

New England Advocates

SBANE takes unique approach to helping small businesses

By Rob Yunich

Director of Communications

The Smaller Business Association of New England (SBANE), an affiliate of NSBA, takes a proactive approach to making a difference. The organization, based in Waltham, Mass., is the only trade association that receives direct funding from the Massachusetts State Legislature to administer an economic development consulting program for statewide manufacturers and high tech companies. The Lay Off Aversion Through Management Assistance program subsidizes high-powered consulting assistance to companies that are either in transition or face barriers to growth.

In 2004, SBANE received \$250,000 (as part of an economic stimulus package) to provide consulting assistance to 30 companies that employ 1,300 people. The statute requires that private sector recipients match the state money on a dollar-for-dollar basis.

Recently, Massachusetts Gov. Mitt Romney enacted a second economic stimulus package into law that awarded SBANE another \$250,000 for the program.

"We have a pent-up prolific demand for this program and will be holding an informational meeting to solicit new proposals," SBANE President Bob Baker said. "We expect to obligate the funds in the first 60-90 days due to the program's appeal and need. In the last round of assistance, we put a cap of \$10,000 per company. Currently, 29 out of these initial 30 company candidates are still in business."

SBANE also boasts a unique partnership with Raytheon's Integrated Defense Systems (IDS), a \$4 billion subsidiary of Raytheon, Inc. that employs 12,000 people in Massachusetts and Rhode Island. In May 2005, SBANE helped Raytheon



PHOTO BY ROB YUNICH

Four SBANE members serve on NSBA's board: (l-r) Larry Nannis, Phil Papoojian, NSBA First Vice Chair Grafton "Cap" Willey and Mark Deion.

assemble 100 potential new suppliers at a symposium held at Missile Defense in Andover, Mass.

"The objective of the program was to match Raytheon's expanding technology, services and supplier needs with the capabilities of small businesses who met these initial qualifications to warrant an invitation," Baker said.

The initiative led to several SBANE members being partnered with Raytheon to compete on several competitive contracts from the Army or Navy.

"From a credibility perspective, SBANE is able to refer our member high-technology companies to Raytheon IDS' supply-chain personnel on an ad-hoc basis to review a company's capability and technology to ascertain whether there is a fit," Baker added. "Raytheon IDS is an SBANE member, investor in our programs (such as the Evening of Innovation Awards) and embedded in our culture as a committee participant. We think this relationship is a distinctive driver in what separates SBANE from [other] local advocacy organizations."

HUMBLE ROOTS

SBANE was founded in 1938 by a group of individuals who believed the government was not focusing enough of their economic development attention to U.S. businesses that were smaller than General Motors.

Nearly 70 years later, the focus of SBANE has evolved, but has not ventured far from its original mantra. Under the guidance of Lew Shattuck, SBANE became one of the premier grass roots organizations in New England—sticking to the mission of educating the federal government on the needs of regional businesses.

"It was during Shattuck's tenure as president that a group of similarly-minded regional organizations thought that a presence in Washington, D.C., made a lot of sense," SBANE and NSBA board member Larry Nannis said. "SBANE and those organizations became one of the member groups of NSBA. SBANE is proud to have been an integral part in creating NSBA."

Baker, along with current SBANE chair Ed Ostrowski, has helped expand the ways the organization helps small businesses grow.

SBANE has adopted a mission of “helping businesses through profitable connections” for its members.

“This has put our members in front of businesses who can either provide the financial tools necessary for their growth or the information that those businesses can use,” Nannis said. “Our education programs are designed to provide our members with networking opportunities and the information they need.”

This has helped SBANE host a landmark Health Care Symposium (sponsored by the major New England Health Maintenance Organizations) about the impact of spiraling health insurance and health care costs on small-business owners; held a program introducing SBANE members to Small Business

Innovation Research program managers and successful awardees of these contracts and grants; shared exporting war stories with SBANE members from both the applicable agencies and the companies that have dealt with both them and foreign partners; and provided a forum for experts in financing of non-technology companies with more than 125 interested members.

“It is not unusual for Bob to travel to our members to discuss their financing needs and then make the appropriate phone calls to bring those groups together,” said Nannis, principal of the certified public accountant firm of Levine, Katz, Nannis and Solomon. “Personally, he has done that for a number of my clients and as a result, they are growing and thriving in New England. It is the result of these efforts that more ‘product’ companies have joined SBANE over the last three years than ever. This growth in ‘product’ company members has made our networking and education events more successful.”

Additionally, SBANE is in its 20th year of presenting the Evening of Innovation Awards, which honors New England’s innovative companies. This year, 40 judges decided the



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SBANE Chair Ed Ostroski (left) and SBANE President Bob Baker have given the advocacy organization a unique niche in New England.

winner from more than 170 nominated companies. Fifteen finalists and six winners were honored during a dinner in May.

The keynote speaker for that event was Jonathan Kraft—president and chief operating officer of the Kraft Group, vice chairman and president of the New England Patriots, and co-owner/investor of the New England Revolution.

Additionally, much of the advice that SBANE members receive comes from their involvement in the organization’s Chief Executive Officer (CEO) Dialog program.

“This has been one of our long-standing programs that provide groups of 10-12 non-competing CEOs to meet at a member’s location to discuss business issues that are hampering their growth,” said Ostroski, principal of Goldstar Advisory Service, Inc. “Although these sessions originally are designed to last only a year, many of these groups have stayed together for multiple years.”

ADVOCACY EFFORTS

SBANE recognizes that the best way to educate local public officials on the issues is through advocacy. The organization has three very active government affairs committees—in

Rhode Island, New Hampshire and Massachusetts—as well as a federal government affairs committee, which continues to seek ways to integrate the resources of NSBA into SBANE’s regular programs.

SBANE Vice Chair Phil Papoojian provides the overall guidance for these committees. Papoojian, who also chairs the Rhode Island Government Affairs Committee, is owner of Metachem Resins Corporation (Mereco) in West Warwick, R.I. Nannis and Papoojian are two of four SBANE members of the NSBA board.

Grafton “Cap” Willey, shareholder of Tofias PC in Providence, currently serves as NSBA’s first vice and previously served as its treasurer. Mark Deion, owner of Deion Associates and Strategies, Inc. in Warwick, R.I., currently serves as the chair of NSBA’s economic development committee and chaired the 2004 and 2005 Washington Presentation. Willey and Deion remain active in SBANE, although they currently are not on its board.

For more information, call 781-890-9070, e-mail info@sbane.org, or visit sbane.org.

Bob Baker and Larry Nannis contributed to this story. ★