

Originally Processed With FOIA(s):

S

FOIA Number:

S

# FOIA MARKER

**This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.**

---

**Record Group/Collection:** George H.W. Bush Presidential Records  
**Collection/Office of Origin:** Speechwriting, White House Office of  
**Series:** Speech File Backup Files  
**Subseries:** Chron File, 1989-1993

---

**OA/ID Number:** 13718  
**Folder ID Number:** 13718-003

---

**Folder Title:**  
Small Business Person of the Year 5/8/90 [OA 6898]

---

Stack:	Row:	Section:	Shelf:	Position:
<b>G</b>	<b>26</b>	<b>20</b>	<b>5</b>	<b>6</b>

---

**SMALL BUSINESS WEEK AWARDS CEREMONY / ROOM 450  
TUESDAY, MAY 8, 1990 / 2:00 P.M.**

THANK YOU. AND WELCOME TO THE WHITE HOUSE. SORRY ABOUT THE DELAYS GETTING EVERYONE IN. BUT I'VE GOT SOME GOOD NEWS: YOU DON'T HAVE TO SHOW A PICTURE I.D. TO GET OUT. \\\

IT'S GOOD TO SEE MY FRIEND BOB MOSBACHER HERE, WHO'S DOING SUCH AN OUTSTANDING JOB AS AMERICA'S SECRETARY OF COMMERCE. SUSAN ENGELEITER OF THE SBA.

- 2 -

THE PEOPLE GATHERED HERE COME FROM THE 50 STATES AND BEYOND, HOMETOWN HEROES WHO ARE "LEADING AMERICA INTO THE 21ST CENTURY," AS THE THEME FOR SMALL BUSINESS WEEK PROCLAIMS. AND TODAY MARKS A WONDERFUL OCCASION -- NOT ONLY FOR THEM -- BUT ALSO FOR OUR NATION AND OUR FUTURE.

SMALL BUSINESS IS THE BACKBONE OF THE U.S. ECONOMY, CREATING TWO OUT OF EVERY THREE NEW JOBS, EMPLOYING HALF THE PRIVATE WORKFORCE, ACCOUNTING FOR NEARLY 40 PERCENT OF AMERICA'S GROSS NATIONAL PRODUCT. IT'S ONE OF THE REASONS AMERICANS ARE ENJOYING THE LONGEST ERA OF PEACETIME GROWTH IN OUR HISTORY.

BUT OF COURSE, THE MAGIC OF SMALL BUSINESS IS NOT IN THE POWER OF ITS NUMBERS -- BUT IN THE POWER OF ITS DREAMS.

EACH OF YOUR BUSINESSES BEGAN AS THE DREAM OF ONE MAN OR ONE WOMAN -- AND SOON BECAME A DREAM FOR MANY OTHERS.

- 5 -

I LOOK AT PEOPLE LIKE PHYLLIS APELBAUM, ONE OF TODAY'S FINALISTS, WHOSE MESSENGER SERVICE IN CHICAGO PROVIDES JOBS FOR OVER A HUNDRED PEOPLE IN TRANSITIONAL NEIGHBORHOODS. EVERY JOB YOU CREATE CAN MEAN ANOTHER FAMILY WITH A FUTURE, ANOTHER FAMILY WITH HOPE, ANOTHER FAMILY WITH A CHANCE FOR THE AMERICAN DREAM.

AS A FORMER SMALL BUSINESSMAN, I KNOW FIRST-HAND THE STRUGGLES OF ENTREPRENEURS AND GROWING BUSINESSES, THE COMBINATION OF ADRENALINE AND ANXIETY, THE ADVERSITY, THE ADVENTURES THAT FILL YOUR DAYS.

- 6 -

IOWA'S BARNEY ROBERTS STARTED HIS EMPIRE OUT OF HIS BASEMENT. DAVID MATTHEWS BEGAN HIS IRONWORKS ON AN ARKANSAS MOUNTAINTOP WITHOUT ELECTRICITY OR RUNNING WATER. OATMEAL STUDIOS'S GREETING CARDS WERE LAUNCHED AT A PLACE CALLED THE FROG HOLLOW CRAFT CENTER. AND PHYLLIS SLEPT ON THE FLOOR AND WAS TOLD "NO" 17 TIMES BEFORE HER MESSENGER BUSINESS WAS LICENSED.

BY HER OWN DESCRIPTION, PHYLLIS BROKE THE LOGJAM WHEN SHE WALKED INTO THE COMMISSIONER'S OFFICE -- AND I QUOTE -- "SCREAMED LIKE A FISH SELLER ON MAXWELL STREET." \\\ AND PHYLLIS -- WE'RE NOT GOING TO ASK FOR A DEMONSTRATION. \\\

ALL FOUR ARE AMERICAN SUCCESS STORIES. ALL FOUR KNOW THAT NO NATION EVER DROWNED IN SWEAT.

AND ALL FOUR KNOW THAT GOOD CITIZENSHIP IS GOOD BUSINESS, REACHING OUT FROM THEIR COMMUNITIES TO THE HOMELESS, THE SPECIAL OLYMPICS, AND OTHERS.

THEIR RULES ARE SIMPLE. AND THEY MAKE SENSE. "PEOPLE ARE OUR BEST ASSETS," SAYS BARNEY. "TAKE CARE OF THEM AND THEY WON'T LEAVE." PHYLLIS SAYS: "YOU HAVE TO LOVE WHAT YOU'RE DOING." DAVID'S TIME-PROVEN FORMULA FOR SUCCESS NEEDS JUST THREE WORDS: "NEVER SACRIFICE QUALITY."

AND OATMEAL GREETING CARDS' JOE MASSIMINO

[MASS-A-MEEN-O] DESCRIBES THEIR BRAND OF HUMOR AS "NOT CORNY, NOT PUNNY, NOT BIZARRE, NOT OFFENSIVE."

I'M NOT THE FIRST PRESIDENT TO RECOGNIZE AND APPRECIATE THE IMPORTANCE OF SMALLER COMPANIES. TODAY IS HARRY TRUMAN'S BIRTHDAY, AND, AS ALWAYS, HE TOLD IT LIKE IT IS.

HE SAID: "YOU DON'T HAVE A PROSPEROUS COUNTRY UNLESS THE LITTLE MAN -- THE FARMER, THE WORKER, THE SMALL BUSINESSMAN -- IS WELL OFF. AND WHEN THE LITTLE MAN PROSPERS, BIG BUSINESS GETS ALONG JUST FINE."

THAT IS WHY ONE OF MY PRIORITIES AFTER ASSUMING OFFICE WAS TO DEVELOP FEDERAL POLICIES THAT PROMOTE AND SUPPORT THIS VITAL SECTOR OF OUR ECONOMY. WE'RE REVITALIZING THE SMALL BUSINESS ADMINISTRATION.

- 11 -

WE'RE WORKING TO ENSURE THE INTERESTS AND CONCERNS OF SMALL BUSINESS ARE MADE PART AND PARCEL OF EFFORTS SUCH AS FEDERAL CONTRACT PROCUREMENT. AND WE NEED YOUR SUPPORT ON ONE OF THIS YEAR'S TOP LEGISLATIVE PRIORITIES: A TAX CUT ON CAPITAL GAINS. \\\

ESPECIALLY FOR SMALL BUSINESSES AND ENTREPRENEURS, IT WILL HELP ATTRACT START-UP CAPITAL, PROVIDE MORE LONG-TERM INVESTMENT, CREATE NEW JOBS, AND HELP LEVEL THE PLAYING FIELD WITH OUR TRADING PARTNERS.

- 12 -

THE STRENGTH OF AMERICA LIES WITH THOSE WHO ARE WILLING TO TAKE A CHANCE IN SMALL BUSINESS AND BUILD FOR THE FUTURE. IT IS HERE YOU FIND THE DETERMINATION, THE INGENUITY, AND THE VISION THAT HAVE CREATED THE ENTERPRISES WHICH DRIVE OUR ECONOMY AND ENRICH OUR LIVES.

IT IS AROUND SMALL BUSINESSES THAT YOU FIND COMMUNITIES GROWING AND PROSPERING.

IT IS HERE WHERE WOMEN AND MINORITIES MAKE THEIR MARK AS BUSINESS OWNERS. IT IS HERE WHERE YOU FIND SO MANY OF THE THOUSAND POINTS OF LIGHT THAT ARE AIDING THOSE IN NEED ALL ACROSS AMERICA.

WE CAN TAKE PRIDE IN THE FACT THAT NATIONS AROUND THE WORLD ARE USING SMALL BUSINESS IN THE UNITED STATES AS A MODEL FOR ECONOMIC GROWTH.

SMALL BUSINESS IS AMERICA AT ITS BEST -- AND IT IS A PLEASURE FOR ME TO RECOGNIZE THOSE WHO HAVE EXCELLED IN THIS VITAL FIELD OF ENDEAVOR.

CONGRATULATIONS. THANKS. AND GOD BLESS THE UNITED STATES.

(AND NOW, I'LL TURN THE PODIUM OVER TO SUSAN TO PRESENT TODAY'S AWARDS.)

# # #

McNally/Simon  
May 3, 1990  
Draft Two (B:SBA)

PRESIDENTIAL REMARKS: SMALL BUSINESS WEEK AWARDS CEREMONY  
ROOM 450, O.E.O.B.  
TUESDAY, MAY 8, 1990, 2:00 P.M.

Thank you. And welcome to the White House. Sorry about the delays getting everyone in. But I've got some good news: You don't have to show a picture I.D. to get OUT. \\\

It's good to see Susan Engeleiter, who's doing such an outstanding job as America's SBA Administrator. And it's always a pleasure to welcome so many distinguished members of Congress down to this end of Pennsylvania Avenue. \\\

The people gathered here come from the 50 states and beyond, hometown heroes who are "leading America into the 21st Century," as the theme for Small Business Week proclaims. And today marks a wonderful occasion -- not only for them -- but also for our Nation and our future.

Small business is the backbone of the U.S. economy, creating two out of every three new jobs, employing half the workforce, accounting for nearly 40 percent of America's Gross National Product. It's one of the reasons Americans are enjoying the longest era of peacetime growth in our history. And it's one of the reasons the economic indicators for March -- chalking up the biggest increase in nearly two years -- continue to promise a growing economy in the months ahead.

But of course, the magic of small business is not in the power of its numbers -- but in the power of its dreams.

Each of your businesses began as the dream of one man or one woman -- and soon became a dream for many others. I look at people like Phyllis Apelbaum, today's First Runner-Up, whose messenger service in Chicago provides jobs for over a hundred people in transitional neighborhoods. **Every job you create can mean another family with a future, another family with hope, another family with a chance for the American dream.**

As a former small businessman, I know first-hand the struggles of entrepreneurs and growing businesses, the combination of adrenaline and anxiety, the adversity, the adventures that fill your days. Iowa's Barney Roberts [[SMALL BUSINESS PERSON OF THE YEAR]] started his empire out of his basement. Jim Harrold [[TIED, 2nd RUNNER-UP]] overcame both polio and the bankruptcy of his predecessor. Oatmeal Studios's [[TIED, 2nd RUNNER-UP]] greeting cards were launched at a place called the Frog Hollow Craft Center. And Phyllis slept on the floor and was told "No" 17 times before her messenger business was licensed.

By her own description, Phyllis broke the logjam when she walked into the Commissioner's office -- and I quote -- **"screamed like a fish seller on Maxwell Street."** \\ And Phyllis -- we're not going to ask for a demonstration. \\

All four are American success stories. All four know that no nation ever drowned of sweat. And all four know **that good citizenship is good business**, reaching out from their communities to the homeless, the Special Olympics, and others.

Their rules are simple. And they make sense. "People are our best assets," says Barney. "Take care of them and they won't leave." Phyllis says: "You have to love what you're doing." Jim's print shop formula for success needs just three words: "We meet deadlines." And Oatmeal greeting cards' Joe Massimino describes their brand of humor as "Not corny, not punny, not bizarre, not offensive."

(Not bad, Joe. Sounds like a review of one of my speeches.)

I'm not the first President to recognize and appreciate the importance of smaller companies. Today is Harry Truman's birthday, and, as always, he told it like it is. He said: "You don't have a prosperous country unless the little man -- the farmer, the worker, the small businessman -- is well off. And when the little man prospers, big business gets along just fine."

That is why one of my priorities after assuming office was to develop federal policies that promote and support this vital sector of our economy. We're revitalizing the Small Business Administration. We're working to ensure the interests and concerns of small business are made part and parcel of efforts such as federal contract procurement. And we need your support on one of this year's top legislative priorities: A tax cut on capital gains. \\\

The strength of America lies with those who are willing to take a chance in small business and build for the future. It is here you find the determination, the ingenuity, and the vision

that have created the enterprises which drive our economy and enrich our lives.

It is around small businesses that you find communities growing and prospering. It is here where women and minorities make their mark as business owners. It is here where you find so many of the Thousand Points of Light that are aiding those in need all across America.

We can take pride in the fact that nations around the world are using small business in the United States as a model for economic growth. **Small Business is America at its best** -- and it is a pleasure for me to recognize those who have excelled in this vital field of endeavor.

**Congratulations. Thanks. And God bless the United States.**

# # #

McNally/Simon  
May 1, 1990  
Draft One (B:SBA)

PRESIDENTIAL REMARKS: SMALL BUSINESS WEEK AWARDS CEREMONY  
ROOM 450, O.E.O.B.  
TUESDAY, MAY 8, 1990, 2:00 P.M.

Thank you. And welcome to the White House. Sorry about the delays getting everyone in. But I've got some good news: You don't have to show a picture I.D. to get OUT. \\\

It's good to see Susan Engeleiter, who's doing such an outstanding job as America's SBA Administrator. And it's always a pleasure to welcome so many distinguished members of Congress down to this end of Pennsylvania Avenue. \\\

*Lori Frits*  
*SBA*  
The people gathered here come from the 50 states and beyond, hometown heroes who are "leading America into the 21st Century," as the theme for Small Business Week proclaims. And today marks a wonderful occasion -- not only for them -- but also for our Nation and our future.

*Lori Frits*  
*SBA*  
Small business is the backbone of the U.S. economy, creating two out of every three new jobs, employing half the workforce, accounting for nearly 40 percent of America's Gross National Product. It's one of the reasons Americans are enjoying the longest era of peacetime growth in our history. And it's one of the reasons the economic indicators for March -- chalking up the biggest increase in nearly two years -- continue to promise strong and sustained economic growth.

*BBA*  
*12/89*  
*USA Today*  
*5-3-90*  
*see file*

But of course, the magic of small business is not in the power of its numbers -- but in the power of its dreams.

Each of your businesses began as the dream of one man or one woman -- and soon became a dream for many others. I look at people like Phyllis Apelbaum, today's First Runner-Up, whose messenger service in Chicago provides jobs for over a hundred people in transitional neighborhoods. **Every job you create can mean another family with a future, another family with hope, another family with their own crack at the American dream.**

As a former small businessman, I know and understand firsthand the struggles of entrepreneurs and growing businesses, the combination of adrenaline and ~~anxiety -- of ability and agility~~ -- ~~the alliances, the adversity, the adventures~~ that fill your days. Iowa's Barney Roberts [[SMALL BUSINESS PERSON OF THE YEAR]] started his ~~empire~~ <sup>business</sup> out of his basement. Jim Harrold [[TIED, 2nd RUNNER-UP]] overcame both polio and the bankruptcy of his predecessor. Oatmeal Studios' [[TIED, 2nd RUNNER-UP]] ~~was~~ <sup>first</sup> ~~launched~~ <sup>success came</sup> at a place called the Frog Hollow Craft Center. And Phyllis slept on the floor and was told "No" 17 times before her messenger business was licensed.

