

Alaska Small Business Development Center

430 W. 7th Avenue, Suite 110
Anchorage, AK 99501-3550
(907) 274-7232
FAX (907) 274-9524
www.aksbdc.org

CENTERS

Anchorage
Fairbanks
Juneau
Kenai Peninsula
Matanuska-Susitna
Rural Outreach

PROGRAMS



A partnership program
of the University of
Alaska Anchorage and
the US Small Business
Administration

June 3, 2004

To the Honorable Borough Mayor Dale Bagley and Kenai Peninsula Borough
Assembly Members:

Government leaders statewide this year are being asked to make difficult decisions on how to spend declining revenues. We recognize and appreciate the challenges this presents to you in the final weeks of your budget decisions.

We have appreciated the support that each of you has given to small business, and we are especially pleased to be able to report to you a *very significant return on your investment* in the Kenai Peninsula Small Business Development Center!

As you are aware, the Kenai Peninsula Small Business Development Center has been funded in part by the Kenai Peninsula Borough for our fiscal years FY01 through FY04.

We are proud to report to you that the Borough's investment for those 3.5 years ending March 31, 2004, has returned \$38.44 per \$1 of Borough investment, based on a total of \$6.7 million dollars in capital received by clients! This return does not even include the additional tax revenues that those client investment dollars returned to the Borough. The number can also be described in terms of hours counseled; as such, it represents \$3100 in client capital reported per hour of counseling received.

This impressive return on investment is just the start of a much larger Peninsula-wide economic benefit which includes 189 new jobs created, 38 jobs retained, 66 new businesses started and again, an uncalculated growth in tax revenue.

This year, we're asking your support to expand these impressive results by increasing our coverage on the Peninsula which in turn will increase our effectiveness in serving the other Peninsula communities.

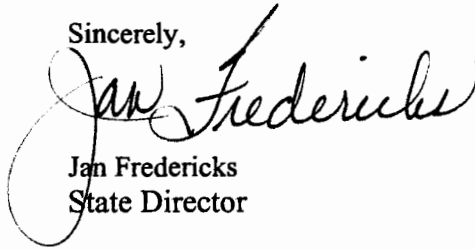
With the proposed expansion of services to include a permanent part-time business counselor housed at the Homer Chamber of Commerce, we can anticipate growth of similar proportions. We forecast that an additional 195 hours of client counseling, 12 training events and 170 hours of small business economic activities and advocacy will occur the first year for the southern Peninsula while continuing a full counseling load and achievement by the Soldotna-based center. It's conceivable we could see about \$604,000 in additional capital reported annually by clients based on our historical performance.

Service and results to date are outlined in more detail in the enclosed center accomplishment report and map.

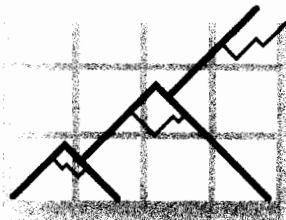
When there is more to be done with fewer resources, we know how important it is to invest available resources wisely. I am confident you will find this year's request from the KPB's Economic Development Department for the Kenai Peninsula Borough Small Business Development Center to be a wise investment of your resources.

We look forward to your continued commitment to the economic vitality of the Kenai Peninsula Borough!

Sincerely,

A handwritten signature in cursive script that reads "Jan Fredericks". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Jan Fredericks
State Director



Alaska Small Business Development Center

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Anchorage, AK 99501-3550
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KENAI PENINSULA SMALL BUSINESS DEVELOPMENT CENTER

Center Accomplishments FY01 through FY04 (*six months only)

Fiscal Year	Clients Counseled	Training Attendees	Training Hours	Jobs Created	Jobs Retained	New Businesses	Capital Received
'01	237	312	1029	40	6	16	1,810,484
'02	268	241	644	90	7	22	1,374,500
'03	322	382	1092	42	19	17	3,096,000
'04*	160	198	450	17	6	11	446,000
Total	987	1133	3215	189	38	66	6,726,984

The economic outcomes reported in this table are based on direct feedback from clients counseled by the Kenai Peninsula Small Business Development Center. We consider the outcomes to represent a minimum of jobs created, jobs retained, new businesses started and capital obtained.

