SAY CHEESE
Goat Lady Dairy is the picture of a family business, regardless of the last name

Well-drawn plan
Aviator Brewing takes inspiration from comic books

Everyone’s invited
Seal the Seasons unites farmers and consumers

Smile wide
Practicon works and plays hard
The NC Community Colleges

Small Business Center Network

Facilitates economic impact in 90% of all NC counties each year

Ranks number 1 in the US for total business seminars & participants

Helps start an average of 700+ businesses every year

Works to create & retain 3700 jobs annually for North Carolina

Creating success for small business. | ncsbc.net
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Cover photo by Jamie Forbes
Small Business is Big Business in North Carolina

Our state is truly a small business state. Over 97% of all businesses in North Carolina employ fewer than 500 people; nearly half employ fewer than 100. These firms, collectively, account for almost 50% of the private sector workforce and 45% of our gross state product.

Overall, small business is big business in our state. There are 850,000 small businesses in North Carolina. Of these, 170,000 have employees beyond the owner and family members. These “homegrown” companies create a significant number of net new jobs, generated 24% of our state’s total export revenue, and account for the lion’s share of innovation that drives our high tech growth. They also are strongly committed to and supportive of the communities where they live.

Continued Economic Expansion Feeds Small Business Optimism

Over the last several years, we have experienced very positive economic growth both at the national level and in North Carolina. This has been driven by a variety of factors including the strength of the U.S. dollar in the world economy, increased consumer spending domestically, continued declines in U.S. and N.C. unemployment rates and a rise in overall public opinion about the state of economy.

As the economic expansion continues, small and midsize business owners remain cautiously optimistic. According to the 2016 Small Business Credit Survey, most firms have expectations for 2017 similar to those held for 2016 — a net 61% expect revenue to grow and a net 39% anticipate job growth. Business leaders remain focused on increasing profitability and generating generic growth, particularly through innovation.

According to Yelp’s first annual Small Business Pulse Survey, millennials and minorities are most optimistic about small business growth in 2017.

Startups Are on the Rebound

Many of us have been watching with concern as the level of startups across the country fell into decline following the great recession. According to a Kauffman Foundation report startups reached their lowest point in 20 years in 2013, but have rebounded in the last three years. This is a very promising sign for tomorrow’s economy. Driving this increase in startups has been significant increases in the number of female and minority entrepreneurs.

Charlotte (No. 3), Durham (No. 6) and Raleigh (No. 12) all appeared among WalletHub’s list of the 16 best big cities for starting a business in 2017 based on business environment, access to resources and business costs. North Carolina’s population growth, geographic location and quality of life all attract small businesses to our state. One challenge is to extend this urban success to smaller communities across North Carolina.
**Access to Capital Improves**

Small business lending is on the rise as well. According to the U.S. Small Business Administration in Charlotte, SBA lending in North Carolina has hit an all-time high this year — marking the third year in a row in which SBA loan volume has increased significantly. Recent Federal Reserve Bank data also recently confirmed that well prepared business borrowers have significantly improved chances of securing the financing they need.

**Quality Resources Help Small Businesses Start and Grow**

North Carolina has among the best resources available in the country to start and grow successful businesses.

The N.C. Community College System’s Small Business Center Network has an office based at each of its 58 campuses statewide. They provide a broad grassroots presence through which information, high-impact training and business advice is provided to startups and micro businesses.

The Small Business and Technology Development Center is a business advisory service of The University of North Carolina System. With offices at 16 campuses across the state, its professional staff provides in-depth business counseling to small and midsize companies ranging from broad general business advice to specialized expertise in securing debt and equity capital, expanding into international markets, accessing government contracts, and creating new strategies and organizational capacities for growth.

The resources and support of these two leading state resources for small businesses are readily accessible. Services are free and confidential. Modest fees are charged for training programs and some specialized services. Further information about these and other resources in North Carolina are included in this Small Business Handbook.

Call on us if we can help you make your business better.

Scott Daugherty has led the SBTDC since its founding in 1984.

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**Sponsor Comments**

**Duke Energy’s Small Business Energy Saver Program**

We have programs to help small businesses make investments to save both energy and money. Our Small Business Energy Saver Program helps business owners by paying up to 80 percent of the upfront cost for energy efficiency upgrades. Over 10,000 small business customers in the Carolinas have already taken advantage of this program. Why wait? Visit [duke-energy.com/sbes](http://duke-energy.com/sbes) to get started.
Ginnie Tate would ride Randolph County’s backroads in her pickup truck, her two floppy-eared Nubian dairy goats sticking their heads out the passenger-side window. She would pull up to anyone checking mail, mowing grass or sitting on a porch and inquire about available acreage. She would break the ice with her only Southern phrase: “Howdy, y’all.”

After a couple of weeks, Ginnie’s brother Steve Tate says she had developed a following. “The neighborhood was full of gossip about the strange experience they had. And when they were down at the local store, if a newcomer came into the gossip circle and asked who they were talking about, they’d say, ‘The goat lady. Haven’t you met the goat lady?’”

Ginnie was 11 years older than me, and she and I grew up on a corn farm in Illinois. But she was a nurse in Chicago, and when she got an offer to move to Greensboro, she wanted to live off the land.” And she did, surrounded by family, until her death in 2009.

The Tate family poured everything they had into Goat Lady Dairy. And with a little outside help, it became the region’s big cheese.
Ginnie’s memory lives on at Climax-based Goat Lady Dairy, which turns goat and cow milk from its and three nearby family farms — Lindale Organic Dairy, Holly Grove Farms and Williams Dairy — into cheeses. They are sold at farmers markets, stores and restaurants up and down the East Coast and a few Western states. It has won awards from the American Cheese Society and was featured in the Washington Post. Ginnie was given a lifetime achievement award from the Conservation Trust of North Carolina a few months before her death, and the farm won a Sustainable Farmers of the Year Award from the Carolina Farm Stewardship Association in 2010. But she didn’t win those by herself.