By her own description, Phyllis broke the logjam when she walked into the Commissioner's office -- and I quote -- **"screaming like a fish seller on Maxwell Street."** \\\ And Phyllis -- we're not going to ask for a demonstration. \\\

All four are American success stories. All four know that no nation ever drowned of sweat -- and go to work each morning like they're planting the flag at Iwo Jima. And all four know

SBA  
fact  
sheet

Looking Forward

SBA  
fact  
sheet

Success came

Chicago  
Sun-Times  
12-18-89

that good citizenship is good business, reaching out to their communities from the homeless to the Special Olympics.

SBA  
fact  
sheets

Their rules are simple. And they make sense. "People are our best assets," says Barney. "Take care of them and they won't leave." Phyllis says: "You have to love what you're doing." Jim's print shop formula for success needs just three words: "We meet deadlines." And Oatmeal greeting cards' Joe Massimino describes their brand of humor as "Not corny, not punny, not bizarre, not offensive."

(Not bad, Joe. Sounds like a Washington Post review of one of my speeches.")

2nd time

~~And I'm not the first President to~~  
~~As a former small-businessman,~~ I also recognize and appreciate the importance of smaller companies. Today is Harry Truman's birthday, and, as always, he told it straight and simple. He said: "You don't have a prosperous country unless the little man -- the farmer, the worker, the small businessman -- is well off. And when the little man prospers, big business gets along just fine."

HST  
10-10-52  
see  
file

That is why one of my priorities after assuming office was to develop federal policies that promote and support this vital sector of our economy. We're revitalizing the Small Business Administration. We're working to ensure the interests and concerns of small business are made part and parcel of efforts such as federal contract procurement. And we need your support on one of this year's top legislative priorities: A tax cut on capital gains. \\\

The strength of America lies with those who are willing to take a chance in small business and build for the future. It is here you find the determination, the ingenuity, and the vision that have created the enterprises which drive our economy and enrich our lives.

It is around small businesses that you find communities growing and prospering. It is here where women and minorities make their mark as business owners. It is here where you find so many of the 1000 Points of Light that are aiding those in need all across America.

We can take pride in the fact that nations around the world are using small business in the United States as a model for economic growth. **Small Business is America at its best** -- and it is a pleasure for me to recognize those who have excelled in this vital field of endeavor.

**Congratulations. Thanks. And God bless the United States.**

# # #

Harry Truman

[289] Oct. 10, 1952 *Public Papers of the Presidents*

make in the last 2 years because of the defense program.

Now just why do the Republicans want to change the climate in Washington that's bringing about the greatest industrial expansion in the history of the world?

I'll tell you why they want to change the climate. The Republicans don't like the way the benefits of our prosperity are distributed. They want to see more of the profits of the American enterprise go into the dividends of the big corporations and less of it into the pockets of workingmen, the small businessmen, and the farmers.

Now, my friends, that is the issue, pure and simple. They want to rewrite the tax laws to give the breaks to big business. They want to rewrite the price control law to let the speculators make a killing. They want to rewrite the labor laws to make them even more biased against labor than the Taft-Hartley Act already is.

That's what the Republicans mean when they talk about a change in Washington.

But they're completely shortsighted about the whole issue. They're still as shortsighted as they were in the Republican 1920's when the whole object of the Government policy was to help the rich and the privileged.

The thing the Republicans have never understood is that when only big business is helped, the country as a whole is hurt. Eventually, big business and everybody else is dragged down in a general depression—which happened in 1929.

You don't have a prosperous country unless the little man—the farmer, the worker, the small businessman—is well off, too. And when the little man prospers, big business gets along just fine.

We have proved that point over and over again since World War II. At the end of the war, the Republicans hooted at the whole idea of having 60 million jobs. We now have more than 62 million people employed, at good wages. Farm prices and farm income are high. This is good for the farmers and for the workers. It's good for the shop-

keepers and the salesmen and everybody else who has things to sell.

And what about corporations? Believe me, they're doing all right.

Corporate profits before taxes in 1950 were almost \$40 billion, and last year they were \$43 billion. That is more than four times the profits earned in 1929—the peak year before the Republican depression. And it compares with a net loss of \$3 billion in 1932—the bottom year of the Republican depression.

Even after taxes, corporations made \$21 billion in profits in 1950 and \$19 billion last year—more than double the 1929 earnings.

The Republican candidate can't deny we're having prosperity with a Democratic climate in Washington. So he resorts to the false charge that we have what he calls a "war prosperity" created by the defense program. The answer to that is very clear. All he has to do is to look at the figures for 1948 and 1949 and 1950, before the defense program got underway. We were breaking all kinds of records in 1950.

And I just want to remind you that the period after World War II—when this present so-called "bungling" administration was in office—was the first time in our history that a major war has not been followed by a depression.

It's just plain dishonest for the Republican candidate to overlook these facts.

Now, I know that many of you are concerned about what is going to happen when the defense program tapers off. Will there be jobs to take up the slack?

Nobody knows, of course, exactly what lies ahead of us. But this much I will say to you—there can be jobs to take up the slack when the defense program drops away. It may not happen, if your Government follows the wrong policies. But if you have a government that follows the right policies, our post-defense economy can boom to even greater levels than those we now enjoy.

I say that with confidence because I am

W.H. REFERENCE CENTER

778

May 8, 1884 :

Harry Truman's  
Birthday

21st century, and will allow us to enhance our competitiveness in the global arena.

Enthusiastic and confident, the small business community is the cornerstone of America's economy—and it is an inspiration to people around the world.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week of May 7 through May 13, 1989, as Small Business Week, and I call on every American to join me in this very special tribute.

In Witness Whereof, I have hereunto set my hand this eighth day of May, in the year of our Lord nineteen hundred and eighty-nine, and of the Independence of the United States of America the two hundred and thirteenth.

George Bush

[Filed with the Office of the Federal Register, 4:37 p.m., May 8, 1989]

**Remarks at the Presentation Ceremony for the Small Business Persons of the Year Awards  
May 8, 1989**

To the Members of Congress here and all the distinguished guests, first let me welcome Susan Engeleiter, the Administrator of SBA [Small Business Administration], as well as all the State small business people and their families who came here today. I've participated in these ceremonies before, and I'm especially pleased and honored to present these awards today.

As you probably know, I, long ago, was a small businessman myself, and I think, therefore, I know some of the worries that you share—the what-ifs when you're the one in charge. And I know how it feels to start something from scratch, work with it day and night, and hopefully see it succeed. Success goes to those who work hard, refuse to give up, and learn from their mistakes. And there's a saying: If I had my life to live again, I'd make the same mistakes, only sooner. [Laughter] I think small businessmen and women can understand those

words. You don't have to sell me on the value of small business.

The work you do is vital to this nation's economic well-being. And I brought along some statistics to back that up. Small businesses employ more than half of America's private sector work force. Small businesses account for over a third of our gross national product. And I've saved the best statistics for last. During the past decade, small businesses have created two out of every three new jobs in our economy. And for me, that's the bottom line. Small business is on the business end of growth and at the cutting edge of the economic expansion that's 77 months old and still going strong.

Let me take a moment right here to mention an issue that should be on the top of the list for all small business people: the question of child care. As you know so well, you're more likely to find small business owners sitting around a kitchen table than in a big corporate boardroom someplace. A small business is less a corporation than a family. And like a family, people engaged in a small business enterprise share common aims, a common outlook, and certainly have common interests. And that's the perfect workplace environment for innovative approaches to meet the concerns and needs of employees. I urge America's small businesses to take the lead in developing creative solutions in child care. I think, for example, of pioneers like Gerald Tsai, Jr., or Jenlane Gee and others who we honored out there today, Asians who have a strong bearing and support in their families for child care. I will do nothing as President of the United States, absolutely nothing, that weakens our family structure. And I encourage small businesses to do everything they can to strengthen the family structure by getting together in a cooperative fashion.

My child care tax credit program is going to benefit small businesses, I believe. I do not believe in these mandated government benefits. I think it has to be decided by the Federal Government, making as flexible as possible, the use of child care tax credits. So, I wanted to take this opportunity, a little off the beaten path, you might say, of honoring these honorees today. But it is very, very important that all of you who are out there trying to produce at competitive

rates, competitive ways, help as best you can. You know the value of freedom and flexibility. And so, I just want to see us work together to preserve that freedom in child care and in other issues that affect the way we live and work.

A moment ago, I cited some statistics on the large impact of small business in the American economy. Ceremonies like this one are important because they honor the individuals behind the statistics—the small business people who conceive the idea, take the chance, and make it work. So, today we recognize the best that small business has to offer. And I want to turn now to the awards. This year there is no fourth place finisher. Instead, we have a tie for third place. And I'll start with Chad Olson of Utah. Chad produces a highly successful line of professional and collegiate sports merchandise. He's marketed franchises in 40 States already. And I understand he's got his eye on all 50. He's got international ambitions as well, with franchise plans for Canada and U.S. military bases overseas. Now, do we do this right now? All right. Chad? Well done. And sharing this third place award with Chad is Carolyn Stradley of Georgia. She started out as a bookkeeper for a paving company and left that company to do what many here have done: start out on her own. She used a loan from her brother to buy her truck, built her business by taking the small jobs that no one else thought worthwhile; and today she's a success, and equally important, an inspiration to businesswomen everywhere. And so, congratulations to you.

The winner of this year's second place award comes from Kansas, Richard Barlow. Dick is well known to gourmet cookie makers as the manufacturer of REMA insulated bakeware. He started his business with a family friend just 6 years ago selling these cookie sheets in Oklahoma—in Kansas. And today REMA bakeware is sold in all 50 States and Japan. And so, congratulations to you, Richard. Well done.

And now the 1989 winner, this year's Small Business Person of the Year, Tad Bretting of Wisconsin. I wondered why Senator Kasten was over here. [Laughter] Tad's got business in his blood. His family has been in the machinery business for three generations—almost 100 years. He joined

the family business in 1958. And those 30 years have seen the Bretting Company grow and prosper from 11 employees back in 1958 to 260 today, from \$120,000 in sales each year to \$30 million. And today his company is the world's leading producer of high tech custom designed machinery for making paper products. And the secret of Tad's success is the one small business people know so well: It all comes down to taking good care of customers. And so, congratulations to you, Tad.

So, there you have our four winners. This room, though, is full of success stories today. It's in this nation's small businesses that the American spirit, entrepreneurial spirit, takes root and grows. And so, our nation needs you—your drive, your dynamism, your creativity, and your can-do attitude. Congratulations to all of you, and especially to you winners with us here today. Thank you all very much.

*Note: The President spoke at 1:40 p.m. in the East Room at the White House. In his remarks, he referred to Gerald Tsai, Jr., member of the board of directors of Primerica, and Jenlane Gee, California Teacher of the Year, 1988.*

**Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request  
May 9, 1989**

*To the Congress of the United States:*

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's FY 1990 Budget and FY 1989 Budget supplemental.

The District's General Fund 1990 operating budget request is \$3,071 million. Total Federal payments anticipated in the District's budget are \$498 million. The District's FY 1989 budget supplemental contains \$106 million in cost increases and \$79 million in budget authority rescissions, for a net increase of \$27 million. This transmittal does not affect the Federal budget.

There are four District budget issues to which I would direct your attention. First, I



U.S. SMALL BUSINESS ADMINISTRATION  
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

**DATE:** April 30, 1990

**TO:** Michael P. Jackson  
Executive Secretary for Cabinet Liaison

**FROM:** Lori Fritts  
Special Assistant to the Chief of Staff

**SUBJECT:** Small Business Week

Per our discussion, please find attached suggested talking points for the President's remarks for the Small Business Week ceremony scheduled for Tuesday, May 8, 1990.

The audience will be comprised of: a) State Small Business Persons of the Year from each state, the District of Columbia, Guam, Puerto Rico and the Virgin Islands; b) six national Small Business Advocate Award winners representing the media, veterans, accountants, financial services, women and minorities; c) the Small Business Exporter of the Year; d) the Young Entrepreneur of the Year; e) the Entrepreneurial Success Award is given to a small business that became a large business with SBA's help; f) the winners' families and guests; and g) about 40 private sector patrons of Small Business Week.

The theme of this year's Small Business Week is "Small Business: Leading America into the 21st Century."

⇒ | We have had plaques made for the awards the President will announce: the National Small Business Person of the year (V.E. "Barney" Roberts, Chairman, Iowa Office Supply, Storm Lake, Iowa), the first runner-up (Phyllis L. Apelbaum, President, Arrow Messenger Service, Inc., Chicago, Illinois), and the two businesses tied for second runner-up (James L. Harrold, President, Webcrafters, Inc., Tempe, Arizona; and Joe and Helene Massimino, Oatmeal Studios, Rochester, Vermont).

Attachment

SUGGESTED TALKING POINTS FOR THE WHITE HOUSE

SMALL BUSINESS WEEK 1990

TUESDAY, MAY 8, 1990

- o This is a wonderful occasion for those we are honoring today ... it is also a special occasion for our nation and our future -- to have such outstanding entrepreneurs "leading America into the 21st Century," as the theme for Small Business Week suggests.
- o Small business is the backbone of U.S. economy. This sector:
  - Creates 2 of every 3 new jobs
  - Employs 50 percent of the work force
  - Accounts for 39 percent of the GNP
- o As a former small businessman, I recognize and appreciate the contributions of smaller companies ... I also know and understand first-hand the struggles of entrepreneurs and growing businesses.
- o One of my priorities upon assuming office was to develop federal policies that promote and support this vital sector of our economy.

- As part of this effort, we are revitalizing the Small Business Administration.
- Also, we are making sure the interests and concerns of small business are factored into government activities on everything from increased federal contract procurement for small businesses to support for a capital gains tax cut in Congress.

- o The strength of America lies with those who are willing to take a chance in small business and build for the future .. it is here you find the determination, the ingenuity, and the vision that have created the enterprises which drive our economy and enrich our lives.

- It is around small businesses that you find communities growing and prospering.
- It is here where women and minorities make their mark as business owners.
- It is here where you find so many of the Thousand Points of Light I talk about so often.

*Real American Dream*

*fus. of Amer. in small bus.*

*Amer. known as "Big Business"*

*role in free market, that helps open up Central & N. Cent. Europe*

- o We can take pride in the fact that nations around the world are using small business in the United States as a model for economic growth.
- o Small Business is America at its best, and it is a pleasure for me to recognize those who have excelled in this vital field of endeavor.

**1990**  
**SMALL BUSINESS**  
**PERSON**  
**OF THE YEAR**

**WINNER**

*WSP*  
*408-1639*

V. E. (Barney) Roberts, Chairman  
Iowa Office Supply, Inc.  
731 Lake Avenue  
Storm Lake, Iowa 50588  
(712)732-4801

In 1945 Barney Roberts thought selling cars was his destiny. He did so for 16 years. But in 1961 he got hooked on selling office machines; by 1967 he and his wife, Irene, began Iowa Office Supply in the basement of their Spencer, Iowa home.

Within months the Roberts opened a retail outlet in Storm Lake; their modest first-year sales were \$95,431 with two employees.

Today Iowa Office Supply has \$8.5 million in annual sales and employs 55. A fleet of 38 vehicles fans out across northwest Iowa. Roberts believes in retaining long-term employees with good benefits. "People are our best assets," he advises. "Take care of them and they won't leave."

One of the top ten Sharp dealers in the country, Roberts is a SCORE (Service Corps of Retired Executives) counselor, and is deeply involved in community projects. Says the president of Buena Vista College about Roberts' firm, "It is not an overstatement to say that most northwest Iowa businessmen depend on Iowa Office Supply in order to manage their companies in an efficient, productive and profitable manner."

