

# SouthEastern Montana Development Corporation

"GROWING MONTANA ~ ONE JOB AT A TIME"

Spring 2004

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## Economic Development Update

### SBA HONORS LOCAL BUSINESS WOMEN WITH 2004 AWARD



#### MEMBERS

ROSEBUD COUNTY

POWDER RIVER  
COUNTY

TREASURE COUNTY

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CITY OF FORSYTH

TOWN OF HYSHAM

TOWN OF BROADUS

CITY OF COLSTRIP

HELENA, MT - SBA Montana District Director Michelle Johnston announced today that **Innovative Marketing Solutions, LLC** of Hathaway, MT has been named SBA's 2004 Montana "Main Street Business" of the year. **IMS** will be honored along with an outstanding cast of entrepreneurs and advocates at SBA's Annual Small Business Week Awards Luncheon at Missoula's Doubletree Inn on May 7th.

**Innovative Marketing Solutions, LLC (IMS)** is the brainchild of Mandi Luce-Heinle of Hathaway, MT. Heinle is the President of the Distribution Division of **IMS** and is a graduate of Montana State University Northern in Havre. Heinle became interested in selling Montana food products when her family ranch became part owners in a boxed beef company, Big Sky Beef. She was the wholesale manager for Big Sky Beef and during that time she developed a strong network of grocery and restaurant contacts throughout Montana who were interested in carrying products manufactured in the state. So, it was only natural that when Heinle was bought out by Big Sky Beef, she would launch a business to assist Montana companies with developing marketing plans restaurant industries. Shortly for a small distribution company sure consistent service of years with **IMS**, Heinle food manufacturers across the



Mandi Luce Heinle & Sarah Hamlen

and making contacts within the grocery and after forming **IMS**, Heinle recognized a demand that would work with Montana companies to grocery locations. Throughout her first three developed strong relationships with stores and state, and as a result, sales more than tripled.

In April 2003, Heinle recognized that future growth and development of **IMS** could not be constrained by her own personal time and management resources. Therefore, she identified the need to add additional management to the company and offered a partnership in **IMS** to Sarah Hamlen. Montana native Sarah Hamlen is President of the **IMS** Sales Management Division. She graduated from the College of St. Catherine in St. Paul, MN with a degree in Business Marketing and Management. She kicked off her career with Cargill, Inc. and returned to Montana in 2000, as the Senior Marketing Officer for the Montana Department of Agriculture. In this position she became known to many Montana food processing companies, which is how she met Heinle. She later worked for Ripple Marketing in Bozeman, specializing in business planning and feasibility studies for small businesses. Her experience has helped her to assist Montana food manufacturers in identifying their promotions, budgets and scheduling appropriate promotions with grocery stores. Her past experience with Ripple Marketing helped Heinle to manage the growth and expansion of **IMS**.

**IMS** currently distributes products for 39 value-added food manufactures in more than 100 grocery, convenience and super stores in the state. In addition to expanding distribution services, **IMS** has taken on the addition of a Wheat Montana bread distribution route in Flathead and Helena, expansion of the sales management division and is actively developing and marketing the Company website, BuyMT.com.

David Anderson of the Colstrip Small Business Development Center nominated **Innovative Marketing Solutions**. **IMS** can be reached at 866-683-6637.

## PROTECTING YOUR ASSETS

### David Anderson, SBDC Director

Starting a new business is almost always a risky proposition, and you should not overlook the fact that, if the business fails, you may be forced into bankruptcy and could lose everything except what the bankruptcy laws allow you to keep. This is one reason why many small businesses incorporate at the outset, since a corporation will generally limit your liability to business creditors to the amount you invest in the corporation, plus any loans to the corporation you guarantee.

Accordingly, if you incorporate you should be cautious about unnecessarily committing too much of your personal assets to the business. For example, instead of putting a building or piece of land you own into the corporation, it may be better (and may save income and property taxes) for you to keep the property and lease it to the corporation.

Even if you incorporate, the leases or bank loans you find it necessary to guarantee on behalf of the corporation could still wipe out your personal assets if the business folds. Thus, it often makes sense to have your corporation set up a tax-qualified pension or profit sharing plan and to have it contribute as much as possible to the plan on your behalf. Not only does this provide substantial tax savings and deferral, but also the law in most states will in many cases protect your account under such a plan from your creditors or the corporation's creditors. Thus, if over a period of years, you build up a significant retirement fund in your corporation's pension plan, you have at least some degree of assurance that the failure of the business or a disastrous lawsuit will not touch that nest egg (but in a divorce your spouse may be able to claim his or her share of the pension plan account).

If you think you may need assistance in choosing the proper legal structure for your business, contact the Montana Small Business Development Center (SBDC) for additional information. The Montana SBDC works to increase profits for small Montana firms and to create jobs for the state's workers. The SBDC accomplishes this goal by offering free confidential counseling, business training, and information to small business owners statewide. Please contact the Colstrip SBDC Sub-center at (406) 748-2990 for details and/or to schedule an appointment.

*The Small Business Development Center (SBDC) is a funded program of the U.S. Small Business Administration (SBA). SBA's funding is not an endorsement of any products, opinion, or services. All SBA funded programs are extended to the public on a non-discriminatory basis.*

## **SBDC UPDATE**

### **Scoreboard**

Updated March, 2004

|                   | <b><u>Since 1997</u></b> | <b><u>Last 12 Months</u></b> |
|-------------------|--------------------------|------------------------------|
| Jobs Created      | 120                      | 30                           |
| Jobs Retained     | 283                      | 45                           |
| <b>Total Jobs</b> | <b>403</b>               | <b>75</b>                    |
| Loans Received    | \$7,507,276              | \$1,800,860                  |
| Total Funding     | \$9,038,356              | \$2,193,170                  |

SCORE BOARD DATA is only recorded when a SBDC client is able to receive small business funding after two or more one-on-one counseling sessions have been completed.