Ginnie found the land she was looking for in 1984. The 40-acre farm had a run-down farm house and outbuildings that were at least 200 years old. Steve was working as a marriage and family counselor in Minnesota at the time. “My wife, Lee, and our [two] sons would come visit from Minneapolis in the summer, and each time Ginnie would have a little more on the farm — beautiful vegetable gardens and herbs. So one night we began playing the ‘Wouldn’t it be fun if … ’ game. It was nuts. It was crazy. And in the sober light of morning, we were saying this might be an excellent idea, but we don’t have enough land and we need another house. So if the land, across the street is ever for sale, and the white house next door is ever for sale … ” That was 1994. “So my sister calls and says, ‘You’ll never guess what happened. They’re for sale. If you buy the house, I’ll buy the land, and let’s do this.’ So in 1995 I cashed out my midlife equity, and we started Goat Lady Dairy and got our licenses and were one of only two goat dairies in the state and one of a very few cheese farms.”

Steve learned cheese making. “It’s simply gardening, with microbes, only not simply, and controlling climate and growth of these amazing mysterious organisms.” Lee, a city girl originally from Nashville, Tenn., managed the goat herd. They needed staff. Enter Carrie Routh and Bobby Bradds. Carrie was cutting leather in a High Point furniture factory. Tommy Routh, her father, had family in the area since 1740 and was a construction worker who, with Bobby’s help, built buildings for Goat Lady Dairy. Carrie and Bobby met and eventually married. “They became our two main employees, and Bobby started working in the cheese room,” Steve says. “We did all the farm work, but we always had a Plan A, Plan B and Plan C.

“Steve Tate
Goat Lady Farm co-founder

Goat Lady Dairy makes several kinds of cheeses, all of which start as cow or goat milk from local family farms.
“People don’t come into these kinds of businesses because they’re good at business. You don’t say, ‘I’ve got an MBA, so I’m going to be a goat cheese farmer.’ You get into it because of the love of the land, the love of the craft.”

Steve Tate
Goat Lady Dairy co-founder

In other words, if we fail we don’t starve because Ginnie has a good job at the hospital.” They never needed it.

Steve and Lee saw the world differently after Ginnie’s death. They worked with Greensboro-based Piedmont Land Conservancy on a conservation easement, which ensures the farm would always remain one. And one night at Goat Lady’s Dinner at the Dairy, a monthly five-course meal featuring the farm’s cheeses that’s served in and spring and fall, Steve met Andy Santulli, business counselor from Raleigh-based Small Business and Technology Development Center. “He looked at me and said two words: ‘Business coach.’ And I said, ‘What?’ Lee and I knew we needed to get serious about our exit plan.”

SBTDC helped guide the dairy through a multiyear expansion and remodel that quadrupled its capacity, making it the region’s largest goat-cheese maker. It will produce about 110,000 pounds of cheese with sales of more than $1 million this year.

Family businesses usually are passed to the next generation, in this case Steve and Lee’s two sons. But neither Gareth, 36, nor Nathan, 39, was interested. So Steve and Lee sold the business to Carrie and Bobby in July. The Tates moved across the road to the land that was for sale at the beginning of it all. “We plan to age in this place,” Steve says.

Steve pursues the art of storytelling now, and he is a member of several storytelling groups and attends workshops. He’ll tell anyone listening about the old abandoned farm that became a pioneer in the local food movement. “People don’t come into these kinds of businesses because they’re good at business. You don’t say, ‘I’ve got an MBA, so I’m going to be a goat cheese farmer.’ You get into it because of the love of the land, the love of the craft. Part of our plan has always been to help people who don’t have connections with the land to have a connection with their food. When you change a person’s relationship with their food, you change them and the world together. That’s our mission statement.”

Steve Tate sold the dairy in July, trading cheese making for storytelling.

Longtime employees Carrie and Bobby Bradds took Goat Lady Dairy’s reins in July.

Goat Lady Dairy cheeses are sold up and down the East Coast and select spots on the West Coast.
Family businesses account for two-thirds of all companies worldwide and create 50-80% of jobs in most countries.

In the United States, 90% of all business enterprises are family businesses.

Sources: Family Firm Institute, US SBA

10 TIPS FOR FAMILY BUSINESS SUCCESS

1. Develop a strategic planning process and written plan.
2. Focus on communication. Schedule regular family meetings with a set agenda and clear ground rules.
3. Establish clear roles and responsibilities. Formalize them with job descriptions and performance reviews.
4. Maintain good financial records and use them as management tools.
5. Compensate family members fairly based on responsibilities and results.
6. Don’t hire unqualified relatives.
7. Have a process for handling family conflicts.
8. Include non-family members on the board of directors and/or advisory board.
9. Commit to professional development for all family and staff. Consider executive coaching focused on leadership skills or other needs.

SUCCESSION CHALLENGES

Nearly half of family business owners have no succession plan in place.

Most family businesses would like to pass their business on to the next generation but only about 30% will be successful at transitioning within the family.
On Saturdays when Mark Doble was young, no matter where his father's Army career took the family, he and his brother were buying comic books at the base bookstore. "We grew up reading comic books such as Conan the Barbarian magazine and all the Marvel stuff."

Turn a few pages forward, and Doble found a second hobby. "When I was oversees in Holland, I started brewing beer when I was 16, believe it or not, and just kept at it." He added brewing experience while in Belgium and Wales. And like a well-crafted storyline, the two collided in 2008, when he opened Fuquay-Varina-based Aviator Brewing Co. in a hanger at Triple W Air Park. "We moved the plane to one side and put in the boil kettle."

