

Our mission: Promoting the entrepreneurial spirit and creating economic wealth and diversity.

## TOTAL RESULTS SINCE 1989:

Program Participants:  
9481

Businesses Started, Stabilized,  
and Expanded:  
1030

Jobs Created or Retained:  
2656

Dollars Loaned:  
\$7,714,379

## OFFICES:

8355 Unity Drive, Suite 100  
Virginia, MN 55792

Ordean Building, Suite 400  
424 West Superior Street  
Duluth, MN 55802

12 NW 3rd Street  
Grand Rapids, MN 55744

1401 Tower Ave, Suite 302  
Superior, WI 54880

*"I had never written a business plan, never done a cash flow. I knew (the Northeast Entrepreneur Fund) had a good reputation for helping small businesses."*

*-Paula Saxin  
Arthur's Formal Wear*

## Arthur's Formal Wear survives fire, thrives at new site

A phone call shortly after midnight on Thursday, June 19, 2008, awoke Paula Saxin and her husband Bob. The 911 operator was calling to ask her if she could hurry to her downtown Duluth business—the building it occupied was on fire.

At 3:00 a.m., after the fire had been extinguished, she and the fire marshal entered the store—Arthur's Formal Wear. She found that her entire inventory of tuxedos and suits had been destroyed. Miraculously, though, her paper files—index cards with all of her customer information—survived, a little wet but readable.

"We didn't have time to think," remembers Paula, who quickly sprung into action that morning. While Paula was busy dealing with the building, her daughter Shana Vesel was on the phone with their out-of-state tuxedo suppliers, who shipped replacement garments overnight. She then notified her customers who had reserved tuxedos for weekend weddings that their orders would be available on Friday as promised.

"We didn't miss a beat, and we never lost a customer" she says proudly. "I believe in God, and I believe He saved

those files."

That determination and resourcefulness was not new to Paula or to Arthur's, a 55-year-old retail fixture in Duluth. A commitment to customer service has always been at the center of the business, which Paula and Bob purchased in 1996. She had started working part-time at Arthur's a decade before that. When the owner asked if she and Bob would like to buy the business, she felt it would be simple. "I thought, 'I know the business, so now I only have to pay the bills, right?'"

That naiveté didn't stop Paula from managing to grow the business, albeit modestly, for several years. In 2001, however, Arthur's was hit hard by the economic slowdown that occurred after the 9/11 attacks. Paula knew she had to invest in her business and in her business skills to keep it going, so she contacted the Northeast Entrepreneur Fund. "I knew they had a good reputation for helping small businesses," she says.



Paula Saxin

She met with an NEF business developer and quickly discovered she had much to learn. "I had never written a business plan, never done a cash flow," Paula recalls. "I didn't know where my funds were going or even where to look."

Paula ended up taking several NEF classes ("I loved every minute of it," she says) that provided practical guidance on operating and financing her business. She later took out a loan from NEF, using the proceeds to increase advertising for Arthur's and to pay down existing debt.

*continued inside...*



Mark Pinsky (OFN President & CEO) and Mary Mathews

## Mary Mathews elected chair of the board at Opportunity Finance Network

Mary Mathews, president of the Northeast Entrepreneur Fund, has been elected chair of the board of directors of Opportunity Finance Network (OFN), a leading trade association representing more than 160 opportunity finance and community development financial institutions (CDFIs) in the United States.

Mathews was elected at the OFN annual conference held

December 10-12 in Albuquerque, New Mexico. She will lead OFN's 11-member board of directors through 2010.

Mathews is the founding president of the Northeast Entrepreneur Fund. She is a former recipient of the Small Business Administration's Upper Midwest Region Financial Services Advocate Award, and the David A. Martin Entrepreneurial Leadership Award.

She is also the recent author of "Choosing Place First: Remembrances and Observations About Entrepreneurship," in the Fall 2008 issue of Rural Minnesota Journal (<http://www.mnsu.edu/ruralmn/pages/Publications/rmj/RMJ3-08/RMJ3-08mathews.pdf>).

### 4TH QUARTER 2008 LOANS DISTRIBUTED

Aluminum Cabinet Co—  
Hermantown

Beaner's Central—Duluth

Bubbles & Bows Pet  
Grooming—Grand Rapids

Burchfield Electric—Tower

Cindy Litchke Day Care—  
Coleraine

Danny Bisbee's Floor Cleaning  
Service—Aurora

E & T Landscaping and  
Plowing—Virginia

Grapevine Café—Duluth

Let the Whole World Know—  
Duluth

Range Jetting—Nashwauk

Smiley's CVM—Duluth

Wild Country Service—Buyck

Windcradle Retreat—Grand  
Marais

## 40 business owners now participating in Greenstone Group

With the addition of three new "Growth Groups," the year-old Greenstone Group initiative is currently serving 40 business owners in northeast Minnesota and northwest Wisconsin.

New group members were recognized at a "launch lunch" held Oct. 15 at the Kitchi Gammi Club in Duluth. Each business owner shared his or her goals and expectations for their Greenstone Group participation.

In addition, they heard from Rob West, president of the

Area Partnership for Economic Expansion (APEX) and a member of the Greenstone Group advisory committee, and from Steven Dastoor, CEO of Citon Corp., one of the first business owners to join the Greenstone Group last year.

"We want to add 25 new members to our current five Growth Groups in 2009," says Greenstone Group director Jerry Peterson, "with a special emphasis on recruiting entrepreneurs from Iron Range communities."