(213)  
450 - 5433  
Ace Comy

# Withdrawal/Redaction Sheet

## (George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Application	Small Business of the Year, re: Vernon Roberts; personal information redacted. (1 pp.)	01/02/91	P-6, (b)(6)	

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Speechwriting, White House Office of  
**Series:** Speech File, Backup  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Small Business Person of the Year 5/8/90

<b>Date Closed:</b> 10/18/2004	<b>OA/ID Number:</b> 06898
<b>FOIA/SYS Case #:</b>	
<b>Re-review Case #:</b> 2004-2265-S	
<b>P-2/P-5 Review Case #:</b>	
<b>MR Case #:</b>	<b>Appeal Case #:</b>
<b>MR Disposition:</b>	<b>Appeal Disposition:</b>
<b>Disposition Date:</b>	<b>Disposition Date:</b>

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

- P-1 National Security Classified Information [(a)(1) of the PRA]
- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-3 Release would violate a Federal statute [(a)(3) of the PRA]
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P-5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

- (b)(1) National security classified information [(b)(1) of the FOIA]
- (b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- (b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- (b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- (b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- (b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- (b)(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

CANDIDATE FOR APPOINTMENT

to the

ADVISORY COUNCIL

SOCIAL SECURITY NO. \_\_\_\_\_

NAME: Vernon (First) Barney (Middle/Initial) Earl (Last) Roberts

POSITION, NAME AND ADDRESS OF BUSINESS OR EMPLOYER: Chairman  
Iowa Office Supply INC.  
721 Lake Ave. Storm Lake, Iowa 50588

TYPE OF BUSINESS: Retail Office Equipment

INDICATE PREVIOUS OR PRESENT FINANCIAL (INCLUDING DEVELOPMENT COMPANY), SURETY BOND, OR CONTRACTUAL ASSISTANCE WITH SBA. GIVE APPROXIMATE DATES AND TYPE OF ASSISTANCE.

None

HOME ADDRESS: \_\_\_\_\_  
(Please include full office and city)

SERVICE ON FEDERAL BOARDS, COUNCILS OR COMMISSIONS  
(Indicate previous or present): D.C.O.R.E Member

IF EMPLOYED BY A STATE GOVERNMENT, IS IT AN ELECTIVE POSITION?

Yes \_\_\_ No X NA \_\_\_

ARE YOU ON A FEDERAL PAYROLL? Yes \_\_\_ No X

PLACE OF BIRTH: Le Roy, Minn. BIRTHDATE: 7-7-23

CONGRESSIONAL DISTRICT 6<sup>th</sup>

The authority to obtain this information is contained in 5 U.S.C. 301, 15 U.S.C. 634(b), 44 U.S.C., 3101. Routine uses of the information are:

- To respond to a request from a member of Congress regarding information about an Advisory Council member.
- To disclose information about an Advisory Council member to general public.
- To respond to requests from the General Services Administration.

Vernon E Roberts (Signature) Date: Jan. 2, 1990  
*(This must be signed as a condition of the appointment.)*

# SBDC

## Iowa Small Business Development Center

IOWA  
Small Business  
Development Centers



Iowa Lakes SBDC  
Iowa Lakes Community College  
Gateway North Shopping Center  
Highway 71 North  
Spencer, Iowa 51301  
(712) 262-4213

November 6, 1989

Mr. Conrad Lawlor, District Director  
U.S. Small Business Administration  
Federal Building, Room 749  
210 Walnut Street  
Des Moines, Iowa 50309

Re: Small Business Person of the Year Nominee:  
Mr. V.E. (Barney) Roberts

Dear Mr. Lawlor:

In cooperation and co-sponsorship with Iowa Lakes SCORE Chapter #368, the Iowa Lakes Small Business Development Center is proud to nominate Mr. V.E. (Barney) Roberts as Iowa Small Business Person of the Year.

Mr. Roberts is not only a fine example of a small business person who has successfully developed a company into an organization employing a significant number of people and having a major impact on Iowa business and industry, but he also is representative of a business person who works in support of small business through professional and community affiliations (including SCORE).

The Iowa Lakes SCORE Chapter and the SBDC are pleased to recognize the efforts of Barney Roberts, and support his nomination for the Iowa Small Business Person of the Year.

Sincerely,

Clark Marshall, Director  
Iowa Lakes Small Business Development Center

Mr. Dwight Willard, Chairman  
Iowa Lakes SCORE Chapter #368

- 1945 V.E. "Barney" Roberts started his marketing career selling automobiles for the Asher Motor Company in Spencer, Iowa. After selling cars for 16 years, he decided that he wanted to join an industry that was more challenging and faster growing.
- 1961 Barney joined Modern Business in Spencer as the only outside salesman of office machines, supplies and furniture in Northwest Iowa.
- 1964 Barney was promoted to salesmanager of Modern Business to direct the sales team he had created.
- Jan. 1967 Barney and Irene saw the opportunity to create their own office equipment company, and opened Iowa Office Supply in the basement of their Spencer home.
- April 1967 Realizing the great potential in the Storm Lake area, Barney, Irene and two additional employees opened Iowa Office Supply as a retail business in the business district of Storm Lake. The first year sales of Iowa Office Supply were \$95,431.
- 1968 Sales volume grew to \$172,659.00 up 45% with four total employees.
- 1969 Volume grew to \$240,461.00 up 28%, employment remained the same.
- 1970 Sales continued to grow up 14% to a total of \$279,338 employment the same.
- 1971 A startling thing happened. Sales declined to \$263,441. Barney realized in order to grow he had to come off the road in order to manage the growth of the company. Barney's son, Kirby, took over Barney's position on the road after returning from four years in the Air Force. Barney also realized he needed a bigger facility in a more visual location. He left the existing rental location and built a new building on the main street of Storm Lake with 5,000 square feet. At that point, he hired two full time service people to create his own service department to better service his customer base. He also added two more outside sales people.
- June 1972 Things were growing and because of the busy winter season, changed the corporation's fiscal year from June 30 - July 1. Sales for six months were \$195,977. The number of employees grew to ten.
- 1973 Barney purchased an existing Office Supply store in Ida Grove. After closing the store, he opened a new remodeled facility in Carroll, Iowa. Sales jumped 55% to \$433,998 with employment at 14.

- 1974 Sales continued to grow for both facilities, up 24%, employment remained the same. Barney came up with a first, he put in a watts line for better customer enticement, unheard of with the other office suppliers in Northwest Iowa.
- 1975 Barney decided to sell the Carroll store to the existing manager so that he might further concentrate on sales in the Storm Lake area. Even with the loss of the Carroll stores revenues, sales jumped to \$629,218. At this point, his son, Kirby, was promoted to salesmanager so Barney could create a bigger sales team to cover an eighty mile radius of Storm Lake. The same year, Barney created United Leasing, Inc. to give customers a different alternative in owning office equipment.
- 1976 Additional space was needed so Barney purchased an additional 2500 square foot building adjacent to the existing new facility, bringing the total footage to 7500 square feet. Sales increased 18% to \$764,334 and total employment grew to 17.
- 1977 Total sales grew to \$884,669 and employment to 18. Kirby became Vice-President.
- 1978 Total sales grew to the million mark, \$1,083,514, up 18% with employment at 20. Barney purchased a mini computer with custom software to give customers generated invoices and statements, another first to office dealers in Northwest Iowa.
- 1979 Volume \$1,117,998, employment total to 21. Tragedy struck, five of the top employees resigned to open their own store: salesmanager, office manager, executive secretary and top two salesmen. Barney promoted from within, didn't miss a step.
- 1980 Sales continued to grow and more facility was required so Barney purchased another 2500 square foot building adjacent to the existing facility bringing the total to 10,000 square feet. Total sales went to \$1,214,159, with employment to 24.
- 1981 Total sales were \$1,492,582 with total of 25 employed. Barney purchased the rights to publish a monthly newsletter for better customer relations, called "The Secretary's Friend". This is still in very high demand and used today. Also a monthly sales flyer was created with special pricing, another first in the the area.

*tech. edge*

- 1982 Barney felt the need to hire an advertising agency to give the company better exposure in Northwest Iowa. Television became the new strong media for Iowa Office Supply, another first to the area for our industry. Barney also created a church coop buying program quarterly, to allow churches mass buying power for paper and related supplies. Also, Barney created a company clothing program to allow sales and service to have a more professional image. As Barney said, "The look better, feel better, be better approach". Sales were up to \$1,722,177.
- 1983 Two warehouses were purchased to handle used furniture and help house the inventory for the newly created wholesale division. The wholesale division was created to increase advertising dollars by way of coop advertising and to ensure our sales of retail Sharp products were always purchased at the best possible bracket. This still remains a very profitable division, that markets regionally, nationally and internationally. Also, Barney created an instore print shop to better the service the customer needs. With the new 10,000 square foot warehouses and print shop sales grew to \$1,902,536 and employment jumped to 28.
- 1984 Computers were hot, Barney decided to open a computer division, to help enhance the well rounded dealer philosophy. Also, a qualified profit sharing program was added in addition to cash bonus to help entice good employees stay with him. Also, a new computer was ordered with new custom software and several multi-task terminals. To tie with the existing advertising program, Barney created a fleet of vehicles, white with brown and orange stripes and lettering. Also, the start of several incentives and incentive trips were presented to many key employees. Sales jumped to \$2,971,728, up 36%.
- 1985 Sales totaled \$3,491,510 with employment total at 31.
- 1986 Barney thought it time to expand into the Sioux City market. Iowa Office Supply purchased K & D Business Machines, the existing Sharp copier dealer. Iowa Office Supply planned at that point to penetrate 80 miles into the South Dakota and Nebraska market. Sales totaled \$3,425,416 with 36 employees.
- 1987 Iowa Office Supply opened a newly remodeled 8500 square foot facility with a well rounded inventory of supplies, machines and furniture. A new 9500 square foot warehouse was purchased in Storm Lake to handle the growing wholesale business. Sales were \$4,297,622 up 20% with 43 employees.

1988 Barney decided Kirby should become President after 18 years in the company. Barney became Chairman of the Board and company consultant. Employee numbers jumped to 49 and volume to \$6,121,989 up 30%. In July, Iowa Office Supply decided to become a Sub S Corporation for tax reasons.

1989 In the past 12 months, Iowa Office Supply did \$8,100,000 up 24%, with a total of 52 employed.

CURRENT Iowa Office Supply in its complete fiscal 1989 is anticipating \$8,500,000 in sales and currently has 55 employees. A new building was just purchased across from the existing facility in Storm Lake to accommodate the print shop. The new facility has 5100 square feet to allow future growth of Iowa Office Supply. The existing space that the print shop occupied will be filled with a new and bigger show room and service department. Plans are currently in the process of opening a store in Mason City and should be completed by the spring of 1990. One year growth plan are to have volume in excess of \$10,000,000 with 70 employees. The current fleet of vehicles is 38 Cavaliers and Mini-Vans, all striped and lettered the same.

*familiarity  
3 sides*

SUMMARY Because of Barney's strong management ability, he has been able to retain many long term employees, by offering a large benefit package and many fringe benefits. "People are our best assets, take care of them, they won't leave". With this philosophy, he has been able to grow, and many good people still want to join his payroll. Barney realized years ago in order to better service his customers, he needed a strong training program for sales and service people and the best franchises available. Today, Iowa Office Supply represents the #1 selling typewriter, copier, facsimile, cash register, calculator and dictating manufactures in the nation. His company is one of the top ten Sharp dealers in the country and has been in Sharp's Million Dollar Club over five consecutive years. Barney believes in total customer satisfaction and he constantly checks their satisfaction with after market surveys. Through the years, Barney has taken time to serve his church and community in many ways. Barney has been a 25 year member of Kiwanis, a 22 year member of the Storm Lake Chamber of Commerce and is current member of S.C.O.R.E. Barney was President of the Storm Lake Industrial Board and a board member of Faith, Hope & Charity, a home for profoundly retarded children. Barney is a strong contributor to the Storm Lake Industrial Board, Faith, Hope & Charity, Buena Vista Work Activity Center, Pheasants Forever, Whitetails Forever, Ducks Unlimited, Methodist Manor, Buena

Vista College, Sioux City Chamber of Commerce & Industrial Board. Barney also worked on many committees for Methodist Manor, Buena Vista College, and the Chamber of Commerce. Barney created the idea and ran the fund raiser for four welcome signs into Storm Lake. He also has been a member of NOPA and NOMDA, both trade organizations for over twenty years. Obviously there are many more accomplishments too numerous to mention. In comparison to national averages in the industry, Iowa Office Supply exceeds all comparisons.

GARY ROSENE & CO., P.C.

Certified Public Accountants

STORM LAKE, IOWA 50588

Telephone (712) 732-1419

610 Seneca Street  
P.O. Box 1333

Gary Rosene, CPA  
Shane Rosene, CPA

October 18, 1989

Small Business Administration  
Federal Building  
Des Moines, Iowa

RE: 1989 Candidate for Small Businessman of the Year.  
V.E. "Barney" Roberts

To Whom it May Concern:

We are writing to support the nomination of V.E. "Barney" Roberts as Iowa Small Businessman of the Year. I have known Barney for approximately 25 years. I first met him when he was an office supply salesman calling on a company for whom I worked as an office manager. In recent years, as I developed my own accounting practice, Barney and Iowa Office Supply became clients; and I have worked with Barney over the past several years both as a customer of Iowa Office Supply and in providing professional accounting and tax services to Iowa Office Supply.

The growth of Iowa Office Supply, Inc., under the management and direction of Barney Roberts has been amazing. The company began with capital of \$20,000.00 in 1967 and has grown to capital in excess of \$1,500,000.00 over the past 22 years. Such growth can only be accomplished by combination of hard work, providing good service and good products, and having the vision to adapt as circumstances change. The growth of Iowa Office Supply in both equity and profits is strong evidence of Barney's ability to manage successfully.

While managing a successful business, Barney has also found time to participate in several community activities including active participation in the Chamber of Commerce. We feel Barney is an excellent candidate for Iowa Small Businessman of the Year and strongly recommend him for this honor.

Sincerely,



Gary L. Rosene

*greatest  
equity is his  
customers*

GLR:gg

# BUENA VISTA COLLEGE

Storm Lake, Iowa

OFFICE OF THE PRESIDENT

October 25, 1989

Small Business Administration  
Federal Building  
Des Moines, IA 50319

To the Selection Committee:

I am pleased to recommend Mr. V.E. "Barney" Roberts for the Iowa Small Businessman of the Year Award. I have known Barney for fifteen years and watched with admiration as he lead his business, Iowa Office Supply, Inc., from an excellent local firm to one that now dominates the regional market.

Under Barney's guidance, Iowa Office Supply is known and trusted for its outstanding service to other businesses--large and small--in the region. It is not an over-statement to say that most northwest Iowa businessmen depend on Iowa Office Supply in order to manage their companies in an efficient, productive, and profitable manner. I speak as both a client of Barney's and as a close observer of area business developments.

In addition to Barney's personal business success, he is a prime example of Iowa corporate volunteer leadership to vital non-profit service organizations, including my own. To all of his volunteer activities he brings the same empathy, respect, vitality and wisdom he displays in his own enterprise.

Thus, I believe Barney is the American ideal of a corporate leader; his own business is prospering, he gives of himself to the local community, and he actively participates with distinction in regional and national organizations in order to enrich the Iowa business climate. Barney has my strongest endorsement for the honor of Iowa Small Businessman of the Year.