Aviator Brewing has grown since then. It has a tap room, beer shop and smokehouse restaurant in downtown Fuquay-Varina. Doble recently purchased a 5-acre site in Fuquay-Varina, where he'll add a second brewery, distillation still and restaurant.

Taking flight

Aviator Brewing Co. owner combines his passions — beer and comic books — to grow his share of North Carolina's bustling craft-beer industry.
Fuquay-Varina, along with a bar at an expanded brewery less than 5 miles from the original site. But it’s the brewer’s unique marketing plan that has gained it the most altitude. Bold-named beers — including Hogwild India pale ale, Madbeach American wheat, Wide Open Red Irish red ale and Black Mamba oatmeal stout — are put in cans with comic book style graphics. “We just put things out there that we like,” says Doble, 50, Aviator’s founder and owner. “We wanted more aggressive images that are more in your face, that get people excited. Most people are drinking beer when they’re having fun, so we put fun images on the can.”

The business began with Doble working 18-hour days and advancing himself cash from credit cards, eventually transferring balances to new cards to avoid paying interest. “We didn’t have any investors because then you lose control of the company, and everyone’s trying to mainstream it because no one wants to take risks. I was able to float the money, and when the banks refinanced it, we got a good rate. You can do anything you want. You just have to be willing to do it. Money is just a tool to get something done.”

Raleigh-based SkyBound Marketing designed Aviation’s website. “And they’re really talented,” Doble says. “But they just got so busy, and we needed someone onsite. We purposely don’t bring in big marketing companies, because they try to water us down. They want everything mainstream. We try to make the brewery reflect our personality — not trying to sell anything, just show people who we are.” Enter Chris Edge, Aviator’s graphic designer, and his artistry. “We did a mass interview of tons of people, and his interview was the best. We look for people who are passionate about what they do. He’s a big comic books guy, too. He colors comic books on the side. Independent guys will release a comic book, and he colors them.”

Doble buys space in Edge’s outside projects, but the remainder of his advertising is a combination of social media and word of mouth. “We try to make the brewery reflect our personality. I know people try to go out there and create this fake thing, like a cowboy theme. But we just take these crazy images, and that’s the stuff we find really cool, like the hot rod on Wide Open Red. We actually have cars like that.”

Aviator’s brewery churns out 300 cans per minute, which equals about 1,400 31-gallon barrels of beer per month. The beers grace the shelves of local convenience stores. “Fifty percent of the beer sold in the U.S. is at convenience stores, so that’s very important,” Doble says. With help from Raleigh-based Small Business and Technology Development Center, Aviator is adding sales at military bases and in foreign markets.

Aviator beer is exported to Korea, Taiwan and Brazil. Doble also is working with contacts in China and New Zealand. “We’re developing more of that relationship. We import to the [European Union] through Italy and move five containers a year there. We’re trying to get to one container a month, which is 5,000 cases, just trying to get our footprint out there.” He and his team signed a contract with a United Kingdom wholesaler for distribution to 1,800 locations and was selected as the exclusive importer for Aviator beer in the United Kingdom.
International distribution is a long way from the brewing supplies store that the Doble brothers started in Tampa in 1987 and the Tampa Bay Brewing Co. they opened in 1995. And there's not a sign of slowing down.

Doble is adding a second brewery on a 5-acre site across town at a former Gold Leaf Tobacco warehouse. Plans for the bigger space are underway. They include room for a still to make Aviator's upcoming line of vodka, rum and moonshine. They will feature comics style labels, too. Spell Maker vodka, for example, will have a bright-eyed wizard beneath the bottle's Gold Leaf Distilling Co. logo, a nod to the building's former owner.

Doble, who is married with four children — the youngest 12 and oldest 17 — says the new location will include a restaurant that supports local growers. “There's a whole food and beverage revolution going on right now. The big [restaurant] chains are failing because people are going back to local food.”

Doble's unique marketing style helps sell his beer, but that's not its only effect. “We get a lot of guys who collect the cans. People want us to mail the cans. Then there's this tattoo artist, a guy who did the whole Madbeach label on a girl's stomach. And some guy did the Devil's Tramping Ground on his arm. All I need is for some mother to come yelling at me because her son got the Devil's Tramping label on his arm.”

“...We try to make the brewery reflect our personality. I know people try to go out there and create this fake thing, like a cowboy theme. But we just take these crazy images, and that's the stuff we find really cool ... ”

Mark Doble
Aviator Brewing Co. founder and owner
Marketing

Why social media?
It’s important to have an integrated strategy attached to your social media. Here are some worthy marketing objectives where social media tactics can excel:

- Spread your content and expertise to new audiences.
- Network with like-minded individuals and companies.
- Build a community of evangelists.
- Involve your customers and prospects in co-creation.
- Reach new audiences in the exact way they choose to communicate.
- Be seen as a thought leader in your industry.
- Easily hear literally everything that’s being said online about your brand, products or industry.
- Be seen as a trusted source of information.

Source: Let’s Talk: Social Media for Small Business

Marketing Strategy Tips

- Keep in touch with current customers to thank them for their business and remind them of your products and services.
- Identify ways to solve problems for old and new customers.
- Re-examine your unique selling proposition.
- Consider your pricing strategy.
- Make sure that your image and message are consistent.
- Ask for recommendations and referrals.

Market Research Resources
Good business decisions are supported by good data. Two excellent resources are:

NC LIVE (www.nclive.org) — Free through public and college libraries. Business resources include Reference USA, Simply Analytics, and ABI First Research. Identify competitors, potential customers, and more. Create lists and maps of the results.

U.S. Census Quick Facts (www.uscensus.gov/quickfacts) — Provides comprehensive demographics for all states and counties, and for cities and towns with a population of 5,000 or larger.
Seal the Seasons CEO Patrick Mateer, left, and Bryan Cohn, vice president of operations, are helping more people eat better while creating one more market for locally grown produce.