CENTERS

Anchorage
Fairbanks
Juneau
Kenai Peninsula
Ketchikan
Matanuska-Susitna
Rural Outreach

Kenai Peninsula Businesses Attract Capital Investment with SBDC Assistance

Capital Investment (3.5 years) Obtained by Kenai Peninsula SBDC Clients **\$ 6,726,984**
Capital Investment Relative to Total Borough Funding **\$ 38.44 per \$1**
(The addition of increased tax revenues are a benefit not calculated here.)
49.4% of total capital reported was received by women (KPB indicator is 48.0%)
18.6% of the number of capital investments was received by minorities (KPB indicator is 14.9%)
12.8% of total capital reported was received by veterans (KPB indicator is 11.7%)

National Study** Reveals Economic Impact of Funding Local SBDCs

Sales Growth of SBDC Assisted Businesses Relative to Funding **\$22.96 per \$1**
Existing Revenues Maintained by SBDC Assisted Businesses Relative to Funding **\$25.05 per \$1**

**Study conducted in 2002 for the Association of Small Business Development Centers by an independent contractor, Dr. James Chrisman, Dept. of Management & Information Systems, Mississippi State University. The study included Kenai Peninsula Borough SBDC clients.

'03 Survey*** Results & Comments Specific to Kenai Peninsula SBDC Services

Responding clients anticipated an average **27.0% increase in profitability** from services received.
Responding clients predicted an average **25.0% increase in sales** from services received.
Responding clients predicted an average **23.0% decrease in operating costs** from services received.
11% of respondents predicted an increase in employees (3.5 FTP/business) from services received.
64.4% of respondents were existing business owners.
Client Survey Comments: "I had no idea where to go to start a business. Chatting with the counselor gave me good places to go and an idea on how to start a business. I plan to see the counselor again if I need help. Very courteous and kind" "Mark Gregory has been instrumental in my continued success." "We (felt) to start our own business and wouldn't have known where to start if it hadn't been for the SBDC - the process was overwhelming until they headed us in a direction and gave us suggestions on community resources. We felt we got started on the right foot with an honest assessment." "I will make an additional appointment to discuss business plan when complete and obtain further assistance and feedback on current plan."

***The Alaska SBDC surveys clients on a quarterly basis and tabulates response by counselor, center and statewide basis. The results presented are specific to the Kenai Peninsula SBDC, FY03; 14.2% of FY03 clients responded to the survey.

PROGRAMS



A partnership program
of the University of
Alaska Anchorage and
the US Small Business
Administration

SBDC
43335 K-Beach RD
Suite 16
Soldotna Alaska

Dan Ungrue
North Consulting Services
Po Box 1427
Kenai Alaska 99611
907-335-2661

To Whom It May Concern,

I have worked in the oil and Gas industry in Alaska for approximately eighteen years and have utilized the Services offered through the SBDC on many occasions. This benefited the companies I worked for over the years through the training I received and the workshops I attended. Over the course of the past four years with the downturn in the oil industry The SBDC locally has been instrumental in assisting individuals in startup businesses where services were previously being done by companies outside of Alaska. I know of several individuals that would have had to leave Alaska and find employment elsewhere had it not been for the SBDC and later the EDC which was formed about three years ago.

I took an individual that was interested in starting a business cleaning Fin Fans which are utilized in the oil refinery and power generation fields. With Mark Gregory's advice and assistance the individuals have completed their first contract with a local firm and will be providing their services to several of the plants locally.

I am very concerned with budget cuts that will be taking place and what will be cut The SBDC works with aspiring entrepreneurs and established small businesses to strengthen the Alaskan economy through **free business counseling, training, resources and more**. Well lets see free we can cut that.

One only needs to take the time to Drive around Kenai and Nikiski and look at all the empty buildings that used to house businesses and provide jobs to realize we need to at **least** double the size of the EDC and the SBDC and start getting these empty buildings filled with businesses that will provide a stable tax base and provide jobs for Alaskans and their families so they don't have to leave as there is no work or future here.

If there are any questions or I can be of any support in getting the budgets increased in these areas please contact me.

Best Regards



Dan Ungrue

Northern Industrial Cleaners, Inc.



