

Gary Multanen
CEO
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Senators,

I am pleased to let you know that Idaho veterans utilize SBDC. Statewide veterans are 8% of the clients. That means 150 veterans receive an average of 11 hours of assistance each year. SCORE is taking the lead in the state for the Boots to Business program which trains military personnel during their discharge process on starting a business. One of the clients, WMD Tech is located at the TECenter incubator in Nampa, Idaho. They are not a typical small business. Started in 2008 by Rick and Eva Bowman, along with their son, Robert Brown, this family-owned business has only one competitor nationwide. WMDTech develops and provides advanced training for local, state and federal agency first responder bomb squads to use when handling explosive devices. They are on target to achieve sales at the 5 million annual sales level this year.

Idatec, Inc. is a Boise, based C Corporation specializing in the areas of Information Technology Solutions. It was incorporated in November of 2009. Its first major endeavor was a 4.5 year contract with the U. S. Air Force at Mountain Home Air Force Base.

HASCO is a SDVOSB working in Idaho, Oregon, Washington, Montana and Wyoming. Fifty percent of their work has consisted of set asides. Seventy percent of their set aside work has been awarded by the VA with the remaining 30% from BLM. Founded in 2009 Greg Hayes says Idaho PTAC has been very helpful in guiding his company in finding presolicitations and solicitations.

Tom LaJoie, an Air Force veteran started e Trip Trader with his son in 2002. In the fall of 2011, Tom attended an SBA-sponsored Veterans Conference. He made a follow-up appointment with SBA Boise Office and in May of this year his loan was funded. Currently eTrip Trader employs 13 professionals and Tom anticipates the need for additional staff.

David Porter, a Navy veteran and his wife Catherine run Porter House Inc. which they started in 1996. They have locations in Augusta, Georgia and Shelly, Idaho. An SBA loan guarantee, secured last year has afforded the Porters to purchase, expand and furnish a larger training facility with classroom space.

My company, Best Bath Systems was founded in 1969. After my Army career and completing my undergraduate degree I became their plant manager in 1972. In 1981 I purchased the company with two investors. In 1983 with my first SBA guaranteed loan I bought out the investors. I currently have my third SBA guaranteed loan. We employ 104 people. Our sales in 2014 will top 22 million. We ship bathing units throughout the United States and Canada. Fifty-five percent of our product is installed in commercial applications; primarily assisted living facilities, student housing and hospitals. The balance is sold through a dealer network for home renovation.

As I said Idaho veterans use SBDC and SBA loan guarantees. Military Service to Small Business Owners is working in Idaho. There are two items that are of interest to me concerning SBA guaranteed loans. First remove the penalty for early repayment of the loan. Their purpose is to help a company achieve the desired goal – success. When success is achieved and the owners have the ability to repay early, why penalize them for doing so? Second, is the need for a financial vehicle for transferring ownership to the next generations. A SBA “Legacy Loan,” backed by the assets of the company would allow the next generation to purchase the company and shoulder the fiduciary responsibility of ownership. To often, for current ownership to realize the rewards of their years of hard work, they end up selling to third parties. This practice significantly changes the dynamics of the business and eliminates the potential for multiple generation family businesses.

Thank you for the opportunity to spend this time with you.