Tasting success

Fueled with funding from diverse sources, Seal the Seasons delivers flash-frozen produce straight off the farm, especially to those who need it most.
More than 20% of North Carolina residents experience food hardship, according to Morrisville-based North Carolina Alliance for Health, an independent coalition that promotes wellness policies. Many don’t have the money to buy the food they need, and 15 million of them live in one of the state’s 349 “food deserts,” which the U.S. Department of Agriculture says lack healthy food providers such as grocery stores or farmers markets. Many are forced to eat whatever is sold at the local convenience store.

Patrick Mateer, 24, has heard their stories. He interviewed 87 low-income residents of Chapel Hill and Carrboro about food access while studying political science and economics at UNC Chapel Hill. “They knew what to eat and how to eat healthy, but they didn’t have the money or transportation to go get that food. Money was a large factor for people. It was a big barrier for them.”

Mateer launched Hillsborough-based Seal the Seasons Inc., a benefit corporation that addresses social and economic issues, in 2015 to break down that barrier. “That study propelled me to start this business to bridge the gap between farmers and those who can’t access healthy food. I was working at [Durham-based] Farmer Foodshare all four years in school … and I connected with a lot of farmers and food banks and people who didn’t have access to local foods. So Seal the Seasons solved a demand for this product.” Its purpose is three-fold: feeding people in need, providing local farmers a market for their crops and creating an outlet for Mateer’s passion for social activism.

Seal the Seasons began with Mateer and longtime friend Daniel Woldorff, who together managed a community garden in Chapel Hill while in high school. It buys surplus produce from farmers, flash freezes it and sells it at grocery stores across the Southeast, including Matthews-based Harris Teeter Supermarkets Inc. and Winston-Salem-based Lowes Foods LLC. Its products include North Carolina blueberries, Florida strawberries and South Carolina peaches. It also sells broccoli, and Mateer is considering offering corn, squash, peppers and onions. “Our goal is to show people — and show the world — that locally produced food can be just as affordable and accessible as other foods, and people can have fresh food and know where it comes from.”

Seal the Seasons freezes produce soon after it leaves the farm and sells it at grocery stores across the Southeast.

“Funding is only one ingredient in Seal the Seasons. Mateer also is developing a supply chain. “We have a pretty thick farmer vendor packet, and the one thing we stress is quality. We want a quality product that meets the consumers’ needs. We prefer to work with smaller family farms with smaller acreage. And there are labor standards. You have to be treating your workers in an equitable way. From there, there are other factors such as food safety and [Good Agricultural Practices] certifications. We work with about 25 farmers.”

Seal the Seasons CEO

“Our goal is to show people — and show the world — that locally produced food can be just as affordable and accessible as other foods, and people can have fresh food and know where it comes from.”

Patrick Mateer

Seal the Seasons CEO
CEO Mateer isn’t doing it alone. “It’s extremely important to be aware of the money you’re spending and have people with the skills to complete the job.” The ones who work with him bring unique experiences to the table. Director of Marketing and Impact Woldorff spent a gap year working at a farm in Costa Rica before returning to Durham-based Duke University. Bryan Cohn, who managed the food and beverage portion of the revenue department at Columbus Zoo and Aquarium, which feeds about 2.5 million guests annually, is vice president of operations. Corporate Financial Officer Alex Piascki is in charge of strategic development and financial model development and has investment banking experience with Charlotte-based Bank of America N.A.’s Merrill Lynch. Chief Strategic Officer Jonathan Mills worked in the frozen foods industry and has experience in for-profit and non-profit businesses. Controller Dawn Paffenroth earned an accounting degree and worked for banks in Australia. Eric Goldbach, director of operations and logistics, has worked in management and logistics for 25 years. Claire McLendon is director of new farm development, and Larry Midgette is the company driver.

Seal the Seasons is helping Mateer meet his goal of helping others. “We want to be part of a community that tries to make business better for people and the planet,” he says. “It’s part of our culture and how we make decisions. The profit is still important, but it shouldn’t be your only consideration. But it should be an important one.”

Others share Mateer’s vision. The state-supported Healthy Corner Store Initiative helps convenience stores and corner markets sell food raised by local farmers and caught by fishermen. “We’re starting to launch a pilot program with that initiative right now. So we will be selling at drastically reduced prices in rural locations. Even if the weather’s bad, you still can buy from the local farmer. As long as we freeze it very quickly, we can do it, and it’s better for the consumer. We sell it when it’s still high quality and tasty and fresh and very nutritious. Providing food for people when I was in college was very impactful to me. Seeing people have access to good food is pretty incredible.”
Financing

What a lender looks for:

**CAPITAL**
How much of your own money do you have invested in the business?

**COLLATERAL**
What is the fair market value of the security that you are offering to guarantee repayment of the loan?

**CAPACITY TO REPAY**
Will your cash flow provide you with enough money to cover repayment of the loan?

**CONDITIONS**
What are the economic, demographic and regulatory trends that impact your business?

**CHARACTER**
What is your track record – personal and professional – in managing finances and paying credit obligations?