June 9, 2004

To Whom It May Concern:

I am writing to express my appreciation for the SBDC program. I was referred to the SBDC by a friend who had utilized their services.

The information provided by Mark Gregory & the SBDC has proved invaluable to us in our new venture as an industrial cleaning corporation. In addition, the seminar put on by the SBDC was extremely helpful and useful in application.

We look forward to a continued relationship with the SBDC as we move forward with our company and move towards franchising and building jobs for our communities. We trust we will be able to rely on the SBDC and their staff to meet our needs and those of the many small business owners on the Kenai Peninsula, which utilize their services.

If you have any questions, please do not hesitate to contact me at (907) 335-0222.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa M. Thompson", is written over a white background.

Lisa M. Thompson
Owner

04.NICL013.SBDC

Post Office Box 722
Kenai, AK 99611-0722

www.northernindustrialcleaners.com

(907) 335-0222
(907) 335-0223 fax

THE SCHADE FAMILY
35250 SCHADE DRIVE
HOMER, ALASKA 99603
PHONE 907-235-8949
FAX 907-235-3408

June 9, 2004

TO: The borough administration and borough assembly.

Subject: Kenai Peninsula Small Business Development Center

Greetings

I understand you are considering to expand the Small Business Development Center for the peninsula. We think that is a great idea as the time is right and needed for our children's future. Without small business to have jobs for them they have nothing to look and plan for.

Mark Gregory has been extremely helpful for our family in planning and organizing our business ventures. With his small business manual and expertise he has helped us decide what and what not to do. I believe it has been more important where he showed us of great possibilities of failure where we backed off. This has been proven time and time again.

The biggest problem is he is only one man and does not spend sufficient time here on the southern peninsula helping our people. With the gold mine and tourist opportunities coming along, this problem is going to be magnified. An assistant on the lower peninsula is really needed and will bring rewards beyond belief.

THE SMALL BUSINESS DEVELOPMENT CENTER is the only government agency that helps us on our small business ventures. They follow through on our requests and take an interest in exactly what we want.


Lloyd Schade

South Central Family Practice Clinic

Dr. Gladys Bailon

206 West Rockwell Suite 101
Soldotna, Alaska 99669

Phone: 907-260-7784
Fax: 907-260-7738

June 3, 2004

To Whom It May Concern:

My medical practice, South Central Family Practice Clinic, is located in Soldotna, Alaska. Our doors opened for business on August 1, 2003 with 4 staff positions on payroll, and I have contracted for an additional position to do janitorial service.

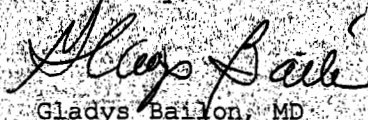
As a minority and as a woman, I knew of the existence of Small Business Development Center (SBDC). I sought their help because as a physician I did not know much about the business part of medicine. With the help and guidance of Mark Gregory, the SBDC Director, I was able to prepare my business plan, work on cash flow, and complete a projection of business expenses and marketing, as well as expected revenue loss.

SBDC also helped me to complete and reviewed my application for a business loan. The projection of revenues and expenses was very critical as it was a requirement for the bank's loan application. I was able to open my doors for business with a working capital of \$50,000 and with the help of SBDC, was successful in securing additional funding.

Without the SBDC's help my journey into the business world would have been difficult. Mark Gregory and his staff provide a very critical and much used service for small businesses. Without their support and existence, our local economies would not be able to experience growth and development.

They also provide affordable training workshops in many areas of the business and they are helpful regardless of the type of business you are in. I strongly feel our Kenai Peninsula Small Business Development Center provides invaluable resources to the small business owners, like myself, and should continue to receive funding so others can benefit.