Sincerely,



Keith G. Briscoe  
President

KGB:ch

# SHARP®

SHARP ELECTRONICS CORPORATION

Mid-Western Region

1300 Naperville Drive

Romeoville, Illinois 60441 • (312) 759-8555

October 27, 1989

Small Business Administration  
Federal Building  
Des Moines, IA 50319

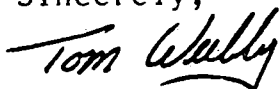
Gentlemen:

I am sending this letter to indicate my support for the nomination of V.E. "Barney" Roberts, of Storm Lake, Iowa, as Small Businessman of the year. Mr. Robert's leadership has been the major reason for the continued growth and expansion of Iowa Office Supply.

I have worked closely with Barney over the last 10 years and in that time IOS has had an annual growth with Sharp Electronics of over 20% per year. This increase has led to Barney opening a new store in Souix City and a planned store in Mason City. More importantly, the number of Iowan's I.O.S. employs has grown from 21 to a total of 55 over the same period.

In closing, what we at Sharp Electronics look for in our dealers is professionalism and dedication to their business. In Iowa Office Supply we have these characteristics and are proud to have them on the Sharp team.

Sincerely,



Tom Weekly  
Regional Sales Manager  
Copier Division

TW:gss

# *Electronic Business Machines Company*

793 Springer Drive  
Lombard, Illinois 60148  
932-8005

---

Administrative  
Offices

October 24, 1989

SMALL BUSINESS ADMINISTRATION  
Federal Building  
Des Moines, Iowa 50300

To Whom It May Concern:

It is with genuine pleasure to send my letter to you in support of:-  
Mr. Barney Roberts of Iowa Office Supply, Inc., Storm Lake, Iowa,  
in his nomination by the Northwest Iowa Small Business Administration,  
as the 1989 candidate for:- "Iowa Small Businessman of the Year".

I personally have known Mr. Barney Roberts for a good number of years;  
the early years when we both shared a common business interest in our  
respective States, the promotion and sale of Sharp Electronics Corporation  
calculator products.

We were one of his first suppliers when he began his organization with 3  
or 4 people in Storm Lake, many years ago. We have not only seen him  
develop his business in Storm Lake, but beyond. Today his company  
employs many, many people and has become the prime economic producer  
in the northwestern part of Iowa. He possesses the unique ability to bring  
opportunities to his many employees.

Through those early, and the ensuing years, Barney and I developed a  
strong and lasting friendship, both personal and in business. I have the  
highest respect for his business acumen and tireless energy to satisfy  
his customers' needs in a very competitive business. He is an achiever.

If your committee can see its way clear to bestow your great honor on  
Mr. Roberts, he will be, without doubt, representative of Iowa's Small  
Businessman and take his place alongside the best of your past recipients.

Respectfully,

ELECTRONIC BUSINESS MACHINES CO.



Donald S. Kanak,  
President  
DSK/h

# MILLS INSURORS

NORTHWEST CONSULTANTS, INC.

Phone 712/834-2441

Everly, Iowa 51338

October 19, 1989

To Whom It May Concern:

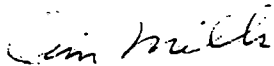
This letter is being sent to support the nomination of V.E. "Barney" Roberts for a small business award. I have known "Barney" for at least 50 years. I first knew him in business as an auto salesman for Asher Motors. His straight forward, honest approach as an auto dealer enhanced our relationship.

In later years when "Barney" bought his own office supply business, and I had an insurance business, it became apparent the I could trust him to keep me abreast of the most modern office equipment available. He kept his orders on time and in proper condition to expedite my needs.

The expansion of his business over the years shows his credibility to the public; this track record is a beacon of his success.

I am sure that if your committee would select "Barney", he would justify their decision.

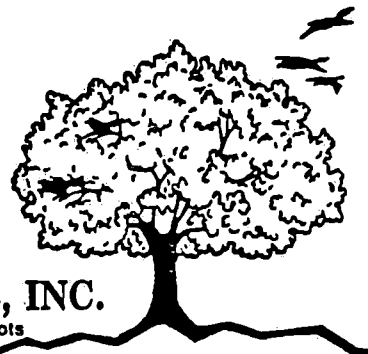
Yours truly,



James W. Mills

**NORTHWEST CONSULTANTS, INC.**

...growing insurance protection with hometown roots





P.O. BOX 584 • STORM LAKE, IA 50588 • 712-7

October 20, 1989

Small Business Administration  
Federal Building  
Des Moines, Iowa 50319

IN RE: Small Business Person of the Year  
V. E. "Barney" Roberts  
Iowa Office Supply  
Storm Lake, Iowa

Gentlemen:

I am writing this letter of support for the nomination of V. E. Roberts as Small Business Person of the Year. I have known and worked with "Barney" for over 15 years. I have observed his business development, worked with him on Chamber of Commerce activities plus we have had joint business ventures together.

Barney Roberts started Iowa Office Supply and it has grown remarkably since. Iowa Office Supply has earned the respect of all of Northwest Iowa by their professional sales team and "fleet" of sales staff calling on customers in all size communities. The business has gained the respect of suppliers as evidenced by the enviable list of dealerships and sale franchises granted to Iowa Office Supply. The firm has expanded into a second "base operation" in Sioux City and is currently in the process of a third "base operation" in Northcentral Iowa.

Iowa Office Supply, a business advocate and an example of unusual success, is involved in community progress, targeting service as a key ingredient and personal contact as a cornerstone. V. E. "Barney" Roberts is a credit to his profession and would most certainly be a worthy choice for this honor and recognition.

Respectfully,

A handwritten signature in cursive script, appearing to read 'William R. Lanphere'.

William R. Lanphere  
Executive Director

WRL/ss

# Simonsen Iron Works, Inc.

MANUFACTURERS OF

**HARDWARE AND IMPLEMENT SPECIALTIES**

ESTABLISHED 1908  
INCORPORATED 1946

Phone 712-283-2544



106 SECOND STREET

**SIoux RAPIDS, IOWA 50585**

WALTER A. SIMONSEN, PRES.  
DAVID C. BAILEY, VICE PRES.  
JOAN SIMONSEN BAILEY, SEC'Y.

Small Business Administration  
Federal Building  
Des Moines, Iowa

October 17, 1989

To Whom It May Concern:

This letter is written to support the nomination of V.E. "Barney" Roberts for Small Business Award. I have known Barney and done business with him for many years including being a customer of his when employed by other businesses before he established his own business, "Iowa Office Supply of Storm Lake" and more recently a branch established in Sioux City.

I recently saw a picture of all his 50 salesman's scars. This in itself indicates the firm's rapid growth.

As a customer of theirs 95% of all our office equipment and supplies are purchased from them. Their service has been outstanding and our annual purchases from them are several thousand dollars a year.

It is a pleasure to recommend him for this honor and we trust your committee will rate "Barney" very high and will bestow this great honor to Barney Roberts...he will rate very high as compared with past recipients.

Yours very truly,

SIMONSEN IRON WORKS, INC.

Walter A. Simonsen  
President

WAS:jm

THE CITIZENS FIRST NATIONAL BANK OF STORM LAKE

STORM LAKE, IOWA

H. W. SCHALLER  
CHAIRMAN

October 17, 1989

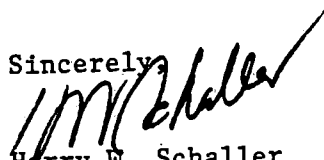
Small Business Administration  
Federal Building  
Des Moines, IA

TO WHOM IT MAY CONCERN:

It is a great pleasure to support the nomination of V.E. "Barney" Roberts as Northwest Iowa's Small Business Administration (S.C.O.R.E.) candidate for Iowa Small Businessman of the Year. Barney's firm, Iowa Office Supply, Inc., and the Citizens First National Bank have worked together over the years. It has always impressed me that Barney's goal has been to build the company through product delivery, service and sales. Because of Barney's attitude in this area, his firm has been able to grow from a small office supply firm to one of substantial size serving two locations, both the home office in Storm Lake, Iowa and a branch in Sioux City, Iowa.

Because of the outstanding record that Mr. Roberts' has shown in the growth and development of his business, I hope that you will favorably entertain his nomination.

Sincerely,



Harry W. Schaller  
Chairman

HWS/ckd

# City of Storm Lake



"The City Beautiful"

P.O. Box 1086 • 620 Erle • Storm Lake, Iowa 50588  
(712) 732-5700

October 1989


To: Small Business Administration

I have just been informed that V. E. "Barney" Roberts of Iowa Office Supply in Storm Lake, has been nominated by the Northwest Iowa Small Business Administration as a 1989 candidate for "Iowa Small Businessman of the Year".

I have known "Barney" for many years and consider him to be one of the most respected businessmen our City has ever known. His business has grown from a small beginning to one of a major impact in Northwest Iowa. While "Barney" was busy building his business he always had time to take an active roll in community affairs and could be counted on to do a job when asked.

If anyone deserves to be "Iowa Small Businessman of the Year" it would be V. E. "Barney" Roberts.

Respectfully,

  
Wilbur L. Tucker  
Mayor

WLT/pjm



November 1, 1989

Gentlemen:

It has been brought to my attention that Mr. V. E. "Barney" Roberts has been nominated as a candidate for "Iowa Small Businessman of the Year." I believe Mr. Roberts is the candidate that should receive the award for the following reasons:

1. Mr. Roberts is a long time businessman of Storm Lake and of Northwest Iowa. His business, Iowa Office Supply, Inc., was established in Storm Lake in 1967 and has flourished under his direction. In 1987, he established the Sioux City branch of Iowa Office Supply. His business, business practices, and employees are all very well known and respected throughout Northwest Iowa.

2. Mr. Roberts has been very active in the community and as a leader in the Storm Lake Chamber of Commerce. His ideas have been implemented within the community. His leadership has influenced many projects throughout the community.

3. Mr. Roberts is "Barney." Barney is personable and is a friend to many citizens throughout the community. Because of his friendliness, his business also is enhanced and in his business success, this trait is probably the most prevalent factor for that success.

I sincerely believe that Mr. Roberts has on many occasions earned "Businessman of the Year." I, as a public official, would recommend your strong consideration for this award to Mr. Roberts.

Respectfully,

Clarence Krepps  
City Administrator

CK/mih



**Security**  
State Bank . . . .  
Hartley, Iowa 51346

M.J. KUEHL, Chairman of the Board  
GALE E. BOBOLZ, President  
JACK CUTTELL, Executive Vice President & Cashier  
HARLAN D. GOETSCH, Vice President  
RUSSELL BOLES, Ass't Vice President  
JOANNE LEFEVER, Ass't Cashier  
YVONNE WEHRKAMP, Ass't Cashier

November 2, 1989

Small Business Administration  
Federal Building - Suite 749  
Des Moines, Iowa 50318

To Whom It May Concern:

This letter is being sent to support the nomination of V. E. "Barney" Roberts for the "Iowa Small Businessman of the Year" Award. I have known Barney for at least twenty years. He has been a true friend, never too busy to say hello and did all he could to satisfy any need you might have had during this time.

He started his business basically out of his basement, made calls on his own and has grown to what it is today. He is a well respected business person and has the respect of many of his peers. His company, Iowa Office Supply, has had phenomenal growth over the years. This again can be attributed to Barney's dedication to service, his overall business ability, his willingness to help in any way he could, but yet being competitive in price. We as a customer can attest that this is exactly what he has continued to do.

Barney Roberts would be a fitting recipient of this honor. I would appreciate your consideration of Barney and know he will measure up with the best of your past award winners.

Very truly yours,

Gale E. Bobolz  
President

GEB:jpl

**1990**

**SMALL BUSINESS**

**PERSON**

**OF THE YEAR**

**1ST RUNNER-UP**

Phyllis L. Apelbaum, President  
Arrow Messenger Service, Inc.  
1322 West Walton  
Chicago, Illinois 60622  
(312)489-6688

It took Phyllis Apelbaum 17 tries with the Illinois Commerce Commission before she licensed her messenger business. When she finally secured the license, she was the first woman in the state ever to do so.

For some years after founding Arrow Messenger Service in 1974, Apelbaum slept on the floor until her business got off the ground. Today she has 125 employees and \$3 million in annual sales. Messenger services have a high turnover; yet Apelbaum counts some couriers who have been with her more than 10 years. Pride is a key: no shorts and T-shirts. Couriers are required to wear a company uniform, including dress shirt and tie.

In 1986, Arrow moved into new quarters in a transitional city neighborhood, providing employment opportunities to many residents. Today Apelbaum is chairperson of an organization which is developing housing for the homeless in Chicago.

Her secret? "You have to love what you are doing."

# Withdrawal/Redaction Sheet

## (George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02. Application	Small Business of the Year, re: Phyllis Apelbaum; personal information redacted. (1 pp.)	11/30/89	P-6, (b)(6)	

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Speechwriting, White House Office of  
**Series:** Speech File, Backup  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Small Business Person of the Year 5/8/90

<b>Date Closed:</b> 10/18/2004	<b>OA/ID Number:</b> 06898
<b>FOIA/SYS Case #:</b>	
<b>Re-review Case #:</b> 2004-2265-S	
<b>P-2/P-5 Review Case #:</b>	

<b>MR Case #:</b>	<b>Appeal Case #:</b>
<b>MR Disposition:</b>	<b>Appeal Disposition:</b>
<b>Disposition Date:</b>	<b>Disposition Date:</b>

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

- P-1 National Security Classified Information [(a)(1) of the PRA]
- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-3 Release would violate a Federal statute [(a)(3) of the PRA]
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P-5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

- (b)(1) National security classified information [(b)(1) of the FOIA]
- (b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- (b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- (b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- (b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- (b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- (b)(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

CANDIDATE FOR APPOINTMENT

to the

Small Business Person of 1990 Award ~~ADVISORY COUNCIL~~

SOCIAL SECURITY NO.

NAME: Phyllis L. Apelbaum  
(First) (Middle/Initial) (Last)

POSITION, NAME AND ADDRESS OF BUSINESS OR EMPLOYER: President/Owner

Arrow Messenger Service

1322 West Walton, Chicago, Illinois 60622

TYPE OF BUSINESS: Messenger Service

INDICATE PREVIOUS OR PRESENT FINANCIAL (INCLUDING DEVELOPMENT COMPANY), SURETY BOND, OR CONTRACTUAL ASSISTANCE WITH SBA. GIVE APPROXIMATE DATES AND TYPE OF ASSISTANCE.

NONE

HOME ADDRESS: 260 East Chestnut, Chicago, Illinois 60611  
(Please include post office and zip)

SERVICE ON FEDERAL BOARDS, COUNCILS OR COMMISSIONS  
(Indicate previous or present): N/A

IF EMPLOYED BY A STATE GOVERNMENT, IS IT AN ELECTIVE POSITION?

Yes  No  NA

ARE YOU ON A FEDERAL PAYROLL? Yes  No

PLACE OF BIRTH: Chicago BIRTHDATE: 7/3/40

CONGRESSIONAL DISTRICT 7th

The authority to obtain this information is contained in 5 U.S.C. 301, 15 U.S.C. 634(b), 44 U.S.C., 3101. Routine uses of the information are:

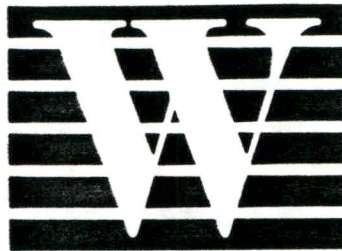
To respond to a request from a member of Congress regarding information about an Advisory Council member.

To disclose information about an Advisory Council member to general public.

To respond to requests from the General Services Administration.