**5 Financial Management Strategies**

1. **Benchmark financial performance against similar companies.**
2. **Regularly review financial statements, focusing on key metrics.**
3. **Institute financial controls.**
4. **Set firm credit policies and monitor accounts receivable.**
5. **Review all costs for potential reductions.**

### Types of small business financing used:

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<th>Source: SBA-Employer Firms</th>
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<td>PERSONAL/FAMILY SAVINGS</td>
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**STARTUP**

**EXPANSION**

### Small Business Financial Challenges and Actions

**TYPES OF FINANCIAL CHALLENGES (% EMPLOYER FIRMS)**

- Credit availability or securing expansion funds: 44%
- Paying operating expenses: 36%
- Making payments on debt: 25%
- Purchasing inventory or supplies to fulfill contracts: 17%
- Experienced none of these challenges: 39%

**ACTIONS TAKEN IN RESPONSE TO FINANCIAL CHALLENGES**

- Used personal funds: 76%
- Took on additional debt: 44%
- Made a late payment: 44%
- Cut staff, hours and/or downsized operations: 43%
- Negotiated terms with lender: 21%
- Did not pay – debt went to collections: 8%

**SBA loan guarantees**

Except in rare circumstances (primarily disaster assistance), the U.S. Small Business Administration does not make loans directly to business owners but instead provides loan guarantees to commercial lenders and others who make and administer loans. The business applies to a lender, not the SBA, for financing. The SBA backs those loans with a guaranty that will eliminate some of the risk to the lending partners. Therefore, when a business applies for an SBA loan, it is actually applying for a commercial loan, structured according to SBA requirements, that receives an SBA guaranty. To find out more information about SBA guaranteed loans, go to sba.gov/financialassistance/.

**RESOURCE:**

**Capital opportunities for small business**

The SBTDC’s Capital Opportunities for Small Businesses guide is a great resource for businesses seeking start-up or expansion funding, and organizations that help small business obtain financing. Learn about bank financing, federal government loan guarantees, state government sources, angel and venture capital and not-for-profit programs. Available at sbtdc.org/publications/capital-opportunities/.
Practicon’s Sid Bradsher likes to have fun. The Greenville-based business’s director of people and culture uses games, skits and other activities to motivate employees.

Playing pays

Costumes, samples and games are all in a day’s work at Practicon, where company leaders see them as productivity boosters, not time wasters.
Sid Bradsher has plenty of tricks up his sleeve, and employees at Greenville-based Practicon Inc. never know which one he’ll pull out. He may imitate a pirate, dress in costume or use a power drill to eat corn from the cob at a staff meeting. These “essential non-essentials” are all in a day’s work for the dental-care device developer and supplier’s director of people and culture. “We make it an environment where, even if you’re in a cubical all day or in a warehouse packing, you can be engaged and informed,” he says. “We make it fun when we can, but we also keep our values and work really hard. We do have business as usual most of the time, but I’m proud that this is a place where we can have fun and still accomplish quite a bit.”

Bradsher’s lighthearted exploits blend with open communication and goal-setting to instill company values, motivate employees and reward successes. It’s a unique formula that has helped the 35-year-old company reach $20 million in annual revenue. “When they hired me, my goal was to invest in our people and make them feel good about our work and do better, because when we do better it ultimately benefits all of us. We’ve done some things to increase our communication, and we’ve redone our recognition plan and rewarded some folks for time working here, and we’ve redone our compensation plan to build our strategies for people in general.”

Ann Page Griffin founded Practicon in 1982. Now semi-retired, she was a dental-health educator at a Greenville practice before launching the business, which combines providing dental education for patients with marketing of products to dentist offices and consumers in the U.S. and Canada. It’s a family affair. Her son Scott Griffin is CEO and son Brad Griffin is vice president. They are joined by her daughter Page Curtis and son-in-law Cliff Curtis, Practicon’s corporate financial officer.

Greenville-based Small Business and Technology Development Center helped with Practicon’s launch and continues to help with securing government contract sales. Practicon directly sells to government customers through a Department of Defense electronic catalog and Veterans Affairs federal supply schedule. Those have increased its government sales by 40%.

Practicon’s extensive inventory covers dental-office equipment such as hygiene and optical technology instruments, home care and preventative items, lab supplies, and office management and décor items. Some combine practicality with playfulness. Bradsher’s favorite is the colorful Building Box Retainer Case, whose lid is covered with small nubs that accept LEGO-style building blocks. “One of the things that make us unique is that we’re innovative. A number of products we developed ourselves, such as the container that LEGOs stick to. Who’s going to lose their retainer when you can build LEGO castles on it?”

Employees benefit from stock items that land on their desks. It’s a way to keep them healthy and introduce them to products. “For instance, we recently had all this toothpaste to get rid of,” Bradsher says. “Everyone got toothpaste.”

Its 65 employees work in a 25,000-square-foot office and warehouse, where overhead televisions keep them current on co-worker news and company happenings. The company has been named one of Business North Carolina magazine’s Best Employers in North Carolina the last two years.

Practicon shares its three core values — do right, do better and do together — with employees on their first day. They know that those values enforce the human side of business. Company policy states, “We are honest in all we do and work for the success of all stakeholders, regardless of personal benefit. We strive for excellence by continuously improving our business, nurturing innovation, adapting to change and being accountable. We work as a team with a unity of purpose, understanding our individual responsibilities while encouraging and supporting the accomplishments of our associates.”

An employee handout — “Our core values and the behaviors that drive them” — expands on the values: always keep the customer’s best interest in mind, live with integrity, seek clarity in all things, be goal oriented, people matter, pursue ex-
“When they hired me, my goal was to invest in our people and make them feel good about our work and do better, because when we do better it ultimately benefits all of us.”

Sid Bradsher
Practicon Inc.’s director of people and culture

Lighting the path to success for businesses in North Carolina.

“cellence, and celebrate each other and enjoy life. Bradsher says all the communication unites employees and breeds success. “It’s the biggest thing. It makes people feel a part of things. Practicon was doing a lot of this stuff before I got here. I’ve just taken their ideas and emphasized them.”