SMALL BUSINESS  
DEVELOPMENT CENTER  
SATELLITE OFFICES

**Call for appointment**

**406-748-2990**

**BAKER – EKALAKA**

**BROADUS - ASHLAND  
LAME DEER**

**FORSYTH – HYSHAM**

**GLENDIVE - WIBAUX  
TERRY**

**MILES CITY**

**COLSTRIP**

please check our website for  
schedule

[www.semdc.org](http://www.semdc.org)



# PPL MONTANA DONATES \$6,000 TO "Got Socks"

Pete Simonich, PPL MT presents a donation check to Rick Harbin of "Got Socks"  
(Pippin Photography Photo)

Spurred by a mall tour that attracted nearly 500 people and gathered \$14,200 in stock sales, Colstrip community store stockholders Monday voted overwhelming to continue the project, even if it means borrowing money. The "Hard Hat Mall Tour" brought hundreds of people to the Cherry Street Mall. Some came for the free burgers and hot dogs. Others were curious to see the condition of the mall, which has been closed for more than five years. Many of them came checkbooks in hand, ready to invest in the project known as "Got Socks". Organizers estimate that a community clothing store will cost \$250,000.00 to be fully capitalized - that is, debt-free on opening. At present, the "Got Socks" group has raised more than \$86,000.00. But buoyed by the success of the open house, and reassured by cost estimates provided by South-eastern Montana Development Corporation David Anderson, the shareholders voted 52-2 in favor of continuing with the project. The group plans to open the "Got Socks" store as an anchor business in the Cherry Street Mall. The mall, which is owned by the city of Colstrip, needs renovations on the roof, heating and air conditioning system and other maintenance items before it can be open for business. Colstrip City council members met Tuesday afternoon to talk to Billings architect Mike Stevenson about the project. The price tag for renovating the mall is steep — more than \$1 million, according to figures provided by Colstrip Mayor John Williams. Stevenson suggested delaying requests for proposals to refurbish the mall until fall, when bids are much more likely to come in lower, Williams said. Because the investment is significant, Williams said, council members talked about placing the issue of reopening the mall on the May ballot for an advisory vote. - - -Kate Bertin, Independent Press March 18, 2004

*"It's hard to fail, but it is worse never  
to have tried to succeed."*

*Theodore Roosevelt -----*

## SEMDC Board of Directors

*Joan Stahl - President  
Forsyth*

*Sally VanHemelryck  
Vice President  
Hysham*

*John Marks-Sec/Treas  
Miles City*

*John Williams  
Colstrip*

*Tom McKerlick  
Miles City*

*Dennis Kopitzke  
Forsyth*

*Larry Fink  
Hysham*

*Betty Aye  
Broadus*

*Lyman Amsden  
Broadus*

*Susan Moos  
Ashland*

*Joe Fox Jr.  
Ashland*

*Mack Cole  
Hysham*

*Rae Peppers  
Lame Deer*

*Less Mahon  
Colstrip*

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*Coal accounts for  
about 95% of  
America's fossil  
energy reserves and  
its larger than either world  
petroleum or natural gas  
reserves, when measured  
in terms of oil  
equivalency.  
-- \_ Montana Coal  
Council*



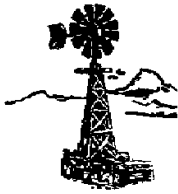
## MONTANA STATS FEBRUARY 2004

**UNEMPLOYMENT:** Montana's seasonally adjusted unemployment rate continues to be lower than U.S. rate. The state's February unemployment of 4.0 percent was 1.6 percentage points lower than the nation's.

**EARNINGS:** Average weekly earnings for Montana's private sector production workers were up 3.2 percent over the year for February, outpacing the 1.7 percent over-the-year increase in U.S. inflation.

**SECTOR EMPLOYMENT:** Montana's seasonally-adjusted, nonagricultural payroll employment was up about 3,100 jobs (0.8 percent) over the year for February. The largest over-the-year gains were in natural resources & mining; trade, transportation and utilities; professional & business services; and government.

**Source:** RESEARCH & ANALYSIS BUREAU—MT DEPT OF LABOR/INDUSTRY  
[www.rad.dli.state.mt.us](http://www.rad.dli.state.mt.us)



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"Growing Montana -One Job at a Time"

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Springtime

E-mail: [semdc@mcn.net](mailto:semdc@mcn.net)  
Website: [www.semdc.org](http://www.semdc.org)

## Coming Soon

### UP-COMING EVENTS

- April 19 - "Got Socks" Shareholders Meeting-Colstrip
- April 21 - Eastern Plains RC&D Meeting - Miles City
- April 21 - Eastern MT E.D. Collation Meeting - Miles City
- April 29/30 - MEDA Spring Conference - Butte
- May 7- SBA Awards Luncheon - Missoula
- May 13/14 - SBDC Quarterly Meetings - Butte
- June 9/10 - MT Legislative Energy Committee Meeting - Colstrip
- June 23 - SEMDC "Energy Open" - Colstrip
- June 24/25 - MT Coal Board Grants Meeting - Colstrip/Billings

### **SEMDC and SBDC STAFF**

Jim Atchison.....	Executive Director
David Anderson.....	SBDC Director
Caprice Gregory/Pam Hill.....	Administrative Assistants