 Date: 11/30/89  
(Signature)

(This must be signed as a condition of the appointment.)



WOMEN'S BUSINESS  
DEVELOPMENT CENTER

November 20, 1989

John L. Smith  
District Director  
U.S. Small Business Administration  
Chicago District Office  
219 S. Dearborn Street  
Chicago, IL 60604-1779

Dear John:

I am writing on behalf of Ms. Phyllis Apelbaum as the 1990 Small Business Person of the Year. She deserves the honor!

Phyllis is Founder and President of Arrow Messenger Service, the only women owned messenger service in the City of Chicago, currently employing over 150 Chicagoans and serving over 1,500 clients.

She began Arrow Messenger in 1974, sleeping on the floor for a couple years until she got the service off the ground. She is successful, billing over 3 million dollars in 1987. In 1986 she purchased a rehabilitated building to house Arrow Messenger providing new jobs and economic development in a transitional neighborhood.

Phyllis Apelbaum is a strong, determined, creative, tenacious and pragmatic business woman. She embodies the spirit of the entrepreneur.

She overcame great adversity to establish her business. She was turned down for her permit to operate in the all-male messenger service industry seventeen times and became the first woman in Illinois ever to secure a messenger service license. She had no formal training in running a business and, in fact, Phyllis did not finish high school, instead forced to work to help support her family.

She embodies the best of the entrepreneurial spirit and is a successful woman willing to give of herself to others, especially as a mentor, friend and role model to other women business owners and as a supporter, volunteer and friend of the WOMEN'S BUSINESS DEVELOPMENT CENTER.

Phyllis is active in the Women's Business Development Center as a volunteer, is active in the Messenger Service Association and was this year elected President of the trade association for her industry. She is active in her community as a volunteer with such organizations as the Network of Women Entrepreneurs, the Women's Executive Network and gives generously of her time and money to the Chicago Heart Association, City of Hope, Variety Club of Illinois, Lambs Farm and Hadassah.

CAROL DOUGAL, DIRECTOR · HEDY M. RATNER, DIRECTOR

230 NORTH MICHIGAN, SUITE 1800 · CHICAGO, ILLINOIS 60601 · (312) 853-3477

She is a Board member and Treasurer of the Administrative Management Safety as well as an active mentor through their support system. She was selected as the keynote speaker for the Women in Business 1988 conference sponsored by the Illinois Department of Commerce and Community Affairs.

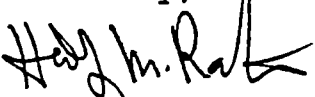
Phyllis Apelbaum is deserving of the honor and recognition as the 1989 Small Business Person of the Year. She has built one of the most successful women owned businesses in the State of Illinois with her tenaciousness, willingness to do whatever is necessary and her built-in refusal to quit. She also exhibits a deep sense of commitment to the city of Chicago. She is active in the community, committed to women's economic development and to the economic development of the city, and freely gives of her time and knowledge to help others achieve success.

She exceeds all the selection criteria:

Staying Power: Arrow Messenger is 15 years old  
Growth in Number of Employees: Arrow now has over 150 employees, many minority residents of the City of Chicago  
Increase in Sales - Arrow now has sales over \$3 million  
Current and Past Financial Reports: see enclosed reflecting improved financial position of the business  
Innovativeness of Service: See attached profile  
Response to Adversity: See attached profile  
Evidence of Contributions to Community: See attached materials

Phyllis Apelbaum is truly deserving of the honor of being designated 1990 Small Business Person of the Year and I am honored and pleased to support her nomination for the award.

Sincerely,



Hedy M. Ratner, Director  
Women's Business Development Center

HMR/jl

encl

## STAYING POWER

Arrow Messenger service was founded 15 years ago by Phyllis Apelbaum, with \$3,000 inheritance and her experience in the business as her only assests. In 1989 Arrow will earn close to \$3 million. Arrow has long been recognized as one of the industry leaders in the Chicago area, and is continuing to show steady growth.

In 1986, Phyllis bought a building in a transitional city neighborhood, and soon after moved Arrow into its new quarters. Since that time, many area residents have been employed by Arrow, and the company has a strong commitment to building a good relationship with others in the neighborhood.

---

---

## GROWTH IN NUMBER OF EMPLOYEES

When Arrow was founded, there were but a small handful of employees working out of a basement office at 333 North Michigan Avenue. Today Arrow employs over 100 couriers, and approximately 25 office employees. Although the messenger service is traditionally a business with a high turnover rate, there are many long-term employees who have been with the company 10 years or more.

As well as growth in the number of employees, there has been an expansion in the past few years in the diversity of employees. New positions have been created as the company has grown, to accomodate the changing needs.

## INCREASE IN SALES

Arrow has grown to a \$3 million business over the past 15 years, in an industry where the average charge for a loop delivery is \$4.50. This substantial increase even from the past year, when sales were at \$2.3 million.

---

---

## INNOVATIVENESS OF PRODUCT OR SERVICE OFFERED

When Phyllis Apelbaum started Arrow, she was the first woman in Illinois to be granted an Illinois Commerce Commission license, and that only after 17 attempts. Being in the business for many years prior to that had formed her ideas of what was important for a messenger service, and what clients were looking for in a service.

Today Arrow upholds those original ideals of fast, courteous, dependable service to their clients. All couriers are required to be in full uniform at all times, which includes black pants, yellow shirt with company patch, and black tie. A courier represents not only the company that employs him, but also the client he is making a delivery for, and they should feel confident that messenger is making a good impression for them.

Phyllis was one of the first in the area to offer clients a direct service for urgent needs, called "SOLO" service. Many times her creative abilities have been pressed into service to solve a client's request for unique delivery needs.

## RESPONSE TO ADVERSITY

Even from the start, there were problems for Phyllis in founding her own courier service. Because there had never been a woman licensed by the Illinois Commerce Commission before, it took her 17 attempts to obtain her operating license.

Just in the past year, the steady growth for Arrow had brought about some problems with the computer system that was being utilized. In September of 1989, Arrow went on-line with their own mainframe computer. This transition went smoothly for the staff and clients, due to careful planning and preparation. Keeping the clients informed of steps before they happened helped alleviate their concerns.

In the messenger business, every day brings a new challenge to be met. When clients call for a delivery, they're already late. Working in this industry brings its own kinds of pressure, and Phyllis recognizes the fact that these problems need to be dealt with from an employee standpoint. She is always ready to help in whatever way possible when someone is feeling the stress a little more than usual.

---

---

EVIDENCE OF CONTRIBUTIONS BY NOMINEE

TO AID COMMUNITY-ORIENTED PROJECTS

Phyllis most recently is working as the Chairperson for the Auxiliary Board of the Lakefront SRO program, which is developing housing for the homeless in Chicago.

She is President and Co-Founder of the Messenger Service Association of Illinois, and Treasurer of the Administrative Management Society Chicago Chapter.

She works with the Variety Club, Lambs Farm and the Heart Association.

Professional groups she is involved with include: National Association of Women Business owners, Network of Women Entrepreneurs, The Chicago Network, Executive Guild, Ltd., and the Chicago Association of Commerce and Industry.

Phyllis Apelbaum is a consistent volunteer mentor, counselor and presenter for the Women's Business Development Center. She has been a keynote speaker at conferences, a mentor for small women owned businesses, an advisor to growing and expanding women business owners and a major contributor to the growth of the Center.

# Business

CHICAGO SUN-TIMES

MONDAY, DECEMBER 18, 1989

PAGE 43

## Arrow Messenger's owner moves as fast as those guys on bikes

By Patricia Moore

Phyllis Apelbaum, the founder and owner of one of the most successful messenger services in Chicago, knows about basic motivation: the need to put groceries on the table.

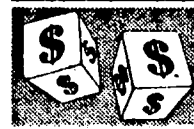
She learned that at the age of 14 when family circumstances forced her to quit school and find a job. Two years later she joined City Bonded, a messenger service where hard work and dedication eventually put her into the post of office manager.

When she started Arrow Messenger Service the motivation was even keener: She worked as much as 20 hours a day and slept on the office floor to get the business going.

"I'm addicted to work," Apelbaum confesses. And it has paid off. She has made a number of close, lasting friendships, beginning with the owners of City Bonded, Irving and Nadine Mansfield, and her business has flourished. This year revenue jumped to nearly \$3 million from \$2.3 million in 1988. She estimates that the 15-biggest messenger services probably share about \$68 million in yearly revenue.

Apelbaum, cheerful and talkative, is clearly the maternal type. She declares that starting Arrow was "like the birth of a child. I see myself as the mother, and the people here are my children. As the years go on you hope you've given them the fundamentals."

She insists, too, that she firmly believes



### The risk takers



SUN-TIMES/Tom Cruze

Phyllis Apelbaum, founder and owner of Arrow Messenger Service: "There is such adrenaline in this job. It's late already

When people call for a pickup. They wanted it an hour ago. It's a high-anxiety job."

Turn to Page 46

# Going Places

## Arrow

Continued from Page 43

honesty, hard work and good ethics will be rewarded. "But you have to love what you're doing."

She recalls with relish the nearly 14 years she worked with the Mansfields. "They taught me, mentored me, loved me and showed me how to live in the real world. I blossomed in that environment and, in return, I gave 150 percent." Eventually the Mansfields, now deceased, decided to sell their business to Cannonball. Apelbaum stayed on but says she had "personality differences" with the new owners.

The death of her 57-year-old father forced Apelbaum to rethink her life. She remembers flying home from her father's funeral in Los Angeles, tears streaming down her face, as she considered one sad aspect of his life. A repairer and reseller of pianos, her father hadn't been able to achieve his relatively modest goal of going to Hawaii for vacation.

"That's when I decided to quit. My job wasn't the same, the love was gone. There's more to life than working at a job you don't enjoy."

At the urging of the Mansfields, Apelbaum decided to start her own messenger business. It took nearly a year and 17 hearings by the Illinois Commerce Commission before she became the first woman granted a license to operate a messenger service.

"One of the questions I was asked at the hearings was whether I could fix a truck. I said I could probably do it as well as Mr. Mansfield, who knew nothing about repairing vehicles."

After what was to be the final hearing, Apelbaum stormed into the office of ICC commissioner and, by her description, "started

screaming like a fish seller on Maxwell Street."

The commissioner, Charles A. Freeman (now an appellate court judge and candidate for the Illinois Supreme Court), was dumbfounded, then perturbed, at the litany of obstacles Apelbaum had encountered.

Freeman promised her he would investigate the long delay and, in the meantime, issued a temporary license. Apelbaum was ready to go.

She opened Arrow Messenger in November, 1973, in the basement

**"I love my life. I live on the Gold Coast, I like the hustle and bustle."**

of the 333 N. Michigan building with \$70 worth of used furniture, three messengers and assurances from two corporate clients from her City Bonded days that they would give her some business. And she got a full-fledged license.

But Apelbaum had to hustle more business. She personally gave leaflets to every tenant in the 333 building and immediately won more business. Apelbaum found herself regularly working until long after midnight and needing to be back at 6 a.m. when the messengers arrived. That's when she took to sleeping on the floor. "I didn't even have a blanket," Apelbaum recalls.

The company had had what Apelbaum calls "nice consistent

growth" until the last couple of years, when increases were more dramatic. Arrow now is housed in its own building off the Kennedy Expy. at Milwaukee and Augusta and employs 100 messengers. The full staff including office workers numbers 125-150, depending on the use of part-timers.

Apelbaum credits some of the growth to the boom in downtown service businesses and Arrow's name recognition. Other factors are better-paid clerical workers, who no longer are sent on pickup errands, and later mail deliveries to Loop offices. "We pick up mail at the main post office at 7 a.m. for a number of clients," she said.

"There is such adrenaline in this job," she observed. "It's late already when people call for a pickup. They wanted it an hour ago. It's a high-anxiety job." Arrow has regular rush pickups to deliver blood to medical centers.

About 90 percent of Arrow's business comes from graphics, artwork, advertising agencies and printed material generated by law firms and other businesses. The remaining 10 percent comes from retailers including Nieman Marcus, Bloomingdale's and Polk Bros.

Apelbaum will be 50 next year. Her son, Mark, 34, is with the business and is deciding if he wants to make it a long-term career. "We're getting ready for the next generation, and I guess I have to let go a little. I'm stepping back in some areas." In the next breath she talks about the long hours she and staff members have spent putting in a new mainframe computer system.

Still, she declares, "I love my life. I live on the Gold Coast, I like the hustle and bustle, the restaurants and theaters and museums." She adds that she has a weekend place in Wisconsin where she goes to "look at the stars, hear the birds and listen to God's voice."



SUN-TIMES/Tom Cruza  
 Founder and owner Phyllis Apelbaum poses outside her Arrow Messenger office building at Milwaukee and Augusta.

# Businesswomen of Chicago, Unite

By Debbie Gulecki

*no counties  
nor draws  
at 20 June*

Chicago is a good place for people who believe in hard work," says Phyllis Apelbaum. "If you open a little cart on Milwaukee Avenue and work at it, within a week you'll be able to make a living selling hot dogs. That's just the way it is."

She is living proof that the role of small entrepreneurs, especially women entrepreneurs, is growing rapidly in Chicago. Fifteen years ago, Apelbaum's company was one of only 7,000 or so companies that women ran at that time in Chicago. By 1988, the count had more than tripled.

Much of this growth can be attributed to the entry or reentry of women into the workplace generally. Four out of five small businesses started in America in 1987 were founded by women.

However, the Chicago area has proven to have certain unique attractions for women and other minorities over other parts of the country. The city, during the administration of the late Mayor Harold Washington, began the "Minority Set-Aside" program. Under its auspices, twenty-five percent of all city contracts are bid out to minority contractors, and another five percent are targeted specifically to women-owned businesses. In addition, the State of Illinois has established the Women's Business



DAVID CARTER

## Woman with a message

"Chicago is a good place for people who believe in hard work," asserts Phyllis Apelbaum (center). Today her Arrow Messenger Service employs 150 people and bills more than \$2.5 million annually.

Development Center, which provides counseling and varied workshop series.

But the struggle to found and then successfully administer a company in Illinois, especially if you are a woman, remains a difficult one, as Apelbaum's story illustrates.

Beginning at the age of twenty, she spent fourteen years as a dispatcher, first at one messenger service and then another. After a decade and a half, though, Apelbaum was overqualified and restless.

So she decided to start her own messenger service.

One almost insuperable obstacle to her dream was financial: She had only \$3,500 to cover all start-up costs. Those thousands quickly disappeared as she faced the next obstacle—the legal one. In order to run a messenger service in Illinois, a person must be licensed by the state. But in 1974, some state officials were openly skeptical of a woman's ability to start, let alone oversee, such a service. After seventeen

fruitless hearings before the Commerce Commission's hearing examiners, Apelbaum's money was gone and she still had no license.

Broke but undaunted, she made one last desperate phone call, to then Commerce Commissioner Charles Freeman, and explained her problem and her hopes for the business. He personally granted her the necessary

license. Arrow Messenger Service was born.

Arrow's announced willingness to deliver anything legal, from computer parts to body parts to homing pigeons—and to do so in tuxedos if requested—has made it one of Chicago's most prosperous messenger services. Today, the company has moved to a new headquarters about five minutes outside Chicago's central business district, employs 150 people and bills more than \$2.5 million every year.

**B**est of all, with the passage of time, Apelbaum's one-time liability—her gender—has been transformed into an asset.

"Chicago has one of the strongest women's networking systems anywhere," she says. "I know of at least twenty-five networking groups myself." They provide her and the other members, she continues, with a support structure and, more immediately, with leads and general information about how and where to do business in Chicago.