Bradsher, formerly the Pitt County director of Colorado Springs, Colo.-based Christian ministry Young Life, has devised several interesting ways to enhance the workday in his two-and-a-half years at Practicon. Each quarter of the year has a theme. Those have included sales, service, shaping up and savings. Each is accompanied by a costumed character. Savings, for example, is represented by a pink piggy bank, complete with dollar sign on its chest, which wanders the office. “Shaping up was the first-quarter, and we had an intern here from East Carolina University, and he did yoga classes in the warehouse and some healthy-eating classes. Once, we did an Indiana Jones spoof and our CEO dressed up and a rock fell on his head. Sometimes we’ll play a game at the end of a staff meeting, and we recently had a cookout and invited people to bring their kids.” The current office theme features a treasure hunt and in-house pirate.

The employee-engagement successes that Bradsher is most proud of occur outside the office. Practicon provides dental supplies to Pitt County Council on Aging and other groups, and a portion of sales from its SmileGoods toothbrushes is donated to Causelife. An initiative of Forest, Va.-based humanitarian aid provider World Help, it provides clean-water wells in places such as Guatemala, where Practicon employees have visited. “We’ve made a significant contribution to this organization. Scott [Griffin] is on their board. We do a lot locally, but this is international.”
Studies show that only about one-third of employees are actively “engaged” in their jobs. Business owners need employees who are enthusiastic about their work and willing to go above and beyond to help the company succeed. To that end, leaders should strive to:

- Communicate a clear vision and cultivate shared purpose
- Set high expectations and provide ongoing feedback
- Maintain credibility and high ethical standards
- Involve employees in goal-setting and decision-making
- Recognize excellent work
- Share information to keep staff “in the loop”
- Pay attention to employees’ needs and help make their lives easier
- Invest in employees and provide opportunities to try new things
- Provide challenging and meaningful work
- Encourage collaboration and build strong teams
- Provide challenging and meaningful work
- Provide challenging and meaningful work
- Provide challenging and meaningful work
- Provide challenging and meaningful work
- Provide challenging and meaningful work

Small business health insurance options

Businesses with 50 or more full-time employees are required to offer health insurance or pay a penalty under the Affordable Care Act.

SMALL BUSINESSES WITH 1-49 EMPLOYEES HAVE SEVERAL OPTIONS:

- Small employer market – Buy health insurance directly from an insurance company, agent or broker
- Association health plans – Buy health insurance through an industry association
- Don’t buy a health plan – Elect to not buy group health insurance and let employees buy their own individual health plans

Benefits of offering health insurance to employees

- Help attract and keep good workers who might otherwise go to a competitor who offers health insurance
- Keep employees healthier and more productive
- The amount employers contribute to workers’ health insurance is not included in their taxable income

BUSINESSES WITH FEWER THAN 25 FT EMPLOYEES WHO ELECT TO PROVIDE HEALTH INSURANCE MAY BE ELIGIBLE FOR A TAX CREDIT.

The Small Business Health Care Tax Credit can be worth up to 50% of premium contributions (up to 35% for tax-exempt employers). To qualify for the tax credit, a business must:

- Have fewer than 25 full-time equivalent employees
- Have an average employee salary of $50,000 per year or less
- Contribute at least 50% of your employees’ premium costs
- Have employees enrolled in coverage through the Small Business Health Options Program Marketplace

The Small Business Health Care Tax Credit Estimator at healthcare.gov/shop-calculators-taxcredit can help determine if a small business qualifies for the tax credit and how much it could be worth.
N.C. Small Business
and Technology
development Center

Regional Service Centers:

1. SBTDC at Appalachian State University
   828-262-2492 (Boone) • 828-345-1110 (Hickory)
   Serving counties: Alleghany, Alexander, Ashe, Avery, Burke, Caldwell, Catawba, Cleveland, Gaston, Lincoln, Mitchell, Watauga, Wilkes and Yancey

2. SBTDC at Western Carolina University
   828-227-3504 (Cullowhee) • 828-251-6025 (Asheville)
   Serving counties: Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Polk, Rutherford, Swain and Transylvania

3. SBTDC at UNC Charlotte
   704-687-0440 (Charlotte)
   Serving counties: Anson, Cabarrus, Southern Iredell, Mecklenburg, Montgomery, Rowan, Stanly and Union

4. SBTDC at Winston-Salem State University, N.C. A&T State University
   336-750-2030 (Winston-Salem) • 336-256-9300 (Greensboro)
   Serving counties: Caswell, Davidson, Davie, Forsyth, Guilford, Northern Iredell, Randolph, Rockingham, Stokes, Surry and Yadkin

5. SBTDC at UNC Chapel Hill, N.C. Central University
   919-962-0389 (Chapel Hill) • 919-530-7386 (Durham)
   Serving counties: Alamance, Chatham, Durham, Lee, Orange and Person

6. SBTDC at N.C. State University
   919-513-1500 (Raleigh)
   Serving counties: Franklin, Granville, Halifax, Johnston, Nash, Northampton, Vance, Wake and Warren

7. SBTDC at Fayetteville State University, UNC Pembroke
   910-672-1727 (Fayetteville) • 910-775-4000 (Pembroke)
   Serving counties: Bladen, Cumberland, Harnett, Hoke, Moore, Richmond, Robeson, Sampson and Scotland

8. SBTDC at UNC Wilmington
   910-962-3744 (Wilmington)
   Serving counties: Brunswick, Columbus, Duplin, New Hanover, Onslow and Pender

9. SBTDC at East Carolina University
   252-737-1385 (Greenville)
   Serving counties: Beaufort, Carteret, Craven, Edgecombe, Greene, Jones, Lenoir, Martin, Pamlico, Pitt, Wayne and Wilson

10. SBTDC at Elizabeth City State University
    252-335-3247 (Elizabeth City) • 252-335-3334 (Nags Head)
    Serving counties: Bertie, Camden, Chowan, Currituck, Dare, Gates, Hertford, Hyde, Pasquotank, Perquimans, Tyrrell and Washington

The Small Business and Technology Development Center is a statewide business advisory service of the University of North Carolina system, operated in partnership with the U.S. Small Business Administration. Since 1984, the SBTDC’s experienced counselors have helped more than 135,000 small and mid-sized business owners make better decisions, become more competitive and improve the economy of North Carolina. National studies show that SBTDC client companies increase revenue and create jobs at significantly greater rates than the average North Carolina business.

