fuel dependency for transportation. ServiceMaster PBM reuses cardboard boxes to transport products to work sites prior to recycling them. Five-gallon buckets are donated to churches for reuse. Old washers and driers were donated to a school fundraiser. Even the employee picnic was a zero waste event.

Although green cleaning products cost more, “the system, products, processes and equipment we use save us time, at least five to 10 percent in the long run,” Paolini says.

“That savings enables us to offer green cleaning services for the same cost as traditional cleaning.”
It’s easy to see what Evelyn Bartlett, Roger Bartlett and Craig Lutz-Priefert of SectorNow LLC have in common with the business counselors of the Nebraska Business Development Center—they’re always thinking ahead.

“They’ve been a good sounding board for us,” Evelyn Bartlett says. “We’re always getting good ideas from them. They’ll call up out of the blue and say, ‘Have you guys thought about this?’”

Bartlett became familiar with the NBDC when she served as chair of the Lincoln Chapter of SCORE. She tapped NBDC’s resources in 2010 when SectorNow was founded as a company that specializes in building smartphone and tablet data driven app systems that focus on the environment (CleanEarthApps) and mental health (BehaviorApps).

The company’s goal is to use smart technologies and intelligent decision support software to improve people’s lives, says Bartlett, a Nebraska native with extensive experience in database marketing and consulting.

One of SectorNow’s apps, WasteFinder, helps businesses, organizations and municipalities track waste and improve their recycling practices. “There is no other software tool like this to track and manage waste,” says Roger Bartlett. “It’s more consistent, readily available and more cost effective than traditional methods.”

SectorNow partnered with the Munroe-Meyer Institute for Genetics and Rehabilitation at the University of Nebraska Medical Center, to develop Water1der, an app aimed at helping schoolchildren understand groundwater cycles and other principles of conservation and water protection through a series of interactive questions.

From left: Craig Lutz-Priefert, Evelyn Bartlett, Roger Bartlett

The company also worked with the Douglas County Department of Environmental Services to develop Dump Detective, an app that enables storm water inspectors to better identify and report potential water pollution incidents. Dump Detective was officially launched in February at the International Erosion Control Conference in San Diego.

As the new apps are being downloaded around the world, SectorNow will expand its relationship with the NBDC and its government contracting specialists. “We want to learn more about marketing to governments because our products are so adaptable,” Evelyn Bartlett says.

“NBDC was instrumental in getting our business established and remains a valuable resource for us today.”
Steven R. Wolf, president and CEO of Issues Management Solutions, says being headquartered in Omaha gives his company several advantages over government contractors based in Washington, D.C.

Primary among those advantages are Nebraska’s lower cost of living and the access he has to the programs, support and resources provided by the Nebraska Business Development Center and its experienced government contracting counselors.

“When we started out, we were all former federal employees and the federal government was going to be the prime market for our services,” Wolf says.

“We knew the market, and NBDC helped us transition into being entrepreneurs and business owners.”

Issues Management Solutions (IMS) utilizes a science-based approach to develop public relations programs that help organizations communicate effectively in high-profile and sometimes controversial events. Wolf and his consulting team in Omaha, along with staff situated in Texas, Georgia and the D.C. area, utilize their expertise in risk communication management to help clients overcome issues involving mergers and organization changes, litigation, environmental policies, public opposition, regulatory concerns and various other challenges.

In 2001, IMS formed to develop a software product titled, “Key Message Manager.” Three years later, the company opened its doors as a full-service consulting firm. Wolf estimates that about 85 percent of IMS clients are within the federal government. In 2012, IMS was awarded more than $865,000 in government contracts.

“We landed our first significant contract in October 2004 with the Department of Homeland Security’s US-VISIT program,” he says, “and they are still our client to this day.”

Wolf, a U.S. Army reservist who formerly served as the National Guard Bureau Chief of Environmental Public Affairs and as director of community relations for the U.S. Strategic Command, says IMS has found significant value in NBDC training classes and programs.

“Every training session we’ve had with NBDC, including NBDC hosted veterans’ forums, have proven to be great sources of information and excellent networking opportunities,” he says.

“At IMS, we don’t rest on what we know; we’re continually trying to improve what we do. NBDC helps us keep our competitive edge razor sharp.”
A veteran of 26 years in the U.S. Air Force with extensive experience in the intelligence field, Col. Tommy L. Garrett put away his uniform when he retired in 2003 but not his desire to serve America.

“When I was on active duty, I was always a good steward of the taxpayers’ resources,” Garrett says. “When I retired from the Air Force, I still wanted to contribute to the mission, and I found out I can do that as a contractor, too.”

In May 2007, Garrett and four others launched The Garrett Group (TGG), a service-disabled veteran-owned business that specializes in information security, intelligence and security consulting. TGG has worked with the Nebraska Business Development Center (NBDC) and the Small Business Administration (SBA) since its inception.

“We felt that if we did two things right we’d be successful: take care of our customers and take care of our people,” Garrett says.

“We want to be like Google—we want people to beat down the door to work with us and never want to leave.”

While TGG has established itself in the contracting environment, it was not immune to the economic downturn, and the government’s “insourcing” of 25 employees was particularly difficult. However, TGG has continued to respond and remain successful, winning in 2012 a recompete of its prime contract in Colorado Springs. In 2011, TGG won the Solutions for Intelligence Support (SIS) contract at the Defense Intelligence Agency. It is one of four primes on this indefinite delivery/indefinite quantity (IDIQ) contract with a total contract ceiling of $265 million.

TGG’s goal is to give at least 10 percent of its annual profit back to the local community through numerous charitable donations and involvement including scholarships to five area high schools. TGG participates in many efforts that benefit veterans, such as its sponsorship of 15 rooms at the Open Door Mission dedicated to homeless veterans. The company hires veterans whenever possible, and is working to build an internship program for college students.

Drawing on his experience as Joint Intelligence Center Commander for United States Strategic Command (USSTRATCOM), Garrett has a vision of providing increased support to national level customers. “I’m convinced we can do our job cheaper, better and safer here than in D.C.,” he says. “Our challenge is to convince everyone else.”
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UNO’s College of Business Administration houses NBDC’s state administration and the Omaha center offices where business students get valuable experience working with consultants as interns and graduate assistants. UNO’s College of Business Administration is accredited by AACSB International—The Association to Advance Collegiate Schools of Business—a distinction earned by less than one-third of U.S. business colleges and only 15% of business colleges worldwide.

NBDC has a long standing partnership with Chadron State College, the only four-year and graduate-degree granting college in western Nebraska. CSC offers courses throughout western Nebraska through its distance and alternative learning programs.

The University of Nebraska at Kearney is a public, residential university that is committed to be one of the nation’s premier undergraduate institutions. UNK offers 170 undergraduate majors, 25 pre-professional programs, and 34 graduate programs. The public, residential University of Nebraska at Kearney is an affordable, student-centered regional hub of intellectual, cultural and artistic excellence that has been a prominent part of Nebraska’s higher education landscape for more than a century.

Emerging from its role as a single-purpose teachers college in southeast Nebraska, Peru State College is now a regionally accredited state college with 13 undergraduate degrees, two master’s degrees, and 18 pre-professional programs.

The SCC Entrepreneurship Center is a full-service resource hub for entrepreneurs in all stages of the business development spectrum from idea to growth and expansion. The Center offers business coaching, business planning assistance, funding preparation assistance, business incubation, and entrepreneurial educational opportunities.

The NBDC office is located on the campus of Wayne State College where students are given the opportunity to work with businesses for credit through the Student to Business Consulting Program.

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