"When you're the head of a corporation, your employees come to you for answers. You're expected to know," Apelbaum says. "But all too often you don't." She pauses and laughs. "Luckily, I've found that if I don't have the answer, one of the other women I've gotten to know usually will. What a relief!"

## COMING BACK

*continued from page 57*

ing to a 1988 *Fortune* magazine article.

Lawson concurs. "It's certainly up there," he says. The company had no choice but to update: "What we realized is that we are now facing a globalized and much more competitive marketplace. We had to streamline our operations. We had to cut costs. And we had to change our employee relations, give our workers more responsibility for quality and even their own management. Those are the things we have tried to do."

And Deere has succeeded. Despite the drought of 1988, which cut farm profits and thus equipment sales, Deere turned a profit of \$288 million in 1988, following years of losses.

The same resurgence is in evidence throughout the Illinois economy. Employment in 1988 reached record levels. Unemployment hovered at or below 5.8 percent. Personal income set a record of more than \$180 billion. And the productivity of Illinois workers, according to the Midwest Manufacturing Index, is growing at a rate of nearly 3.3 percent, 20 percent higher than the growth nationwide.

How did this happen? And how did it happen so quickly?

"Several reasons," says First National Bank's Swank. "The lower dollar helped. Exports are up to some degree [see "If Illinois Were a Nation ...," page 62]. But at least as important is that the state's manufacturers have reshaped themselves. They have become much more competitive."

Paradoxically, an even more important component of Illinois's economic recovery has been that its manufacturing base sunk so low. As a result, manufacturing is now a much smaller element of the overall economic mix. It has been supplanted by services.

This change mirrors a reshaping of America's economy overall. Today, on the national stage, jobs in service industries—retailing, tourism, sales, financial services and so on—greatly outnumber jobs in manufacturing and are growing at a more rapid clip.

That development has been magni-

fied in Illinois. Retailing, for example, is now providing more new jobs every year than is any other industry. Financial services have become equally important to the economy, especially in the Chicago area. Chicago has almost 1,300 banks. These provide jobs for more than 100,000 people. The financial exchanges—the Mercantile Exchange, the Board of Trade and the Midwest Stock Exchange—employ 33,000 more (and are indirectly responsible for up to 110,000 additional jobs). Both the Mercantile Exchange and the Board of Trade have installed computerized, worldwide networks that will allow for twenty-four-hour trading of commodities and options. That development is expected to increase profits—and jobs—significantly over the next five years.

"Illinois is now a service-driven economy," says Dederick, "more so than a manufacturing or an agricultural economy." What that means, he continues, is "strength. Diversity is a good thing, because when the next recession hits, Illinois will not be as hard hit. Services are much more recession-proof."

The state is recession-proofing itself in other ways. The state government is actively promoting a wide variety of new industries—from high-tech companies to auto parts makers—through the use of "enterprise zones," which provide new and existing companies with tax breaks and other incentives. "There's a great deal of resilience in the new Illinois economy," says Swank. "In many ways, it's stronger now than any of its neighbors. And, as the farm economy picks up—which, barring another drought, we expect to happen this year—that will add to the recovery."

If any further evidence were required, one need only visit the former Union Stock Yards. This once decayed area has been transformed into an industrial park. Two hundred new businesses cluster here, including small manufacturers, and soon, several retail outlets. Four thousand people now work in the Yards' confines. Another 2,200 new jobs are expected to be created as the industrial park grows.

The ghost of economic vibrance past has returned.



**1990**

**SMALL BUSINESS**

**PERSON**

**OF THE YEAR**

**2ND RUNNER-UP  
(TIED)**

Joseph Massimino, President  
Helene Massimino, Vice President  
Oatmeal Studios  
Box 138, Town Road 35  
Rochester, Vermont 05767  
(802)767-3171

The little man with a banana in one ear, an ear of corn in the other, and a pencil dangling from his nose gazes out at you. "Things are pretty normal around here," he comments, and then asks, "What's new with you?"

That banana man with the offbeat query is a good example of the lighthearted humor that this rapidly growing Vermont greeting card business spreads around the world.

Oatmeal Studios began in 1979 with an SBA-guaranteed loan and two hand-screened designs that were sold, in lots of 20 greeting cards each, to one store. First-year sales exceeded \$10,000 and led the Massiminos to research further the potential of the greeting card market.

Sales at Oatmeal Studios have increased steadily – the company achieved sales of \$2.9 million in 1989. The product line has grown to include almost 1,000 designs and the staff has increased to 21 full-time people. The company's products are distributed throughout the United States, Canada, the United Kingdom, Germany, France, Belgium, New Zealand and Singapore.

Oatmeal Studios has developed into a business that can operate in the unique and outstanding environment of Vermont and still reach and benefit from a national and international market.

# Withdrawal/Redaction Sheet

## (George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03. Application	Small Business of the Year, re: Joseph and Helene Massimino; personal information redacted. (1 pp.)	11/21/89	P-6, (b)(6)	

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Speechwriting, White House Office of  
**Series:** Speech File, Backup  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Small Business Person of the Year 5/8/90

<b>Date Closed:</b> 10/18/2004	<b>OA/ID Number:</b> 06898
<b>FOIA/SYS Case #:</b>	
<b>Re-review Case #:</b> 2004-2265-S	
<b>P-2/P-5 Review Case #:</b>	
<b>MR Case #:</b>	<b>Appeal Case #:</b>
<b>MR Disposition:</b>	<b>Appeal Disposition:</b>
<b>Disposition Date:</b>	<b>Disposition Date:</b>

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P-1 National Security Classified Information [(a)(1) of the PRA]  
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
P-3 Release would violate a Federal statute [(a)(3) of the PRA]  
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]  
P-5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

(b)(1) National security classified information [(b)(1) of the FOIA]  
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]  
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]  
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]  
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

NOV 29 1989

CANDIDATE FOR APPOINTMENT

to the

A Montpelier, VT

SMALL BUSINESS PERSON OF THE YEAR ~~RETIRED BUSINESS~~

SOCIAL SECURITY NO.

JOSEPH

NAME: 9 HELENE

(First)

F.

(Middle/Initial)

MASSIMINO

(Last)

POSITION, NAME AND ADDRESS OF BUSINESS OR EMPLOYER: PRESIDENT AND VICE  
PRESIDENT/CREATIVE DIRECTOR, OATMEAL STUDIOS, BOX 139,  
TOWN RD 35, ROCHESTER, VT 05767

TYPE OF BUSINESS: GREETING CARD MFR/WHOLE PHONE:

INDICATE PREVIOUS OR PRESENT FINANCIAL (INCLUDING DEVELOPMENT COMPACT, SURETY BOND, OR CONTRACTUAL ASSISTANCE WITH SBA. GIVE APPROXIMATE DATES AND TYPE OF ASSISTANCE.

1978 10,000 Bank/SBA Loan

To establish oatmeal studios

HOME ADDRESS: Box 329, ROCHESTER, VT 05767

(Please include post office and zip)

SERVICE ON FEDERAL BOARDS, COUNCILS OR COMMISSIONS

(Indicate previous or present): NO

IF EMPLOYED BY A STATE GOVERNMENT, IS IT AN ELECTIVE POSITION?

Yes  No  NA

ARE YOU ON A FEDERAL PAYROLL?

Yes  No

PLACE OF BIRTH: BRONX, NY (BOTH)

BIRTHDATE: 12/24/52  
4/14/53

CONGRESSIONAL DISTRICT: VERMONT

The authority to obtain this information is contained in 5 U.S.C. 301, 15 U.S.C. 634(b), 44 U.S.C. 3101. Routine uses of the information are:

To respond to a request from a member of Congress regarding information about an Advisory Council member.

To disclose information about an Advisory Council member to general public.

To respond to requests from the General Services Administration.

Joseph F. Massimino  
(Signature)

Date: 11/21/89

(This must be signed as a condition of the appointment.)



U. S. SMALL BUSINESS ADMINISTRATION

FEDERAL BUILDING, POST OFFICE BOX 605

MONTPELIER, VERMONT 05602

Tel. No 828-4422

TO WHOM IT MAY CONCERN:

This is to attest that Oatmeal Studios of Rochester, Vermont is a small business according to 7(a) loan standards. Industry size standard is 500 employees for printers of greeting cards (SIC 2771) and subject business employs only 21. SBA Form 898 has been submitted to Joseph Azzarano for clearance under SBA's civil rights requirements.

Owners of this business, Joseph F. Massimino and Helene L. Massimino, have been negotiating with a potential purchaser. If a sale takes place, it will likely happen prior to small business week (May 7-11, 1990). Business will remain at its present location and Joseph and Helene Massimino will remain employed by the business for at least one year following the sale. These facts came to light after the awards committee of Vermont Advisory Council had made its choice.

Ora H. Paul  
District Director

SMALL BUSINESS PERSON OF THE YEAR NOMINEE

JOE MASSIMINO  
President/CEO

HELENE LEHRER MASSIMINO  
Vice President/Creative Director

OATMEAL STUDIOS  
ROCHESTER, VERMONT  
05767

CRITERIA

**A. STAYING POWER - HISTORY OF BUSINESS**

Oatmeal Studios began in 1979 when Helene Lehrer Massimino hand-screened two designs and sold them in lots of 20 cards each to one store, the Frog Hollow Craft Center in Middlebury. This limited production sold well and the success of early business was gratifying and encouraging. Increased efforts were then directed towards marketing and productions areas including the development and release of a 24 note card line which was commercially printed. This line was marketed to a number of smaller retail outlets in Vermont directly by the Massimino's and the success in these 1979 sales exceeding \$10,000 led the Massimino's to further research the potential of the greeting card market.

At the end of 1979 they unveiled a line of 36 full size greeted cards. Through 1980 they added additional designs in Christmas and Valentine's Day to result in approximately 80 designs by the end of the year. Gross sales for 1980 had jumped seven times - to over \$72,000 for the year.

At this time Joe and Helene were still a two person company although the success of the cards had led to contracting with a few sales representatives in different parts of the country. The early designs were quickly accepted by consumers, and in the period 1980 to 1981 (still operating

essentially as a two person company) Oatmeal Studios' sales more than doubled with gross sales for 1981 of \$173,000.

In the period from 1981 to 1983, the Massimino's further developed their potential within what was defined as the "alternative greeting card market", a growing segment of greeting card sales in the United States. Joe and Helene participated in research activities including trade shows and investigation into the business end and handling of the company. They also enlarged the product line into stationery, widened the special occasions for which the greeting cards were produced, and also produced notepads. In anticipation of future growth, the building they were leasing was purchased in July of 1981.

Major growth for the company occurred in 1984. The company had four employees at that time, but by the end of 1984 had grown to ten, primarily involved in production, shipping, and business and office management. In the period 1981 to 1984 the company sales increased almost 130 percent. In 1984 the company's sales were over \$393,000. By the end of 1985 they had increased another 68 percent and by 1986, the company had broke the \$1,000,000 mark and had gross sales of over \$1,300,000.

In 1987 sales grew to close to \$1.8 million and in 1988 to over \$2.2 million. Oatmeal Studios will achieve sales of 2,900,000 for 1989 and has close to 1,000 designs in their current product line. The company's products are distributed throughout the US, Canada, Bermuda, United Kingdom, Germany, France, Belgium, Australia, New Zealand and Singapore. The company has additionally authorized licensing and printing of its product in the United Kingdom and Australia.

Oatmeal Studios projects strong future growth. This is based upon its past performance, product quantity and excellence, the increasing consumer acceptance of their designs, and its analysis of a variety of factors:

1. The company sees the alternative greeting card market increasing in size and territory throughout the United States.
2. The company feels that its performance and future growth is indicated by increasing infiltration into the alternative greeting card market. It is in more stores and has more space in those stores primarily as a result of quality product and aggressive sales and marketing efforts which

include special programs dedicated to increasing that space.

3. The company has been successful and continues to expand its product line. Their Designer Post-It Notes, and Magnetic Pads have done extremely well and continue to expand into new markets. Oatmeal has not only been successful in marketing its own designs and items but has been involved in licensing with other companies. Oatmeal designs are now on various products including balloons, bookmarks, paper plates, napkins, paper cups, and other party goods.

**B. GROWTH IN NUMBER OF EMPLOYEES**

Original number - 2

Currently - 1989 - 21

It is important to note that significant growth has occurred in the number of outside personnel and free-lancers.

The United States sales rep force has grown to 125 and the Canadian rep force to 20.

The number of free lance writers has grown from 0 to 350.

The number of free lance artists has grown from 0 to 7.

**C. INCREASE IN SALES DOLLARS**

1979 - \$10,454

1985 - \$659,771

1986 - \$1,338,315

1987 - \$1,785,113

1988 - \$2,222,778

1989 - Projected \$2,900,000

**D. CURRENT AND PAST FINANCIAL REPORTS**

**E. ORIGINAL ENTREPRENEURSHIP**

Oatmeal Studios was started by the two nominees in 1979.

**F. INNOVATIVENESS OF PRODUCT OR SERVICE OFFERED**

Oatmeal Studios is an extremely creative and imaginative company. The products they manufacture are the result of developing original concept and a great variety of humorous writing. This is combined with colorful and eye catching graphics to produce a unique line of products.

Their high level of creativity can also be seen in their trade show booths and the catalogs and sales literature they print.

Innovative sales and marketing approaches include special plans and programs available to the retailer and unique merchandising units to display product.

The innovativeness of design is evident in the desire for other companies to use Oatmeal Studios' designs on their products.

Oatmeal Studios has developed into a business that can operate in the unique and outstanding "environment" of Vermont and still reach and benefit from a national and international market.

**G. RESPONSE TO ADVERSITY**

A major challenge faced by Oatmeal Studios has been the extremely competitive nature of the industry. It is an industry which is continuously demanding new and exciting product that will sell profitably. Oatmeal Studios releases hundreds of designs each year to meet this challenge and has been very successful in its rating of retail sellability. This rating has been within the top 5% of the industry. The challenge of competition has also been met by the development of a strong sales representative force, aggressive marketing plans, and a responsive customer service and sales department.

BOB -  
another  
card

**H. EVIDENCE OF CONTRIBUTIONS BY NOMINEE TO AID COMMUNITY ORIENTED PROJECTS**

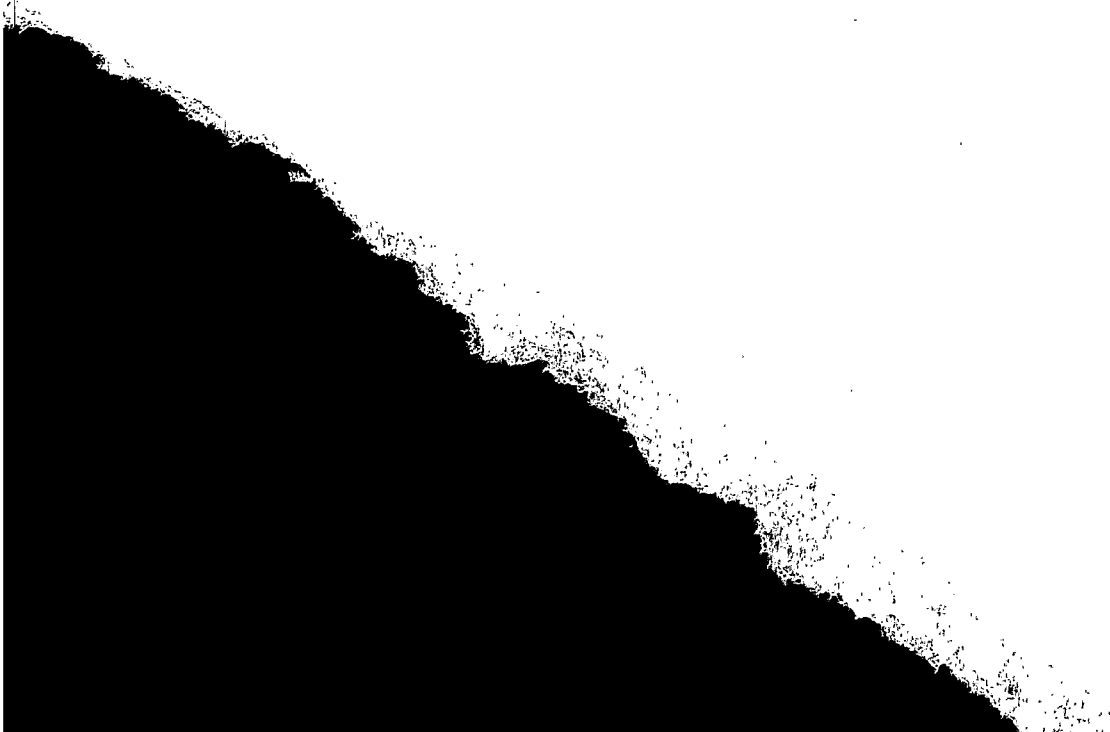
Rochester Playground Project - Oatmeal Studios contributed to the project by donating money, setting up a Christmas card fund-raiser with the school children, and by designing and donating a T-shirt design for the Harvest Fair fund-raising.

