

## 504 LOAN

The 58 employees that made up Harriston Industries and Mayo Manufacturing are now a part of one company: **Harriston Mayo**. The new company, which was formed by a group of investors, is a combination of two companies purchased from West Fargo's TerraMarc Industries. Dexter Sitzer and Mike Delisle are the respective general managers behind the deal and will headquarter the new company in Minto, North Dakota.

Harriston Industries manufactured potato and bean equipment while Mayo Manufacturing produced potato-handling equipment. Both companies were rooted in family operations. Brothers, Tony and Tom Osowski, founded Minto Machine Co. in 1973. It became Harriston Industries when it changed its focus from repair to manufacturing. The Osowskis took on other partners before the business was sold in 1997. Mayo Delisle began his manufacturing business, Mayo Manufacturing, in 1952. His son, Duane, followed him into the business before it was sold, first in 1993 and again in 1998.

Delisle and Sitzer have extensive histories with the two companies. Mike Delisle joined Mayo Manufacturing in 1977 and was an owner of the company before it was purchased by KRG (part of TerraMarc Industries) in



1998. Dexter Sitzer has been a part of Harriston Industries since 1985.

Delisle and Sitzer believed that combining the companies "would provide an opportunity to operate profitably and to grow." The two credit Chris Johnson, business banking officer, of Choice Financial Group in Grafton with constructing the deal. Together they worked with Dawn Keely, Business Development Director with Red River Regional Council, to take advantage of Dakota Certified Development Corporation's 504 financing. According to Delisle, "Keely was instrumental in arranging the participation of the various

lenders."

The loan package that Johnson and Keely were able to put together, utilizing the unique financial options provided by Dakota CDC, enabled Delisle and Sitzer to successfully bring their companies together at the start of 2006. As Harriston Mayo the company will maintain its current distribution organization and stress quality products.

Harriston Mayo has no plans to disrupt the 58 employees that will make it a success, and intends to maintain the traditions of excellence created by Harriston Industries and Mayo Manufacturing.



*Joining Harriston Industries and Mayo Manufacturing "Will provide an opportunity to operate profitably and to grow"*



## Big City Style in Valley City, ND

### Hair Therapy opens a full scale hair salon and spa with added extras

You will not step into the average Valley City salon at 1028 W. Main Street. When you walk into Hair Therapy you will be stepping into a completely unique and original experience. Christina and Quin Svenningsen have created an environment that will give their customers the opportunity to escape the daily grind and be pampered. However, their version of paradise was not created overnight.

Following training, Christina worked for a local salon for four years. In August of 2002, she and her husband opened the original Hair Therapy. The Svenningsens wanted to open a salon and spa but due to limited space, it was not possible. They originally tried to secure a bigger building with a downtown location but that course of action was unsuccessful. "When some land went up for sale it prompted us to get moving on our dreams," says Christina. "Nine months later we opened our dream business."

To facilitate this dream they turned to Ross Fugleberg, Business/Ag Banker at Wells Fargo Bank. Fugleberg directed the Svenningsens to Dakota Certified Development Corporation. Christina notes, "We couldn't have done it without Dakota CDC. The low rates and the way Dakota CDC worked with our bank made our journey simple." The 504 financing that



*A new "do" dresses up  
1028 West Main St. in Valley City, ND*

Dakota CDC provided enabled the Svenningsens to charter Wick Construction and create what Valley City was missing from the ground up.

Soon after opening the new salon, Christina and Quin had to begin working toward a new goal: setting themselves apart from the competition. They recognized that they could not be competitive if they were offering the same services and products as the other salons in the area. "Now we are trained in exclusive services and have taken on an exclusive product line." As an Aveda Concept Salon, Hair Therapy now features and uses Aveda products exclusively. In addition to providing all of the traditional hair-care services, Hair Therapy also offers several spa services including massages, manicures, pedicures, body wraps, facials and waxing. If all this weren't enough, the spa even features a coffee bar with a drive-through option.

The Svenningsens have transformed the old business into a nurturing environment across the street; a place where the community can get away. Whatever the daily grind may be, if it's a little "therapy" you need then it is a variety of therapies you will receive at Hair Therapy.



