

A Profile of Maine's Small Businesses Successes

Prepared for:

Bromley Leadership Maine

Rebecca Weinstein, Treasurer
30 Presnell Street, Portland, ME 04102

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19 Commercial Street
Portland, Maine 04101
www.policyoneresearch.com

INTRODUCTION

The following is a profile a Maine's small business successes. This profile is not intended to be comprehensive, rather it is meant to provide a flavor of how Maine small businesses continue to thrive and how their growth has often been supported by partnerships including those developed through state programs and service providers. As an example, all of these companies at one time or another have benefited from support of the Maine Technology Institute (MTI). While there are only six companies in this profile, MTI has had a major impact on Maine's business development success. Since it beginning in 2000, MTI has made over 475 grant awards to more than 350 entities, most all of which have been small Maine businesses. In total MTI has dispersed more than \$20 million in awards, but more importantly has leverage over \$35 million in private investment. These profiles document some of this success and include the companies of:

- Brims Ness
- Vortechincs
- Raven Technologies
- New England Castings, LLC
- Hydro-Photon, Inc.
- Kenway Corporation

There are several lessons that can be learned from this overview that can help Maine support businesses development and economic growth. They are:

- ❖ Success can be home grown. The companies profiled in this overview, started in Maine and remain committed to Maine.
- ❖ Maine has companies that are innovative and successful. Only a few examples are provided here but they represent many more companies with entrepreneurs that are succeeding at growing their business and ultimately Maine's economy.
- ❖ Partnerships are essential for the growth and development Maine small businesses including partnerships with Maine's universities and colleges, state programs, and other businesses. As a state we need to create and support opportunities for partnerships.
- ❖ Innovation occurs in many different industries including traditional industries. The companies profiled here are succeeding in traditional industries such as precision manufacturing as well as emerging industries including biotechnology and environmental technologies. Innovation and technology leading to growth occurs in all industries making it important for the State to focus not only new industries emerging outside of Maine but on industries rooted in Maine including environmental technologies, marine and aquaculture, forestry and agriculture, and precision manufacturing.

Small Business Profile: Brims Ness

OVERVIEW

Brims Ness was founded in the late 1990's by one entrepreneur, John H. Merrill. The company currently operates out of two locations in Maine, Millinocket and Scarborough, with 17 employees and anticipates adding over 100 mostly manufacturing jobs in the near-term.

Brims Ness provides low-cost, continuous, on-line detection of contaminants in fluid flows. The company's technology automates the detection of contaminants in industrial process control, residential water filtration, and municipal water systems. The company has the technology to provide protection for filtration systems that remove lead, nitrates, and arsenic.

John H. Merrill identified the concept for Brims Ness's technology through a management consulting assignment in 1989 which introduced him to the drinking water filtration business. In 1997, Merrill located at the Center for Environmental Enterprise (CEE), Maine's first state supported technology incubator. Over the course of the next several years Brims Ness obtained funding grants through National Science Foundation Small Business Innovation Research (SBIR) program. This eventually led to further support from the Maine Technology Institute and the National Environmental Technology Institute in Massachusetts. With that support, Brims Ness was able to establish an in-house research and development team.

As a result of its growth, Brims Ness graduated from CEE and in June 2004, the company's R&D equipment and staff relocated to a 6,000 sq ft leased space in Scarborough, Maine. Moving to the next stage of its business – production and sales - Brims Ness expanded and opened a general office and production facility Millinocket, Maine in the 79,000 sq ft building that was once Great Northern Paper's Engineering & Research building. This expansion was supported by the Maine Pine Tree Opportunity Zones program.

Built on R&D and with the help of patient support from state and federal programs, Brims Ness is an excellent example of how one dedicated entrepreneur can thrive in Maine, create a small business, and eventually create jobs and opportunities throughout the State.

EMPLOYMENT

Brims Ness currently employs 17 mostly scientist and engineers but anticipates adding 100 plus jobs, mostly in manufacturing, by the end of next year.

STATE SUPPORT

Through the years Brims Ness has been helped by the State as a tenant of the Center for Environmental Enterprise, the State's environmental technology incubator. In addition, Brims Ness has been a recipient of funding from the Maine Technology Institute. Among other things the MTI funding helped Brims Ness leverage funding from the Federal Small Business Innovative Research (SBIR) program. Most recently Brims Ness has become a recipient of the State's Pine Tree Opportunity Zone program for the expansion of its manufacturing and general business facility in Millinocket.

CONTACT

John Merrill, President/CEO
10 Katahdin Avenue, Millinocket, ME 04462
Phone: 207.723.7331
Email: jmerrill@brimsness.com
Web: <http://www.brimsness.com>

Small Business Profile: Vortech

OVERVIEW

Started in 1988, and located in Scarborough Maine, Vortech currently employs approximately 50 workers. The company is a provider of products for storm water management including the Vortech System, VortFilter, VortSentry, hydrobrakes, and custom flow control devices. Vortech products serve the municipal, industrial, and commercial construction markets. Vortech boasts 3,500 feet of lab space in which it carries out its commitment to research and development. In 2004, Vortech was acquired by CONTECH CONSTRUCTION PRODUCTS, INC. a national leader in civil engineering site solutions products and services. Also in 2004, Vortech received a Governor's Award for Business Excellence.

Vortech is an example of a company that thrives in an industry which is very important to the long-term goals of Maine, protecting our environment and water quality. It does this while providing a significant amount of well paying, high skilled positions.

EMPLOYMENT

Vortech currently employs approximately 50 workers.

STATE SUPPORT

As a company that has been heavily committed to success through research and development, Vortech has received support from the Maine Technology Institute for two Seed Grants. The company has also received technical assistance through the Maine Patent Program and financial support through the State's Research Expense Tax Credit.