Sincerely,



Gladys Bailon, MD

AARDVARK PUMPING

Septic Pumping & Maintenance

SEPTIC TANKS – CESSPOOLS – HOLDING TANKS – LINE CLEANING

P.O. BOX 2289 SOLDOTNA, AK 99669
(907) 262-5994

VACUUM PUMPING, SEPTIC MAINTENANCE
& LINE CLEANING

June 6, 2004

Subject: Kenai Peninsula Small Business Development Center

Interested Parties:

I would like to show appreciation of the services and counseling provided by the Kenai Peninsula Small Business Development Center and its staff. Mark Gregory and staff have been very helpful in providing information and insight in the areas of business structure and financing. It seems that the Kenai Peninsula has many claiming to provide assistance to small business, though my experience has shown that the SBDC was the only agency that really followed through with any requests and took an interest in our small business. With this help we were able to locate and secure funding that will allow a long time Kenai Peninsula business to overcome obstacles that closed down its septic pumping services in 2001. I appreciate that effort and hope such a resource as the SBDC continues to receive the necessary support to keep investing in and supporting the small businesses of the Kenai.

Sincerely,



Bryan K. Holland
Business Manager, Aardvark Pumping



Homer Chamber of Commerce

Post Office Box 541

Homer, Alaska 99603

(907) 235-7740
FAX (907) 235-8766

June 9, 2004

Honorable Borough Mayor Dale Bagley
Members of the Kenai Peninsula Borough

Dear Mayor and Assembly Members,

The Homer Chamber of Commerce thanks you for your consideration on the proposal to expand your investment in the Kenai Peninsula Small Business Development Center.

It's no secret that there has been great return on this investment over the past several years borough-wide. However it might be a secret how useful and in-demand the service is in the Homer area. Not a day goes by that the staff of the Homer Chamber of Commerce does not give out the SBDC phone number in Soldotna to make an appointment with SBDC business counselor Mark Gregory. It is absolutely impossible for Mark to serve every person whom we've referred from the Chamber as he has the responsibility to serve all the communities on the Peninsula.

A little different from the other communities on the Peninsula, Homer is in a rapid growth period. Sales tax records, building permits, landing totals and airport traffic are just a few of the numbers the Borough tracks in its Key Economic Indicators which show that for the last three years Homer and the southern peninsula is growing leaps and bounds faster than the other areas of the Peninsula. In addition, the Homer area has just gone through a transition stage, where traditional commercial fishing businesses are diversifying to stay in business, or changing careers, both perfect examples of the need for business counseling services.

The Homer Chamber of Commerce encourages the Borough to expand this service now while the need is there. As any good business plan will prove, the market is the driving force in a successful business. Waiting a few more years and offering the expanded service when the market is not hot will provide little return compared to doing it now while the customers are knocking at the door.

The Homer Chamber of Commerce serves as a partner in this service, providing private office space, conference room, telephone, copy, and office support and staff serving as reception on the days counseling and seminar services are offered. In addition we do extensive promotion of these services, allowing the SBDC to focus on providing the service rather than promoting it.

Please contact me if I can provide additional information which may help you in making a decision. The Homer Chamber of Commerce thanks you for your consideration on this matter.

Sincerely,



Derolha Ferraro
Executive Director

'Halibut Fishing Capital of the World'



35041 Kenai Spur Highway, Soldotna, AK 99669
(907) 262-9169 Hotel **(907) 262-4305 Mykel's**
(907) 262-1099 fax www.mykels.com

June 8, 2004

To Whom It May Concern:

I am writing to express my deepest gratitude for the SBDC program. My husband and I had always been employees of other businesses and dreamt of one day owning our own restaurant. With the help and guidance of Mark Gregory and the hard-working people of the SBDC, we prepared for owning our own business a little over 5 years ago. They assisted us through a business plan for leasing Mykel's restaurant and then guided us through financial and marketing issues along the way. We worked hard and frequently visited Mark to ensure we were staying on track. Revenue at the restaurant has nearly doubled since we took over and we accredit much of our success to the support and guidance given by Mark and the people of the SBDC.

Five months ago, again with the help and guidance of their office, we turned our lease of the restaurant into ownership of both the Soldotna Inn and Mykel's Restaurant. We now have two incorporations which employ nearly 30 people year round. We would never have dared to progress so far in such a short period of time, but with the assurance of our friends at the SBDC, we have confidence that our plans have been well thought out and supported by experts. They have offered their insight and continue to steer us in the right directions. We will forever be indebted and grateful for all of their help.

In the past year I have had numerous employees ask for suggestions on how to start their own businesses. Every person that inquires gets the same immediate response for where to start. "Go visit Mark at the SBDC!" It is free and invaluable. I cringe when I hear about someone starting a business without first visiting them to work through all of the start-up issues which are so foreign if you have never owned a business before. I truly believe it could make the difference between being successful and failing.