*Hair Therapy salon is brightly decorated, featuring a coffee bar and local artwork.*

## 5 0 4 L O A N

## Dales Auto Restoration keeps on building and expands in Bismarck, ND

“Got cancer coming through?” You may think you know what this line refers to, but you may want to think again. The *Pioneer Auto Club Newsletter* used this line in reference to Dale’s Auto Restoration and its ability to cure any vehicle cancer your automobile may come in contact with.

Dale Speckmann became interested in cars in high school, and what was once a hobby has become a passion and a growing business. It was his first vehicle, a 1934 Dodge, that may have incited this passion and led him to BSC Auto Body Repair after high school. Soon after, he began painting and restoring vehicles on his own. When he met his wife, Pam, she followed him into the shop and helped him with the workload.

Dale and Pam joined forces and built a business together, but it was becoming tougher to compete in the auto body business. “In 2003 we decided to specialize in auto restoration,” said Dale. Custom restoration was a niche that needed to be filled in the Bismarck/Mandan area. The high demand and their quality work meant that the new business flourished. Dale credits his wife, the Pioneer Auto Club and word of mouth for the business’s success.

The vast success of Dale’s Auto Restoration meant that growth was inevitable. “We found a shop in Bismarck that would suit our needs. We contacted Da-



*“We have always dreamed of having a shop like this.”*

kota Community Bank and were referred to Dakota Certified Development Corporation.” Dale Adamski’s, Loan Processor with Dakota Community Bank, recommendation meant that the additional financing needed would be obtained, allowing the Speckmanns to buy the building and remodel it within their budget. The expansion of the shop has also led to the addition of two auto body craftsmen.

Dale’s Auto Restoration isn’t just a business – it is a part of the community. “We help out the

car clubs and sponsor Buggies & Blues in Mandan.” They even open their shop for tours, and happily show off the projects that are in progress.

“We have always dreamed of having a shop like this, and with hard work and help from others our dreams are now a reality.” Thanks to great partnerships with the community, Dakota Community Bank and Dakota CDC, Dale and Pam Speckmann have been able to turn Dale’s high school hobby into a successful business of their own.



*Dales Auto Restoration is a “classic” example of how hard work and a good reputation can build a dream into reality.*

## MICROLOAN

### Lonnie's Roadhouse in Williston, ND, a place where the community and kids can come to meet and eat.



Lonnie Reynolds hopes that one day her daughters, Calley Jo and Rylea Bo, will be able to work with her at the family's restaurant, *Lonnie's Roadhouse Café*. However, *Lonnie's* was once part of a different family under another name.

Bob Johnson originally owned what is now Lonnie's Roadhouse Café in Williston, North Dakota. *Big Bob & Dees* was sold due to a family illness in the mid 90s. Kevin and Sheila Christenson then owned and operated *Kalley's Kitchen* for 11 years before selling the business to Lonnie Reynolds in 2005. Lonnie had been a waitress at *Kalley's Kitchen* for five years and was ready to take on the challenges that being a business owner entails.

Simply purchasing the business proved to be the biggest challenge. American State Bank's Commercial Loan Officer, James Bervig, helped facilitate the purchase of *Kalley's Kitchen*, and enabled Lonnie Reynolds to work hand in hand with Dakota Certified Development Corporation. "Without CDC financing I never would have been able to purchase the business," notes Reynolds. "Keith Olson, of the Small Business Administration, suggested this

loan." Reynolds was able to utilize the SBA Microloan Program. Micro loans are tailor made for small businesses with few employees.

Hiring employees and creating a different atmosphere were among the first projects Reynolds took on as a business owner. Having worked at the previous restaurant for five years, she believes that not coming in blind was a big advantage. She cites Bob Bell with getting her kitchen going and says, "Lee Elsberry is my right hand." All of the customers and other staff are among those Reynolds credits for the successful transition.

Lonnie's Roadhouse Café is committed to keeping the community fed. However, keeping food costs down is a restaurant owner's nightmare. But with the oil fields booming Reynolds says business has picked up.

The restaurant prides itself on being a place where the community and kids can come to meet and eat. "There is nowhere else for them to go," Lonnie says of the kids. "A lot of them come out between eight and 10 in the evening." With any luck, years from now her daughters will be among those with a place to go, and eventually a business to call their own.

## BOARD OF DIRECTORS

### Introducing Dakota CDC Board Members

DCDC will be featuring Board members throughout 2006. Giving you the opportunity to learn more about each member!