800-258-0862  sbtdc.org
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The N.C. Small Business Center Network, operated through the N.C. Community College System, is the largest state-supported small business assistance program, serving more than 70,000 North Carolinians each year. The 61 centers located at community colleges throughout the state are aligned with the state’s eight Prosperity Zones. Potential or current business owners can take advantage of high-quality, readily accessible assistance that includes resource and referral information for a variety of business needs; free confidential one-on-one business counseling services; and high-impact seminars and classes available free of charge or for a minimal registration fee. ncsbc.net

State Director: Anne Shaw, SBCN state director, N.C. Community Colleges, office: 910-538-6319, cell: 910-545-3679, shawa@nccommunitycolleges.edu.

**Northwest Region**
Jeff Neville, regional director
Catawba Valley Community College
2664 Highway 70 SE Hickory, NC 28692
828-327-7000, x 4102
jneville@cvcc.edu

**North Central Region**
LaShon Harley, regional director
Durham Technical Community College
400 W. Main St, Ste 300, Durham, NC 27701
919-536-7241, x 4501
harleyl@durhamtech.edu

**Western Region**
Jill Sparks, regional director
Aikenville-Buncombe Technical Community College
1485 Sand Hill Rd, Ste 1000, Candler, NC 28715
828-386-7949 • jllsparker@abtech.edu

**Sandhills Region**
Todd Lyden, regional director
Bladen Community College
PO Box 266, Dublin, NC 28332
910-879-5572
thyden@bladencc.edu

**Piedmont/Triad Region**
Mark Hagenbuch, regional director
Guilford Technical Community College
Nussbaum Center for Entrepreneurship
1451 S Elm Eugenia St, Greensboro, NC 27406
336-334-4820, x 26003 • mhagenbuch@gtcc.edu

**Southeast Region**
Lee Woodard, regional director
James Sprunt Community College
PO Box 398, Kenansville, NC 28349
910-296-2431

**Northeastern Region**
Ginger O’Neal, regional director
College of the Albemarle
PO Box 2327, Elizabeth City, NC 27906
252-335-0821 x 2370
Ginger_oneal@albemarle.edu

**Southeast Region**
Todd Lyden, regional director
Bladen Community College
PO Box 266, Dublin, NC 28332
910-879-5572
thyden@bladencc.edu

**North Central Region**
LaShon Harley, regional director
Durham Technical Community College
400 W. Main St, Ste 300, Durham, NC 27701
919-536-7241, x 4501
harleyl@durhamtech.edu

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Small Business Centers are ready to help no matter the situation

Max and Martha Mahlke opened their Jimmy John’s sandwich shop franchise in Lumberton last year. Four days later, Hurricane Matthew arrived in early October. Widespread flooding and power outages left the Robeson County community devastated. The Mahlkes, like many small business owners in the region, suffered economic losses strong enough to shutter any business. They had invested personal resources and loans into the business. They needed a life line.

While power was restored within days, the Mahlkes needed to survive for months, waiting for normal activity to resume at their business, which hadn’t had the chance to establish its reputation among local diners. They found help at their local Small Business Center, which connected them with funding and marketing help. Each of N.C. Community College System’s 58 campuses has an SBC. They assist new and existing businesses with training, counseling and other resources. Their services helped many businesses after Hurricane Matthew.

Robeson Community College SBC Director Bob Moore helped the Mahlkes apply for a $120,000 loan from the U.S. Small Business Administration. It would cover lost business income and pay for more marketing. But it would be several weeks before they would have that money in hand, so Moore recommended they apply for a no interest six month bridge loan from The N.C. Rural Center, a public-private nonprofit organization that helps people and businesses in the state’s 80 rural counties. It would cover immediate business expenses. Moore closed that loan 10 days after the application was made and delivered $15,000.

Financial isn’t the only kind of help that Moore offered the Mahlkes. They put his recommendations for marketing their business into action. Their operating partner, Autumn Pecora, helped them keep their business going while meeting the franchise’s high standards. “It was a pleasure to be able to work with them, assist with the loan process, get the money in their hands and go to work on creating marketing strategies that could quickly get them solid market exposure and get the cash register ringing,” Moore says.

As a result of the SBC help they received, the Mahlkes kept their business open and their 23 workers employed. “We had a shiny, new business ready to serve fresh food freaky fast, but without the assistance of the Small Business Center and the help of the bridge loan from The Rural Center, we did not know if we could make it happen,” Max says. “We’re so grateful we could rely on this free, local assistance. And, we know that this resource will continue to be there for us as we grow.”
State agencies

N.C. Department of Commerce
919-814-2600 • nccommerce.com

The N.C. Department of Commerce is the state’s lead agency for economic, community, and workforce development. NCDOC works with local, regional, national and international organizations to fulfill its mission to improve the economic well-being and quality of life for all North Carolinians. The department provides local communities with grants and planning services to spur infrastructure development and economic growth and administers the state’s economic incentive programs. NCDOC is also responsible for recruiting companies to the state, helping existing North Carolina companies expand, encouraging business startups, enabling companies to export and market North Carolina as a business and visitor destination. The department also publishes data, statistics, information and reports for citizens and policymakers interested in the state’s economy.