If the SBDC is growing in demand and therefore in need of additional staffing, it is because they do a good job and people like me continue to use them as well as refer others to them.

If you have any questions for me, please feel free to contact me at either Mykel's or the Soldotna Inn.

Sincerely,

A handwritten signature in black ink, appearing to read "Alice Paulson", written in a cursive style.

Alice Paulson



Homer Store
88 Sterling Highway
Homer, AK 99603

Mayor Bagley
Assembly Members

June 9, 2004

RE: SBDC Counseling Services

Dear Mayor Bagley and Borough Assembly Members:

I am writing to encourage your continued support to of the Small Business Development Center's services in Homer. This has been a vital asset to the business community, and the Wells Fargo Homer office refers numerous businesses to Mark Gregory for business planning and counseling services. The current hours are not sufficient to support the demand, and as our community continues to grow, expansion of the services provided is imperative.

I appreciate your support. If you have any questions, please feel free to contact me at 907-235-6125 ext. 1. Thank you.

Sincerely,

Julie Woodworth
Community Bank President



First National Bank
A L A S K A

June 4, 2004

To the Honorable Borough Mayor Dale Bagley and Kenai Peninsula Borough Assembly Members.

Thank you for your consideration of the proposal by the Alaska Small Business Development Center to expand their presence in Homer.

The partnership between the Homer Chamber of Commerce and the KPSBDC provides a valuable service to our local small business community. I refer a significant amount of clients to the business counselor. I refer clients who are planning/evaluating new business endeavors, clients who are expanding existing businesses, and clients who desire to improve their business operations and management skills.

My evaluation of the service is measured primarily by responses from the candidates who I refer, and by reviewing business plans, and pro-forma financial statements that are created through the counseling process. I always ask clients to provide feedback to me regarding the benefits of the counseling service. I receive consistently strong remarks from clients. It is clear to me from conversations with and submittals from clients post-counseling that there is a valuable education that occurs in the process. I have no doubt that business owners have a greater success rate, and improved likelihood of obtaining financing after concluding the counseling process. Another result that should be considered similarly valuable rests in the identification of business plans that have minimal probability of success. I have worked with clients who have refocused their plan significantly after concluding the counseling process.

I thank you again for your consideration of the request submitted by the KPSBDC.

Sincerely,

Michael Dye
Vice President &
Branch Manager
Homer Branch
First National Bank Alaska



ALASKA'S OWN NORTH COUNTRY WINE
P.O. Box 39111
Ninilchik, AK 99639

TO WHOM IT MAY CONCERN:

After four years of trying to get my winery up and running, I am hopeful that my finances and business planning strategies are finally at a place enabling me to move forward.

It was Mark Gregory's professional expertise and guidance that kept me from straying from my target and my business direction! Mark especially assisted me with my finances, which were a gigantic issue. In the last two years alone (2003 and 2004), I have had to revisit SBDC 7 times, and each visit took me to a new level.

I could not have accomplished all this without Mark Gregory and his staff. That is the reason I am pleased to write this letter and strongly encourage any support to keep SBDC here in our Kenai Peninsula Borough – to HELP our small business owners.

Sincerely,



Arnold Phillips



June 9, 2004

RE: Kenai Peninsula Business Development Center

TO WHOM IT MAY CONCERN:

With this letter, I wish to express my support, appreciation and gratitude to the Kenai Peninsula Small Business Development Center.

A short history of our relationship is as follows: In the fall of 1998 and spring of 1999, the basic planning for building a health club in Homer was undertaken with the help of Mark Gregory. His teaching of how to write business plans, coaching, networking contacts, providing of research materials, and encouragement was instrumental in allowing this business to start.

The relationship between the Kenai Peninsula Business Development Center and the Bay Club is ongoing with further projects in the developmental stages. In fact, much of the tutorial materials Mr. Gregory has provided, not to mention valuable contemporary business planning templates, has been crucial for even considering any newer projects. Our business would never have been able to afford this quality level of business consulting.