Russian Peace Mission - Oatmeal Studios made donations for a trip to Russia by one of our town's students. We also donated cards and notepads to be given out. This was a thrill for us as our logo with "Rochester" identifies where they came from.

Valley Athletic Programs - Oatmeal Studios supports our valley's athletic programs. Our valley's athletic programs participate in the soft

Dandelion Day C

products for



to outstanding students, and all participants received art-related prizes. The project was successful in promoting artistic talent and enabling the students to see the result of their efforts.

Gifford Memorial Hospital - Oatmeal Studios has made a 5 year commitment to the hospital's building project.

In an indirect area of contribution to the community, the nominees made a particular effort involving considerable resource in the design and construction of their new 22,000 square foot facility. The building and grounds fit in aesthetically with the character of the town in an environmentally conscious way.

#### **I. PERSONAL CHARACTERISTICS**

The nominees reflect favorably as model representatives of the Small Business Association.

It should also be pointed out that they were selected as the Business Persons of the Year in January of 1987 by the Rochester Valley Chamber of Commerce. The Rochester Valley Chamber of Commerce includes businesses from Rochester, Hancock, Granville, Stockbridge, and Pittsfield.

**J. COMPLIANCE WITH THE SMALL BUSINESS ASSOCIATION'S CIVIL RIGHTS REQUIREMENTS.**

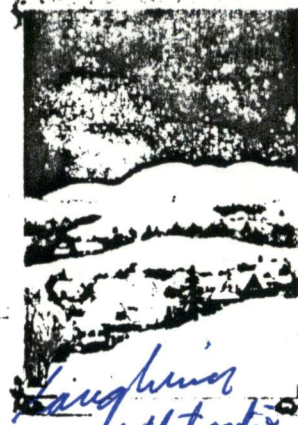
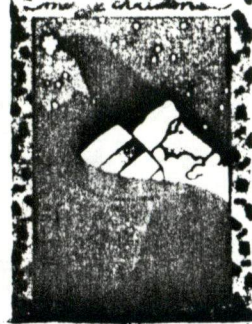
**K. DEMONSTRATED INITIATIVE IN THE FOLLOWING AREAS OF NATIONAL INTEREST**

Employment of the handicapped - workshops in Vermont are used for several areas of our manufacturing and packaging processes. The nominees are also sponsors for the Special Olympics.

Employment of disadvantaged individuals - nominees have hired employees through the State Targeted Jobs program and special training programs.

Energy saving - nominees included energy saving design in the construction of their new facility. This includes high levels of insulation and weatherstripping, energy saving building material, and high efficiency mechanical systems.

Environmental improvement - in the design of their new facility, environmental concerns include site location, cultivating the site area for agricultural purposes, and protecting the river bordering the property. Oatmeal Studios is a pollution-free, clean business, whose facility fits in well with the environment.



# Oatmeal Recipe: Add a Dash of Humor

*Some like milk in jokes*

*VT. couple that has people from VT.*

*Laughing should be done in good*

**By Sandy Couch**

The little man with a banana in one ear, an ear of corn in the other, and a pencil dangling from his nose gazes out at you. "Things are pretty normal around here," he comments, and then asks, "What's new with you?"

That banana man with the offbeat query is the top seller in the Oatmeal Studios greeting card collection.

He's also a good example of the lighthearted humor that the rapidly growing Rochester business spreads around the world.

That's right, around the world.

The little alternative greeting card company, started seven years ago by Helene Lehrer and Joseph Massimino, is now a big alternative greeting card company that will probably sell more than eight million cards next year in the U.S., Canada, the United Kingdom and Australia.

The rapid growth of the young business has been nothing short of phenomenal.

Husband and wife team Massimino and Lehrer, both 33, started Oatmeal Studios in 1979 with "two designs and no capital."

Lehrer silk-screened the cards at home, while Massimino did the marketing, packaging and shipping from a tiny, third-floor attic room on Rochester's Main Street.

Today, Oatmeal Studios barely squeezes into that three-story building. There are attractive offices, a cluttered design studio, rooms for packing and shipping, and rooms packed with high-tech boxes of cards.

The full-time staff of 18 is backed up by a team of free-lance artists and writers and a network of independent sales representatives.

Sales have doubled in the past few years, and it's likely that they'll double again next year, indicated Massimino.

In the \$5-billion greeting card industry, dominated by big companies such as Hallmark and American Greetings, Oatmeal Studios has found its niche. "And our niche is, basically, our humor," said Massimino.

There is a wide market for that humor, he noted.

**What It's Not**

It's hard to pin down a definition of the Oatmeal Studios brand of humor.

"It's easier to say what it's not," offered Massimino.

"It's not corny. It's not punny. It's not

bizarre, it's not offensive," he said.

"You could say it's fun, appealing, upbeat, positive," he added.

"It helps to communicate between people," said Lehrer.

"Our cards make fun of everyday situations and provide relief for some anxieties," she added.

There are cards for divorcees: "You're divorced now and a whole new person. You're exciting, vivacious, beautiful... My God, you're competition!"

There are cards for pregnant women: "The last time Mona felt this way it was traced to an 'All-you-can-eat Barbequed Rib Dinner'...but this time she had a bunch something might be different: Congratulations."

There are cards for retirees: "Yay, retirement is finally here. My advice is—Don't stay home with nothing to do...Go pester your kids for awhile."

And there are the regulars—birthday cards for example: "Happy Birthday!!! I want to know how you stay so fit and trim-looking...have you been using the trash compactor on your thighs?"

There are also seasonal cards for Christmas, Valentine's Day, Mother's Day, Father's Day and so on.

All in all, Oatmeal Studios has developed a line of more than 700 card designs, and a line of 36 "Post-It" notes will be added next year.

The carefully controlled design process, overseen by Creative Director Lehrer, begins with the gags.

"First," said Lehrer, "the ideas come in."

Some are contributed by 25 steady free-lance writers, others by in-house staff, including a full-time editor.

Some of the ideas even come from the independent sales representatives who sell the cards throughout the country.

The ideas are sorted through and some are selected. Then there is a second selection process in which the ideas are refined "to where they are completely accepted by us," as Lehrer said.

But that's not enough.

**Test Marketing**

Then Oatmeal Studios does test marketing on the written material alone, after which final selection and refinements are made.

Finally, the ideas are matched to the different graphic styles and characters that have been developed by Lehrer and the

four free-lance artists employed by Oatmeal Studios.

"Our humor is all homogenous," commented Massimino. "All of our humor is a certain kind of humor, and that humor is carried by a vehicle—which is a character."

Card graphics are signed by the artist Lehrer still does a significant amount of the art herself.

A new line of cards, "Oatmeal with Fruit and Nuts," features the artwork of Pittsfield artist John Kennedy.

The cards are printed in Massachusetts and shipped back to Rochester for packaging into twelves and eventual shipping.

Oatmeal's humor and tight design produce cards with a high retail popularity or "sellability." Independent market researchers have placed Oatmeal Studios in the top 30, in an industry of 500 companies.

Presently, Oatmeal Studios sales are brisk in several diverse states—Illinois, Massachusetts, California and Texas. The cards are also sold in England and Canada, and arrangements have just been made to distribute in Australia.

Vermont sales are only a small part of Oatmeal Studios market.

"But we have 100 percent saturation in Rochester," Lehrer joked.

An independent sales representative convinced Lehrer to expand her business into full-scale production.

And now Oatmeal Studios relies on a corps of independent salespeople—125 of them throughout the U.S.—to sell its cards.

Lehrer and Massimino can't say enough good things about their "sales reps."

They make a point of soliciting their salespeople's input, they said, and they back them up with services and programs to help sell the product.

One of the secrets of the business' success, agreed Massimino, was its sales force. Another secret, he said, "is getting the product out on time."

**Speed in Service**

That latter point, he said, was a chief distinction between Oatmeal Studios, and a greeting card giant such as Hallmark.

"We're more willing to take risks...go into new areas," he said. "We have the ability to take a concept, research it and develop it, and get it into retailers' hands many times faster than a Hallmark."

"We can take a project from start to finish in two to three months," said Lehrer. "It would take Hallmark two or three years," she added.

As an example, Massimino pointed out that he had decided three months ago "to get together with 3M," with a proposal "to bring color and design to a generic product."

In this case the generic product is "Post-It" notes, the little yellow tags you see stuck on office memos, reports and refrigerators everywhere.

Oatmeal Studios-designed "Post-Its" are already in production.

Massimino, president of Oatmeal Studios, watches over the business arm of the company as skillfully as his wife

oversees the creative arm.

He was educated as a civil engineer, but he is apparently a born businessman.

His education, he acknowledged, gave him "a certain amount of logic and a certain amount of planning skills."

**In Ten Years**

It is difficult to predict where the business will be in 10 years, said Massimino, since the last few years have been "so phenomenal."

"I'd like to see the company grow as large and as quickly as is comfortable for everybody," he confessed.

"Everybody" is the Oatmeal Studios staff, and Massimino and Lehrer both lauded their employees.

"All the people here are very committed

to each other and the company," as Massimino. "We really operate as a team."

"It's probably the best group of people a company could have," he said.

"And they're creative," added Lehrer. "We'll probably sell more than eight million cards next year, and maybe half-million to a million more," as Massimino.

"When you think of the numbers people who read the cards...it could be tens of millions of people that we're making laugh," he continued.

"We help communicate fun and happiness. It's a rewarding kind of business," he concluded.



Joseph Massimino and Helene Lehrer are the creative husband-and-wife team behind Rochester's fast-growing greeting card company, Oatmeal Studios.

*VT. state*



Photo by Sandy Cooch  
Joseph Massimino and Helene Lehrer of Oatmeal Studios worked hard to bring their greeting card company into an industry dominated by a few huge companies. Their success was recognized locally when the Rochester Valley Chamber of Commerce named them "Business team" of the year for 1986.

## Oatmeal Studios Named 1986 'Businessteam'

Rochester Valley Chamber of Commerce's 1986 Businessman of the Year took a surprise turn—it was a "Businessteam" of the Year—Helene and Joseph Massimino of Oatmeal Studios. They are a talented young couple who have accomplished much and have a great future with their planned expansion.

The alternative greeting card company started seven years ago is now a big company that will probably sell more than eight million cards in the U.S., Canada, the United Kingdom and Australia next year. The rapid growth of the young business has been nothing short of phenomenal.

The husband and wife team started Oatmeal Studios "with two designs and no capital,"

and now employs a full-time staff of 18 backed up by a team of free-lance artists and writers and a new network of independent sales representatives.

Sales have doubled in the past few years, and it's likely that they'll double again next year, indicated Massimino. "Our niche is basically our humor," he said.

The RVCC annual meeting was held at Annabelle's with a buffet dinner served in the pleasing setting of the restaurant.

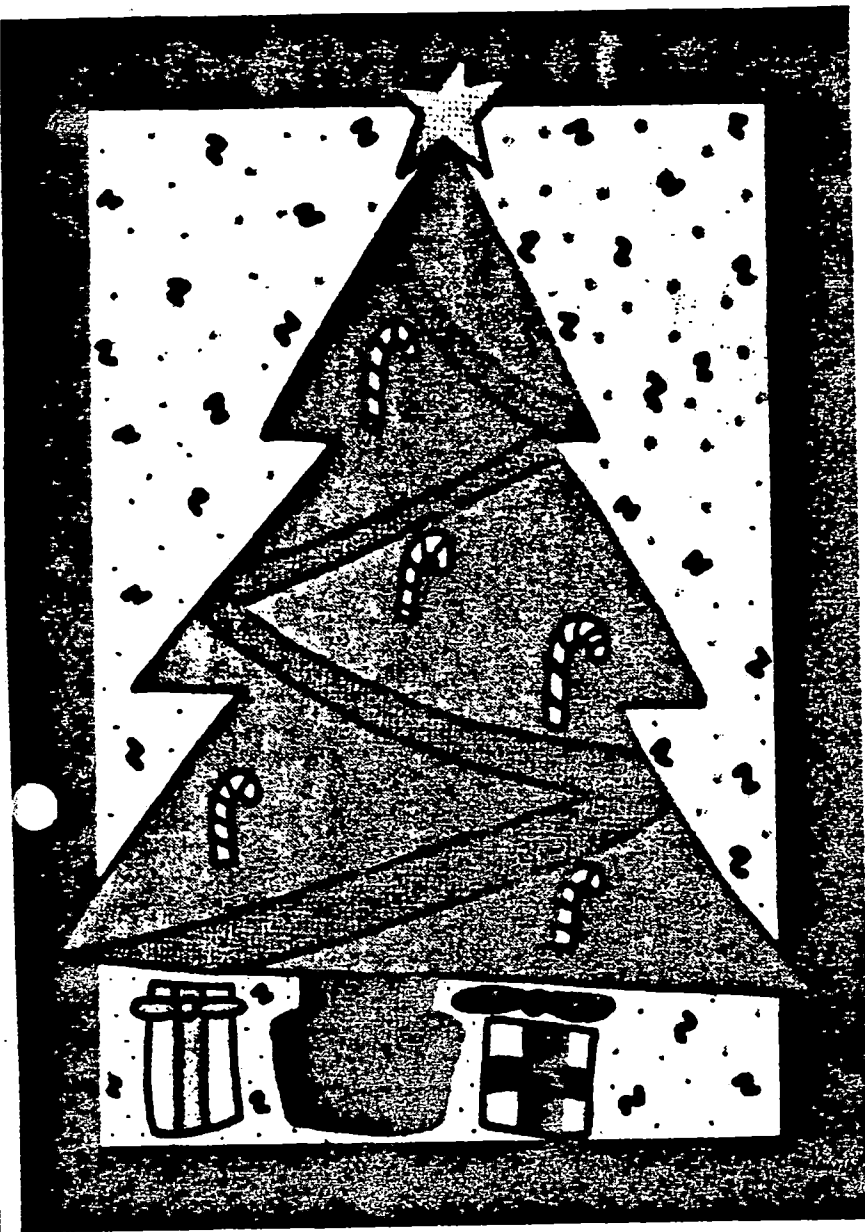
There was a good attendance to enjoy the evening and hear the speaker of the evening, Jim Guest, Secretary of the Agency of Development and Community Affairs.