The Greenstone Group supports the entrepreneurial development and business growth objectives of participants through one-on-one and group coaching and access to appropriate business service providers. The initiative was launched in January 2008.

For more information, or to nominate an entrepreneur as a potential participant, contact Jerry Peterson ([jerry@greenstonegroup.org](mailto:jerry@greenstonegroup.org) 218-726-4870), or visit [www.greenstonegroup.org](http://www.greenstonegroup.org).

## NORTHEAST ENTREPRENEUR FUND BOARD OF DIRECTORS

**Bill Hansen, Chair**  
Sawbill Outfitters, Tofte, MN

**Mark Peterson, Vice Chair**  
US Bank, Duluth, MN

**Sue Collins, Secretary/Treasurer**  
Northeast Higher Education  
District, Chisholm, MN

**Dawn Cole**  
Cole Appraisal & Consulting,  
Eveleth, MN

**Rebecca Spengler**  
A Laundry Room, Ely, MN

**John Stene**  
American Bank, Grand Rapids, MN

**Kaye Tenerelli**  
Superior Business Improvement District,  
Superior, WI

## Donna Anthony named Business Developer

Donna Anthony recently joined the Northeast Entrepreneur Fund staff as business developer for Grand Rapids, Hibbing, Brainerd, Walker, Aitkin and surrounding areas.

Anthony provides business planning and development assistance to emerging and

small businesses in these communities and works with individuals who wish to start, stabilize or expand their businesses.

Before joining the Northeast Entrepreneur Fund, Anthony was accountant/business manager at Sunrise Bakery &

Gourmet Foods in Hibbing. In addition to serving as an accounting consultant for many area businesses for nearly 20 years, she has also owned and managed various enterprises, including laundry/dry cleaning, food and beverage concessions, and dairy distribution.



Donna Anthony

## 2009 training schedule announced

The Northeast Entrepreneur Fund 2009 schedule of training opportunities has been announced. Check out [www.entrepreneurfund.org](http://www.entrepreneurfund.org) and click on "Training" for class information, including fees, and "Calendar" for dates, times, locations.

The popular "Start a Business...Here's How!" two-hour workshop will be held 35 times throughout the year,

with sessions held in Virginia, Duluth, Grand Rapids and Ely.

"Build a Business...Here's How!" is a new class title, but it uses NEF's long-established, nationally recognized CORE FOUR® curriculum. The four-session class will be offered 15 times throughout the region, including five daytime classes and, for the first time in

several years, a session in International Falls.

"We continue to explore how to make our training opportunities more accessible and relevant for our clients," says Dawn Johnson, NEF director of training. "We are also exploring additional classes and services we may introduce in the coming year." Check the web site for any updates to the schedule.

## Arthur's Formal Wear (continued from front...)

Ironically, last year's fire occurred less than two weeks before Paula was to move the store to a new location in the Piedmont neighborhood of Duluth. "We wanted a more central location but didn't want to be in a big mall," she says.

Thanks to its insurance coverage, the store has fully restocked its inventory at its new 2,700-square-foot site. Arthur's now serves about 2,000 customers a year from the Twin Ports and surrounding communities.

Arthur's Formal Wear is located in the Piedmont Plaza at 2826 Piedmont Avenue, Duluth, MN 55811. Phone 218 727-5233, or visit [www.arthursformalwear.net](http://www.arthursformalwear.net).

### THANK YOU TO OUR FUNDERS:

- Blandin Foundation
- Calvert Foundation
- City of Duluth Community Development Block Grant
- City of Superior Community Development Block Grant
- Iron Range Resources
- John S. and James L. Knight Foundation
- Lloyd K. Johnson Foundation
- Minnesota Department of Employment and Economic Development
- Minnesota Power
- Northwest Area Foundation
- SPEDCO
- St. Louis County Community Development Block Grant
- US Small Business Administration - Women's Business Center - Microloan Program
- USDA Rural Development

## NORTHEAST ENTREPRENEUR FUND STAFF

**Donna Anthony**  
Business Developer

**Chelle Bakke**  
Coach, Greenstone Group

**Erica Bernard**  
Loan Program and Administrative Assistant

**Sunny Dilts**  
Staff Accountant

**Siiri Gilness**  
Marketing and Communications Assistant

**Rick Hagen**  
Director, Marketing and Communications

**Dawn Johnson**  
Director of Training

**Susan Martin**  
Campus Entrepreneurship Coordinator

**Mary Mathews**  
President

**Jerry Peterson**  
Director, Greenstone Group

**Brenda Shoberg**  
CORE FOUR® National Sales Director

**Carla Tichy**  
Chief Financial Officer

**Jennifer Turner**  
Administrative Assistant and Operations Manager, Greenstone Group

**Bob Voss**  
Director of Lending

**Shawn Wellnitz**  
Director of Business Development Services

**Jennifer Young**  
Business Developer



8355 Unity Drive, Suite 100  
Virginia, MN 55792

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[WWW.ENTREPRENEURFUND.ORG](http://WWW.ENTREPRENEURFUND.ORG)

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**A good business idea needs nurturing.**

**We'll help you start or grow your business.**

We're pleased to announce a revised class now known as:

## ***Build a Business... Here's How!***

Using our nationally recognized CORE FOUR® curriculum, this class will show you how to:

- Explore your role as a business owner
- Design your business to meet the needs of the marketplace
- Structure your business to make a profit
- Operate an effective, legally compliant business

Check out locations, dates and times by visiting [www.entrepreneurfund.org](http://www.entrepreneurfund.org) or calling 1-800-422-0374.