N.C. State University’s Industry Expansion Solutions
800-227-0264 • ies.ncsu.edu

Industry Expansion Solutions, an outreach and extension organization affiliated with the N.C. State College of Engineering, was established in 1955 to help North Carolina industries grow and prosper. IES’ tailored solutions, university and community connections, and engineering know-how can help companies stay abreast of the latest technologies and best practices in engineering and business management. Its mission is to help business owners increase productivity, efficiency, safety and quality, with expertise in lean enterprise and quality initiatives such as ISO management systems and Six Sigma, environmental and energy concerns, and safety and health management.

N.C. Division of Employment Security
919-707-1150 • desncc.com

The N.C. Division of Employment Security oversees state and federal unemployment tax collections and payment of unemployment insurance benefits. Business owners can use the Employment Security website to file their Quarterly Tax and Wage Reports, apply for an unemployment insurance tax account number and make tax payments.

N.C. Secretary of State’s Office – Corporations Division
919-807-2225 • sosnc.gov/corporations

The Corporations Division is responsible for the examination, custody and maintenance of the legal documents filed by more than 400,000 corporations, limited partnerships and limited liability companies. The office ensures uniform compliance with the statutes governing the creation of business entities, records the information required to be kept as a public record, and provides that information to the public.

N.C. Department of Labor
800-625-2267 • nclabor.com

The N.C. Department of Labor is charged with promoting the “health, safety and general well-being” of more than 4 million workers in the state. The department administers the state’s workplace safety program and enforces employment discrimination and wage legislation. Employers can request training and technical assistance through the Education, Training and Technical Assistance Bureau. The services of the bureau, including on-site visits and telephone assistance, are free.

N.C. Department of Agriculture & Consumer Services
919-707-3000 • ncagr.gov

The N.C. Department of Agriculture & Consumer Services can assist business owners in planning, expanding or financing new or existing agribusiness-related industries. The Marketing Division leads the “Got To Be NC” campaign, which promotes North Carolina-made products across the state. The department also oversees the issuance and regulation of licenses and permits for a wide variety of industries.

NCWorks Online
ncworks.gov

NCWorks Online is a powerful online job seeker/workforce services system, designed specifically for job seekers, students, employers and job trainers. The system provides fast access to a complete set of employment tools in one website. Business owners can use the site to post jobs, recruit employees, research salaries and labor market information, and communicate with job trainers.

N.C. Department of Administration — Office for Historically Underutilized Businesses
919-807-2330 • ncadmin.nc.gov/businesses/hub

The HUB Office was established to promote economic opportunities and eliminate barriers for historically underutilized businesses in state government contracting and procurement. HUB’s primary mission is to educate HUB firms and certify them to “do business” with the State of North Carolina. In addition, it encourages purchasing officers and capital project coordinators within the state agencies, departments, universities and community colleges to identify and utilize HUB vendors, contractors and service providers.

N.C. Department of Revenue
877-252-3052 • dornc.com/business/index.html

The Department of Revenue oversees collection of state business taxes and provides information on changes to tax laws that concern business owners. DOR offers online filing and payment services, as well as an online business registration, which allows business owners to electronically register for an account ID number for income tax withholding, sales and use tax, and machinery and equipment tax.
Women’s Business Center — North Carolina
sba.gov/offices/district/nc/charlotte/resources/resources-women-business-owners

The U.S. Small Business Administration provides funding for four WBC in North Carolina in conjunction with local partners including NCIomed. The Support Center and the N.C. Center for Economic Empowerment and Development. WBCs seek to “level the playing field” for women entrepreneurs, who still face unique obstacles in the business world. They provide entrepreneurs (especially women who are economically or socially disadvantaged) comprehensive training and counseling on a variety of topics.

North Carolina Military Business Center
877-245-5520 • ncmdc.us

NCMDB was was created to leverage military and other federal business opportunities to expand the economy, grow jobs and improve quality of life in North Carolina. NCMBC’s Business Development Team includes 12 experienced business development and procurement specialists operating from 10 community colleges across the state to identify lucrative federal contract opportunities, notify firms of specific opportunities and help businesses prepare winning proposals. NCMBC also administers the state’s official web portal for federal contracting – www.MatchForce.org.

North Carolina Lawyers for Entrepreneurs Assistance Program
800-662-7407 • ncleap.ncbar.gov

NC LEAP provides pro bono legal services to low-wealth entrepreneurs who are starting or expanding their businesses in North Carolina. Through one-on-one representation, community education and self-help materials, NC LEAP empowers low-wealth business owners to build businesses in North Carolina that create jobs, improve communities and boost participants out of the poverty cycle. Services range from basic transactional legal needs as small struggling entrepreneurs strive to establish their businesses and create jobs, to potential long-term client-counselor relations as their businesses grow.

Economic Development Partnership of North Carolina
919-447-7777 • edpnc.com

In October 2014, the N.C. Department of Commerce entered a contract with a new public-private organization, EDPC, to take the lead in recruiting and marketing functions. EDPC oversees the state’s efforts in business and job recruitment and retention, international trade, and tourism, film and sports development. The partnership fosters collaborations between business and government, and provides a robust analysis of facilities and sites available for relocation.

Business Link North Carolina
800-228-8443 • edpnc.com/start-or-grow-a-business

BLNC is a division of the Economic Development Partnership of North Carolina and offers a central source for consultations, information and referrals. BLNC counselors provide customized license information, employer and business structure forms, referrals to state agencies and state occupational licensing boards, local governments and federal agencies, and contacts for local, state and federal business programs and resources. BLNC business counselors are available to answer questions during regular business hours.
The Small Business Energy Saver Program can help you reduce your energy bill by 20 percent, and we’ll give you money upfront to make energy efficiency upgrades. We’ll pay up to 80 percent of the costs to upgrade your lighting, refrigeration and HVAC system. Some things are really as good as they seem.

Why wait? Schedule your free assessment today.
Visit duke-energy.com/whywait.