**JAMES K. LADUCER**, has been on the Board of Dakota Certified Development since 2002. He is the President of Laducer and Associates, a 250 employee computer information management company.

Laducer was born and raised on the Turtle Mountain Indian Reservation in North Dakota. He was educated at Belcourt High School, Turtle Mountain Community College, Mary College and is a Vietnam-Era Veteran of the U.S. Army. Jim and wife Susie have four children.

As an enrolled member of the Turtle Mountain Band of Chippewa Indians, Laducer honored his commitment to the tribe by serving

as the director of United Educational Training Center special programs for 10 years. Laducer formed his own business in 1985 to provide consultation services to minority-owned business operating in North Dakota. In 1996, he entered the information technology services sector, specializing in large-scale data entry contracts.

With the success of his company, Jim has become one of the top employers in the state of North Dakota and one of the most prominent American Indian leaders and busi-



*Jim Laducer, Chairman of Dakota Certified Development Board of Directors*

nessmen in the nation. He has won several awards including SBA's North Dakota District Director Award and the 2000 North Dakota Small Business Person of the Year.

In addition to serving Dakota CDC as Chairman, Laducer has served several organizations including: Med-center One Health Systems, N.D. Indian Affairs Commission, Mary College, Bismarck State College,

Minority Contractors Association of N.D., N.D. Rural Development Council and the U.S. Small Business Adm.

**GERALD FISHER, CPA**, has been on the Board of Dakota Certified Development since 2002. He is the President and managing partner of Reichert Fisher PC, a CPA firm with offices in Dickinson and Williston. The firm currently employs fifteen.

Fisher graduated from Dickinson State University in 1972 and completed his Master of Arts degree in accounting from the University of North Dakota in 1973. He joined a large national accounting firm in Minneapolis and later

worked for two years with Broeker Hendrickson & Co., CPAs in Bismarck, before helping establish the Dickinson firm in 1978.

Fisher has held a variety of offices and served on the boards of the Dickinson State University Foundation, Dickinson Rotary Club, United Way of Dickinson and the Roosevelt Custer Loan Review Committee. He



*Gerald Fisher, CPA, has been a member of the Dakota CDC Board since 2002.*

serves as an advisor to the Steffes Corporation board of directors and is a member of the North Dakota Society of Certified Public Accountants and the American Institute of Certified Public Accountants.

## Here's what we've heard:

THE COMMERCIAL LENDING STAFF WOULD LIKE TO SAY THANK YOU FOR THE ASSISTANCE YOU HAVE PROVIDED US WITH SBA 504 PROJECTS. WE LOOK FORWARD TO CONTINUINGLY WORKING WITH YOU ON MORE PROJECTS IN THE FUTURE. THANKS AGAIN FOR ALL THE HARD WORK YOU PUT FORTH TO MAKE OUR CLIENTS DREAM A REALITY.



*Dakota CDC appreciates your comments & support. Thank you!*

### Dakota CDC

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### Board of Directors

> Jim Laducer, Mandan  
 chairman  
 > Gerald Willer, Bismarck  
 vice chairman  
 > Dan Carey, Fargo  
 secretary/treasurer  
 > Michael Connor, Devils Lake  
 > Gerald Fisher, Dickinson  
 > Marlowe Johnson, Jamestown  
 > Patsy Levang, Keene  
 > Jennifer Burnside, Newsletter author

## 504 Loan Closings / January - March 2006

### ARVILLA

Dakota Laser and Manufacturing, Inc.  
 DRS Enterprises, Inc. First State Bank

BOSOX, Inc.  
 Bremer Bank, N.A.

Grand Forks Bean Company, Inc.  
 Alerus Financial

### FARGO

American Mail House, Inc.  
 VisionBank

Cajun Café, Inc.  
 Alerus Financial, N.A.

### MANDAN

Midway Lanes, Incorporated  
 Kirkwood Bank & Trust Co.

Custom Truck and Auto Shine, Inc.  
 US Bank

### PARK RAPIDS

Green Valley Bean Company, LLC  
 Choice Financial Group

Dakota Wholesale Tire Inc.  
 Alerus Financial, N.A.

### WEST FARGO

Aaction Truck and Trailer Repair, Inc.  
 State Bank & Trust

### GRAND FORKS

American Defense Industries  
 First State Bank

### SBA 504 RATES

10 Year Debenture Rate:  
**6.965%**

20 Year Debenture Rate:  
**6.749%**