CONTACT

Kim West
200 Enterprise Drive
Scarborough, Maine 04074
Phone: 207.885.9830
Email: kwest@vortech.com
Web: www.vortech.com

Small Business Profile: Raven Technologies

OVERVIEW

Raven Technologies was first organized in 1999. The company is currently located in Brunswick Maine and employs ten workers. Raven's growth is based on its patented, high-efficiency AC power generation technology known as AC-Direct™.

Raven received initial product development support from several Federal Small Business Innovation Research grants from the Ballistic Missile Defense Organization. In 2002, Raven received a Development Award from the Maine Technology Institute and raised additional private capital for product testing and commercial launch of the Blackbird™ generating unit. The Blackbird is a compact, lightweight generator that fits under the hood of vehicles. The system can be installed in a wide range of emergency, construction and utility vehicles.

From its start in Maine with a concentration on R&D for developing a new technology though commercialization of its first product, Raven Technologies is poised for growth through the sale of its Blackbird units.

EMPLOYMENT

Raven Technologies currently has 10 employees.

STATE SUPPORT

Raven Technologies has received funding from the Maine Technology Institute in the forms of a Seed Grant, a Performance Grant, and a Development Award.

CONTACT

David Murray, Director, Business Development
14 Industrial Parkway
Brunswick, Maine 04011
Phone: 207.721.1044
Email: dmurray@raventechpower.com.
Web: <http://www.raventechpower.com>

Small Business Profile: New England Castings, LLC

OVERVIEW

New England Castings, LLC was founded in 1985 as New England Castings, Inc. The company is currently located in Hiram, Maine, and employs 15 workers. In October of 1998 the founder sold the company to private investors who reorganized as New England Castings, LLC. In January 2002, the investor owners sold the company to the now current president, Walter Butler.

New England Castings, LLC is an investment-casting foundry with a specialty in the production of fractional pound castings too intricate or difficult to fulfill by most conventional shell investment casting shops. The company has evolved from its roots in traditional precision machining to a high-tech company utilizing precision vacuum casting. The company's success is rooted in its commitment to research and development and investments in new technology. Their latest development and investment in vacuum casting will allow them to grow through greater precision and efficiencies in production thus enabling the company to enter new markets.

EMPLOYMENT

New England Castings currently employees 15 workers.

STATE SUPPORT

New England Castings has received funding through the Maine Technology Institute in the form of three separate Seed Grants. The company also utilizes the Manufacturing Applications Center at the University of Southern Maine and the Advanced Manufacturing Center at the University of Maine for advanced testing of its products.

CONTACT

Walter Butler, President
57 Main Street, Route 117
P.O. Box 295
Hiram, ME 04041-3208
Phone: 207.625.3256
Email: walter@newenglandcastings.com
Web: www.newenglandcastings.com

Small Business Profile: Hydro-Photon, Inc.

OVERVIEW

Started in 1997, Hydro-Photon is currently located in Blue Hill Maine and employs three workers. The company is the developer and manufacturer of the Steri-Pen®, a hand-held ultraviolet water purifier. The Steri-Pen uses ultraviolet light to kill bacteria and viruses in water, making it drinkable in less than one minute. The product is marketed for use in the military as well as among outdoor enthusiasts. Steri-Pens have been sold to military personnel presently in Iraq and the company is attempting to further penetrate the military market.

EMPLOYMENT

Hydro-Photon currently employs three workers.

STATE SUPPORT

Hydro-Photon has received State support through the Maine Technology Institute in the form of a Seed Grant and Performance Grant as well as support through the Maine Seed Capital Tax Credit program administered by the Finance Authority of Maine.

CONTACT

Miles Maiden
Hydro-Photon, Inc.
262 Ellsworth Road
Blue Hill, ME 04614
Phone: 207.374.5800
Email: spen@hydro-photon.com
Website: www.hydro-photon.com

Small Business Profile: Kenway Corporation

OVERVIEW

Currently located in Augusta, Maine, Kenway Corporation was founded in 1947. The company currently employs approximately 60 workers. Kenway started as a manufacturer of wooden pleasure boats. In the mid-1960's Kenway transitioned to a producer of industrial fiberglass products including pipes, tanks, flanges, elbows, hoods, and ventilation ducts. With the majority of its business coming from the pulp and paper industry, Kenway sought to aggressively diversify its market.

Through support from the Maine Technology Institute, the Maine Manufacturing Extension Partnership, and the Advanced Engineered Wood Composites Center (AEWCC) at the University of Maine, Kenway has been able to add two new products and enter new markets. One product is a wood core, composite crane mat designed for use under heavy equipment such as cranes. The patent for the mat is held by the AEWCC which has an agreement with Kenway to license the product for sale. The second product is a double-walled pipe with embedded sensors. It is designed for use in the transport of hazardous materials so that leaks can be detected and isolated. It also has potential for use in ground piping systems in which leak prevention and isolation is becoming increasingly required.

Kenway is a great example of a company that emerged from the sales of products within, and to Maine traditional industries (initially boat making and then sales to pulp and paper industry) but then positioned itself for future growth through a commitment to research and development of new products and partnerships with state supported entities.

EMPLOYMENT

Kenway Corporation currently employs approximately 60 workers.

STATE SUPPORT

In its attempt to enter new markets, Kenway has received support from the Maine Technology Institute, through two performance grants as well as support from the Maine Manufacturing Extension Partnership and the Advanced Engineered Wood Composites Center (AEWCC) at the University of Maine.

CONTACT

Kenneth G. Priest, II, President
681 Riverside Drive
Augusta, Maine 04330-9712
Phone: 207.622.6229
Email: Kenway@kenway.com Website: <http://www.kenway.com>