It is my strongest desire, for the betterment of our economic community, that we continue to have the resources of Kenai Peninsula Small Business Development Center available. Given the needs of our local community, increasing the level of funding for this resource center would be an invaluable commodity and service.

Our business has 8 full-time employees and over 30 part-time individuals. We provide an important health and wellness service to our community and we appreciate this opportunity to serve. We are thankful for the efforts and assistance of Kenai Peninsula

Small Business Development Center in our development and ongoing efforts for future projects. Without their support and the knowledgeable expertise of Mr. Gregory, our business would not have been possible.

Sincerely,

BAY CLUB



Kellie Blue
General Manager

KB:ll

Stone Brook Inn Inc.
P.o. box 144
Soldotna, Alaska 99669
(907)262-1583 home
(907)262-1593 Fax
(907)252-2679 cell

To: whom it concerns,

My sister Adrienne Conner and I had the privilege of working with Mark Gregory in the past year and half. He has given us great advice; as well as helping us strive to be a better business. In the short time we have talked with Mark he has helped us expand our business, He had the opportunity of watching two sisters who work very hard achieve a dream which he had a big part of. We have two assisted living homes; one on Mackey Lake and the second one is on Gas well. We have 4 employees all together plus my sister and I. We have a total of 7 residents in our home.

Thank You StoneBrook Inn Inc

Husky Lumber, Inc

P O Box 7346
Nikiski, AK 99635
(907) 776-6539

March 27, 2002

Kenai Peninsula Borough
Mayor Dale Bagley
Assembly President Tim Navarre
144 N Binkley St
Soldotna, AK 99669

Dear Mayor Bagley and President Navarre,

On February 15, 2002, Husky Lumber, Inc. (HLI) of Nikiski Alaska applied for grant funding from the USDA Forest Service, Alaska Region. The USDA funding was available to wood manufactures around the state for kiln drying facilities. The funding was available as the result of cooperative efforts from various agencies including: the Alaskan Congressional Delegation, the Forest Service Office of State and Private Forestry, the Juneau Economic Council and the Alaska Forest Association.

On January 7, 2002, Jack Brown from the Kenai Peninsula Borough Department of Community and Economic Development organized and hosted a USDA grant-writing workshop for interested applicants. The knowledge we gained from the workshop helped us immeasurably in our grant application.

On March 13, 2002, we were notified that we were awarded \$186,000 for our project. It is my understanding that we were the only successful grant applicant from the Peninsula in the two years that USDA funded this program.

With the funding from USDA Forest Service, HLI will be able to operate more efficiently in our operations and therefore become more profitable. Up to forty additional employees will be hired to operate the mills and logging operations. This additional employment in the Nikiski area will have a positive effect on the local economy.

We wish to express our sincere thanks to Jack Brown, Bonnie Golden, Jeanne Camp and Lou Collier at the KPB Community and Economic Development District office. Jack was instrumental in assisting us in

our grant application. He also advised us to request assistance from Mark Weatherstone of the USDA Resource Conservation and Development District and Mark Gregory with the KPB Small Business Development Center. It was most helpful to have different government agencies work together for a common goal. We are hopeful that we will have a very positive effect on the community of Nikiski and Kenai Peninsula Borough. In addition, we will be adding value to local timber, including the beetle-killed spruce, to produce kiln dried dimensional soft wood products to the Alaska construction industry.

Again thanks to Jack Brown and staff, Mark Weatherstone, Mark Gregory, Senator Stevens and Becky Hultberg from his staff, Senator Ward, Representative Chenault, Mayor Bagley and the KPB Assembly. Your commitment to economic development has produced results!

Sincerely,

Mark Powell

545 Wortham
Kenai, Ak 99611
Phone: (907)283-9085
Cell: (907)394-1148

Mindful Therapies

Laurie Schaeffer Practitioner

November 16, 2000

Dear Mayor Bagley,

The Kenai Small Business Development Center as a program of the Economic Development District has assisted my business as follows:

- 1) Assisting me in understanding the process and tasks that need to be completed to begin a business in the most successful way possible. I was clueless as to information that is vital to know when starting a new business.
- 2) Presenting a clear understanding of feasibility and how to go about researching this.
- 3) During the process having a reliable and extremely knowledgeable resource to access as questions arise.
- 4) None of this would have been accessible if there would have been a charge for the services as my practice was started using a small amount of money out of the family budget, and therefore I may have not had the balance or success that I have thus far.
- 5) Presented options that I was not aware of for networking, yet going with a growth that is healthy for the stability of the practice.
- 6) Presented ways of advertising that were within my means.
- 7) In follow up meetings, reviewed what we had done along with any difficulties I had experienced and made positive, supportive suggestions.
- 8) Presence and encouragement that is immeasurable because of who Mark Gregory and Lou Collier are.

