

# Businesses swap strategies

By TRICIA N. HAYES

What are the challenges for owners running values-driven businesses? What business opportunities are available in a crisis?

Such questions were addressed by Vermont business owners at the 17th annual fall conference of the Vermont Businesses for Social Responsibility (VBSR) November 10 at The Equinox in Manchester. From the welcome address by Will Patten, executive director of the 20-year-old VBSR, members explored the challenges and opportunities in today's difficult business climate.

Small, mid-and large-sized business owners and staff offered insights and strategies to survive challenging economic times.

Joe Fusco of Casella Waste Systems of Rutland said the company realized its business model "revolved around consumption, which is not economically and environmentally viable." As a result, Casella leaders began to turn the company "into a resource renewal company that recognized waste as a key to the company's sustainability," said Fusco.

Paula Routly, co-owner of Seven Days, a Burlington publishing company, described its challenges when the climate had "changed from customers no longer getting their news from a daily newspaper and no longer willing to pay for their news." The result for Seven Days was a weekly printed analysis of the news, along with the establishment of forums such as the Bite Club and Dining Out to address community issues.

The buy-local theme was repeated frequently throughout the day. Mark Curran of the 31-year-old Black River Produce Company of Springfield told how he was repeatedly denied the ability to bid on business from the University of Vermont.

It was the students who finally forced the administrators to consider his company leading to a share of the institution's business, said Curran.

Tom Leavitt, senior vice president of retail lending at Merchants Bank, pointed to the strength of Vermont's community banks and their understanding of local businesses to get financing. "Of the 8,000 banks in the country, 7,000 are community banks. Vermont now has 12 community banks."

The results of the VBSR's public-policy survey taken during the summer found that members'

priorities were health care, education, a stable work force and affordable housing. The Vermont brand and the quality of life contributed to business success, while some of the obstacles included access to funding, taxes and the lack of broadband telecommunications.

The session, "What makes a business-friendly state?" looked to Chris Bailey of Vermont Smoke and Cure in Barre, Don Mayer of Small Dog Electronics of Waitsfield and Mike Rainville of Maple Landmark, Inc. in Middlebury for reasons for their success. For Don Mayer, the quality and loyalty of employees, accessible government, local, interested banks and a socially responsible business community were key.

Bailey emphasized agriculture needs to be part of the state's economic development priorities, including the ability to receive investment tax credits. "Agriculture is an important part of tourism too, creating a pastoral landscape impression," said Bailey.

A few of the businesses thriving in Vermont's recovering economy presented case studies of their companies.

Over 40 years ago, David Marvin started Butternut Mountain Farms in Johnson, a maple syrup producer to the retail and wholesale markets. Over the past two years, Butternut has grown from 43 to 65 employees. He is now selling 650,000 gallons of syrup – a 78-percent increase in sales.

"We are growing for strategic reasons from a local supplier to worldwide clients," said Marvin. "We have recently added food safety assurance to our mission with very positive results."

Chris Patten of Cultivate Minds, a virtual employee development business based in Charlotte, said the company has experienced sales growth over the past year "and have found our success as the less expensive alternative to development programs."

"The relationships I am building today put me ahead of my competitors," said Patten. "I have also found it a great time to hire a sales rep that I ordinarily couldn't afford."

Bram Kleppner of Danforth Pewter, a 35-year-old company based in Middlebury, has four Vermont retail stores, wholesale accounts and



private-label clients. Kleppner admits “the recession beat us up, resulting in executive pay cuts and layoffs.

“On the other hand, it has been excellent for our acquisitions of similar companies to round out our product line, (and) offered us great deals on media buys, including some based on barter and gift certificates.” He too agrees that some success has come as a result of being a cheaper alternative to other metals.

The conference concluded with a keynote address by Lisa Lorimer, the former president and owner of the Vermont Bread Company in Brattleboro for 23 years. She recently co-wrote with Margot Fraser, the founder and chief executive officer of Birkenstock, the book, *Dealing with the Tough Stuff: Practical Wisdom for Running a Values-Driven Business*.

Her primary advice was to urge businesses to establish advisory boards to help guide and review business practices. “What happens when things are not going well?” she asked rhetorically. “Business may lose respect and truth telling.” She urged businesses “to find a place to tell the truth somewhere.”

Other sessions covered cultivation of Web-based audiences; seasonal fluctuations; the future of the state’s work force; and case studies about Rutland and Woodstock.

The Vermont Businesses for Social Responsibility has grown to 777 members, a feat that was accomplished by the organization’s new programs and services, said Patten.

Rita Bothfeld, VBSR program manager, said there were 160 members in attendance, up about



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**Tom Leavitt, senior vice president of retail lending at Merchants Bank, told conference participants that Vermont’s community banks are crucial to local businesses and their financing needs.**

5 percent from last year’s fall conference. The spring conference will be held during the first week of May in Burlington. ❖

## Small Dog raises \$30,000 for Haiti

Small Dog Electronics has raised \$30,000 through an online campaign to benefit victims of the earthquake that struck Haiti on Tuesday. Half of the money will come from the Vermont-based electronics store.

Small Dog Electronics used Facebook and Twitter to drive people to the company's Web site to help generate donations. The donations will be given to Doctors Without Borders. Small Dog offered to match money donated to the charity and, within 24 hours, more than \$10,000 had been raised.

"When the horrible earthquake happened we decided to bring this program to light by talking about it on our blog (barkings) and Facebook and Twitter," Small Dog CEO Don Mayer said by e-mail. "The response was simply amazing. It immediately went viral."

Small Dog set a matching limit of \$15,000. That cap was reached Friday afternoon.

Most of the donations came from Vermont, New York and California. But the single largest donation, \$2,000, came from Tennessee. Nine of every ten contributors donated \$10.

— Free Press



# Words Worth Remembering

## Quotes from our stories in the last decade

by Virginia Lindauer Simmon

**S**ince our founding 25 years ago, we have published, in the first issue of each new calendar decade — 1990 and 2000 — a retrospective of quotes from our stories in the prior 10 years. This year's selections feature some of Vermont's pioneers in communications, technology, and the Internet. We hope you enjoy them.

"I don't see me running a business with 30 employees. If five years from now we are doing \$15 million with 15 employees, I would be ecstatic, but I don't know if that's possible. If not, we would definitely look at selling part of it off." **Hapy Mayer (right), pictured with his father, Don, Small Dog Electronics, January 2000.**



"It's always interesting, the people who wander in. When we tell them we're a phone company, it's disbelief that you can have a phone company you can walk into." **Kim Gates Maynard, Franklin Telephone Co., January 2008.**



"Typically, our clients are selling a whole bunch of travel products, and we're the glue that ties it together." **Trevor Crist, Intnopia, January 2009.**

"One day I was being walked around the store by this guy, and he said, 'Do you realize there's no canned creamed corn on the shelf?' And I thought to myself that I really didn't care that there's no canned creamed corn and I knew I had to get out of there." **Dan Dubonnet, Hall Communications, March 2004**



"It's hard to describe the depth that we feel toward the company. When Mom said that she was sick and that the Public Service Board was possibly going to remove the franchise, there was no question. We didn't even discuss whether we were going to come home or not, we just did it." **Eleanor Haskin, Waitsfield and Champlain Valley Telecom, January 2005**



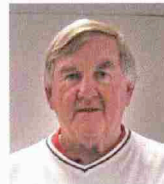
"What I thrive on are creativity, chaos and change. It's my definition of being in the media." **Karen Marshall, Clear Channel Communications, January 2006.**



"A boutique shop like ours can be very nimble, much more so than a large agency. The fun of being a small shop is that we're all big idea people and all detail people, too." **Steve Crafts, Place Creative, January 2009.**



"If you have a bad product and go bankrupt, forget about it; but if you have a decent product, well, some bankruptcies are not the fault of the product. You just can't write off a company because it's bankrupt. If people want to work at it and make some changes, you can come back." **John Arnott, Ladd Research Industries Inc., January 2007**



"We had eight phone lines in the basement. Things happened pretty quickly after that. For me it was a process of tackling new technology upon new technology, trying to create new e-mail servers for thousands of customers, figuring out how to get statewide access. These were new technology problems then." **Zach Chambers, ClearBearing, January 2008**



"Computer service isn't a glamorous thing. We're very much behind the scenes making things work. We're not the center of attention, unless there's a problem — then everyone is looking for us. People always hate to see us, and they're happy to see us go." **Brian Curtis, DominionTech, January 2009**