Sincerely,



Laurie Schaeffer
Mindful Therapies

Business People of the Month

CHRIS FALLON & KATHI MUSICK

by Mark Gregory, Director of the Kenai Small Business Development Center

If you haven't noticed, the smell and taste of real East Coast Subs are now available at Jersey Subs, next to Log Gift Jewelry in Soldotna, and during summer months at the original sandwich-bus location, in Kasilof on Coho Road.

Chris Fallon and Kathi Musick, owners of Jersey Subs, say that customers comment daily, "My friends told me to come here." Upon entering the store, the penetrating aromas of bread, spicy meats, vegetables, and oils may prompt a true East Coast connoisseur to exclaim fondly, "It smells like the East Coast!" Successful word-of-mouth referral and testimony like this is a marketing dream of every business.



Fallon was born in Mount Holly, New Jersey, the fourth of five brothers and sisters. The family moved to Lawrenceville, New Jersey when Chris was a child. His earliest memories were of his father taking him to work at his deli shop as a four year old, so that his mother would only have four children to take care of. Chris can remember his father selling meats and cheeses and sodas, cigarettes, and candy bars, while making sandwiches for his customers. He spent so much time watching this

to take care of. Chris can remember his father selling meats and cheeses and sodas, cigarettes, and candy bars, while making sandwiches for his customers. He spent so much time watching this business as child, Chris swore never to work in a deli again. Never saw a sandwich bus in Nampa, Idaho. Her father worked for AT&T, and her Granddad owned a Mom and Pops grocery store in Nampa. She can remember her granddad's ability to measure the weight of meats before they were ever put on the scale. Although it was not a deli, the smell of meats and cheeses cut to order are familiar to Kathi at Jersey Subs.

In August of 1994, Chris and Kathi met at a party in Kenai. They bought Kasilof property in October of that year and began building a cabin to live in. Friends Peter and Marylou Klauder, of Kenai, had listened to the couple talk about the hoagie sandwiches Chris's father made in his deli and their belief was that East Coast taste would be successful in the locally. The phone rang one day; it was the Klauders who had spotted a food bus with "their names written all over it." With the support and interest of friends, the idea for a new Kenai area business was in the works.

Bob Pratt, previously with the DEC, assisted the couple with inspecting the bus and checking its compliance with DEC regulations. The vehicle was purchased for \$4,000, and the business idea had become a reality. The new owners used credit cards to finance a large part of the initial \$7,000 required to start the business, and Chris says, "We still had not yet even sold a sandwich." After inventory and equipment needs for the venture were established, other friends stepped forward with assistance. Ed and Jodine Warfle of Soldotna helped the new owners locate their bus on gravel pit land they owned in Kasilof. They also gave Chris and Kathi advice about starting the business. From the two owners operating the bus-based business in May of 1996, the company grew to 18 full-time employees this past summer! The business has exceeded projections since the expansion to Soldotna.

The initial support of interested friends and community has come full circle to help create a business providing jobs in the community. This networking approach can be critical to the development of new business and the community's economy. It's an approach

circle to help create a business providing jobs in the community. This networking approach can be critical to the development of new business and the community's economy. It's an approach other local entrepreneurs can be encouraged to take as well. A special thanks from Jersey Subs goes out to Margo Collins, of Bookkeeping by Margo, and the Kenai Small Business Development Center for the assistance with the business planning and loan packaging that resulted in their expansion to Soldotna.

As business owners, Chris and Kathi, we salute your dedication to the community and the innovative planning that resulted in making this business a success. Best of luck in the future.

**Do you want to
nominate a business
community member
for the**

**Business Person of the
Month Award?**

**Contact the
Peninsula Market Place
at 283-9108.**