JAN. 1987



### Something's Cooking at Oatmeal

Oatmeal Studios Greeting Cards has begun construction of a 22,000 square foot building, south of Rochester. The facility will house office, production and warehouse operations for the company. Financing is through a joint program, including Vermont Industrial Development Authority, Green Mountain Economic Development, and the Randolph National Bank. From left to right are: Richard Robson, architect; Earle Simpson, president, Simpson Construction; and Joe Massimino and Helene Lehrer of Oatmeal Studios.

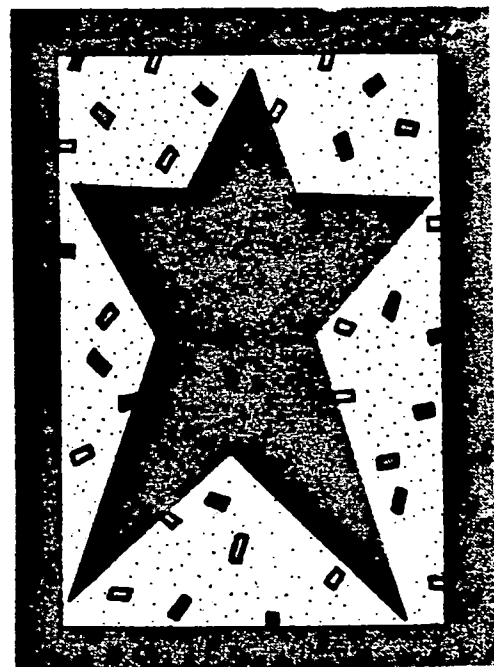


By Jody Jesso

# WINNERS



By Heidi Comes



By Sondra Carden

Oatmeal Studios of Rochester needed three more designs to complete their portfolio of 1986 Christmas cards, so called on Hancock Elementary School students for their artistic assistance. The studio chose three designs which Helen Lehrer-Massimino adapted into cards which will be distributed world-wide. In addition to the three winning designs by Jody Jesso, Heidi Comes and Sandra Carden, Jason Bass and Jesse Isaacson were cited for artistic excellence. Prizes were also awarded to 23 other children who submitted Christmas designs.

EXCERPTS FROM A RECENT 152 PAGE PUBLICATION ON GREETING CARD  
DESIGN FEATURING THE WORK OF OATMEAL STUDIOS.

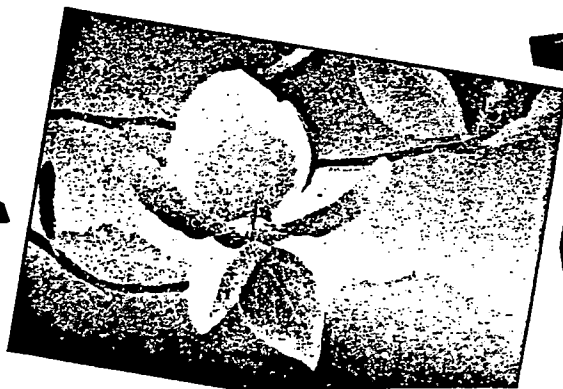
# GREETING CARD DESIGN & ILLUSTRATION



*Fill your heart with love!*



EVA SZELA

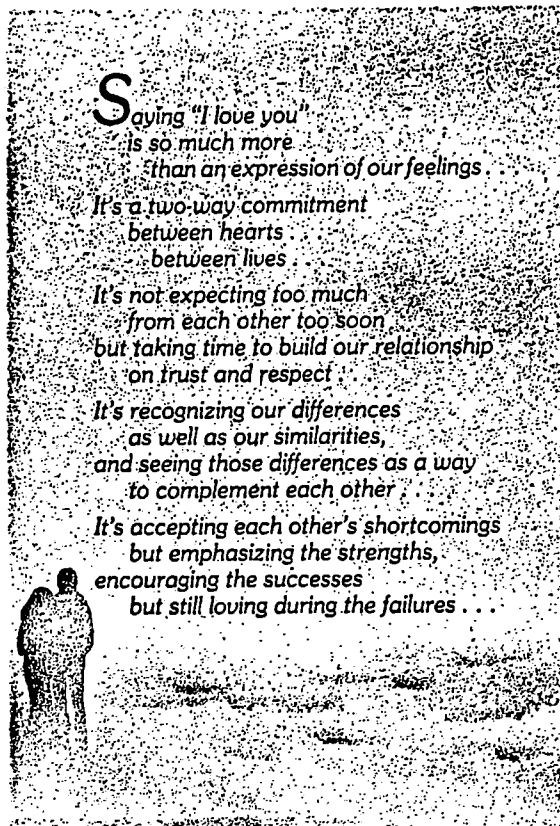


the Romantic Love sending situation as a whole. When that is what you want to create, it's important to know how to do it, and do it effectively.

Another important consideration in this category is the representation of the sexes in your illustration. If you are rendering a couple realistically, as in the illustration below left, then you will automatically indicate a man and a woman (or a boy and girl if you are doing a card for teens). If a different styling is used and you are depicting the couple through two animals, as shown in the illustration of the two teddy bears, flowers, or perhaps birds flying off into the setting sun, give some consideration to how you're going to indicate which is male and which is female (otherwise it could look more like Friendship). Making one smaller than the other is the frequent solution to this problem since women are more often the slighter or shorter of the partners.

Animals representing the couple are an excellent solution because then the specific physical characteristics of the actual couple are avoided. Color of hair, kind of build, degrees of attractiveness, and race are all set aside. If you use the two birds flying off into the setting sun, you then have an entirely appropriate symbol for every couple everywhere of the ideal perfection of their ever-lasting love.

The following step-by-step demonstration is an excellent example of using a couple of cute koala bears to illustrate Romantic Love.



Saying "I love you" is so much more than an expression of our feelings.

It's a two-way commitment between hearts between lives.

It's not expecting too much from each other too soon but taking time to build our relationship on trust and respect.

It's recognizing our differences as well as our similarities, and seeing those differences as a way to complement each other.

It's accepting each other's shortcomings but emphasizing the strengths, encouraging the successes but still loving during the failures . . .

This is an excellent example of a couple rendered realistically so that they might be anybody, with any color of hair or eyes. This makes the card appropriate for a greater number of Romantic Love sending situations.

It's realizing that the things that make each of us special and unique also make our relationship special and unique . . .  
 It's being friends . . . liking each other as well, as loving each other . . .  
 It's remembering that even though we're close we each deserve distance, that even though we're together, we each deserve our solitude . . .  
 It's sharing the sad and happy the wrong and right the worst and best . . . and through everything still believing that "I love you" is worth it all.



This illustration is a good example of the use of the heart motif in Romantic Love. Note the imaginative solution to the problem presented by the gender identification of Whimsical animals, here accomplished through the use of tiny personal accessories. This solution adds tremendously to the Whimsy and charm of the card.

Love you

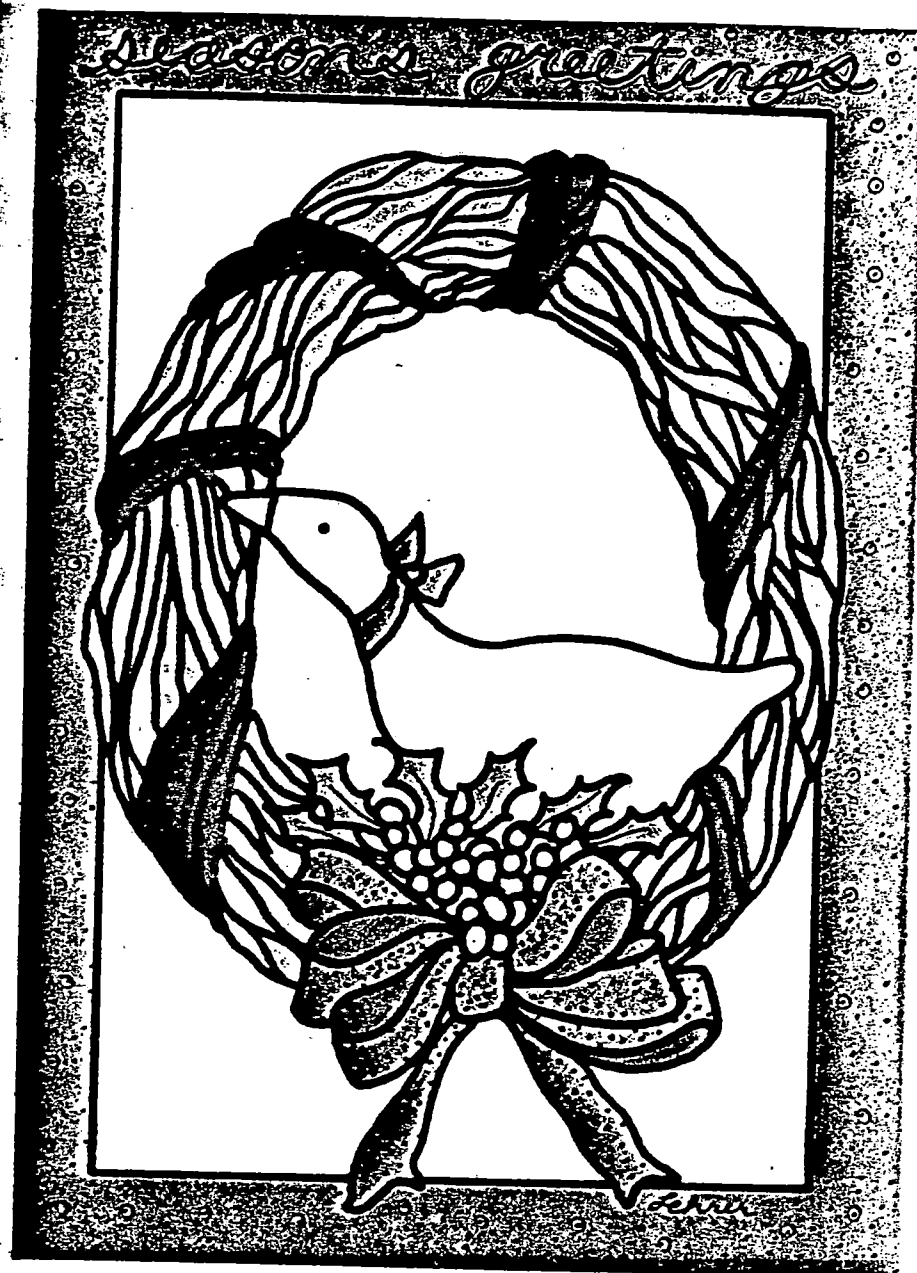
Country goose, also a great subject matter for this season.

Some additional Christmas classics are the dove, a symbol of peace; candles, an inspirational approach; angels, a charming example of which is the illustration shown far right. Redbirds, such as cardinals, provide ideal opportunities to work in the all-important Christmas red and are good traditional subjects as well. A delightful example of cardinals is in the illustration shown on page 78. The poinsettia is the flower most strongly associated with Christmas. Don't overlook the potential of almost any other flower (certainly the rose) used either in combination with holly and/or pine or with red and green items of some sort. For that matter, don't overlook both holly and pine as subjects in themselves.

Things associated with winter will also work, like a winter bird or a snowman as in the illustration shown on page 78. The winter village also has a nostalgic association and can be designed in a charming way.

The most general, all-purpose approach to a Christmas card design that can be all things to all people is a card that is predominantly editorial, designed with lettering as the focal point, with other understated elements complementing the whole. The illustration shown on page 79 is an excellent example, although the editorial isn't completely predominant here.

As with all the examples shown throughout the book, these are intended to inspire you by breadth of possibility in not only subject matter but style and technique. Study each one and take from them those aspects and elements that interest you, that seem pertinent to you and your way of working. Remember that these are not the only right ways of doing Christmas designs. These are the ways that these designers, artists, and writers have chosen to do *their* designs. Yours should be entirely your own and completely different—completely you!



*Joyous Holiday  
Greetings*

*The coziness and warmth implicit in the Country styling of this card are well suited to a successful Christmas card. This example shows an excellent use of a Christmas wreath based on the highly popular Everyday welcome wreath. The addition of a charming Country goose makes this one a sure winner. Note how positive and yet still very general the editorial is.*

This example of Surprise in a Humorous card strikes a chord of sympathy and support in this wonderful woman-to-woman Birthday card. Note the chatty posture of the character on the cover and the cup on the table, both subtle suggestions of close friendship and long conversations.

Another birthday and you're still  
 not married.  
 What are you waiting for —  
 Someone who's good-looking,  
 rich, sensitive, witty  
 and perfect??



This illustration is an excellent example of Surprise used so that the viewer is led to believe a tremendous compliment is about to be paid. Instead the idea is turned around into a risqué compliment rather than a general one and the rhythm of writing is changed as well. Study the manner in which the editorial goes from the lofty and the abstract on the cover to the low-down and specific on the inside. This technique augments the impact of the Surprise.

I like you because of your lefty ideals,  
 your sense of fairness,  
 and your keen analytical wit.



Created by Eva Szela Kiki™ © Eva Szela

... Me too.

HAVE A HAPPY BIRTHDAY!

THE FACT THAT YOU'RE  
 A GREAT LAY HAS LITTLE  
 OR NOTHING TO DO  
 WITH IT!

## SEASONAL HUMOR

All the devices you've just examined (and, of course, any new ones you invent!) can be applied to Seasonal greeting cards. The humor may be softened for certain seasons or occasions. Mother's Day, for example, is a good opportunity for humor. Love or gratitude will usually be couched in the joke. An example can be seen in the illustration shown here.

Father's Day is another good opportunity for holiday humor. However, the humor is again light hearted and loving, frequently focusing on traditional concepts of fatherhood. An example of a Father's Day card is shown opposite.

Christmas is the biggest holiday for greeting cards. There is certainly an opportunity for Humorous Christmas cards. Some popular themes are holiday stress, anything relating to Santa, reindeer, elves, chimneys, sleighs, mistletoe, shopping, gifts, merriness, and good wishes. Humorous Christmas cards are usually created from the secular perspective of the holiday. You risk offense by making light of the Religious aspects of this holiday.

Valentine's Day is *very* suited to Humorous greeting cards, especially Slams and Insults. The illustration of the woman, shown far right, is an interesting example of both the device of Surprise and that of the Slam in a Humorous Valentine. Themes are usually love-related or Valentine-related as in "Valentine, be mine . . . nobody else will have you."

Every holiday presents a Humorous opportunity. Let your common sense be your guide. If the holiday is based on a Religious event, tread lightly and carefully so as not to give offense. Otherwise, simply address whatever the basis for the holiday is, try out a few of the devices for creating humor that you've explored in this chapter, and have a go at the holiday of your choice. The jokes are there. Have fun with them! If you think you're funny, you probably are.

Mom, you will really appreciate this card...



...it's already  
clean, neatly folded,  
AND wrinkle-free!

This is an excellent example of a Humorous Mother's Day card. The humor is soft, the device is Surprise, and the subject matter Mom and flowers, very Feminine in apt

the  
Valley

# Oatmeal Studios sends its regards

*From the sleepy Windsor County town of Rochester, Oatmeal Studios markets an extensive line of greeting cards throughout the US and Canada — and even England and Australia.*

By Ed Barna

**T**his spring Oatmeal Studios will move out of its headquarters in a two story house in the middle of Rochester, but it's not moving far.

The greeting card company's new 22,000-square-foot production and warehouse facility on 10 acres along the White River will mark not only eight years of steady growth, but also a continuing commitment to the Windsor County town where the company started.

Begun as a collaboration between current president Joe Massimino and current vice-president and creative director Helene Lehrer, Oatmeal Studios projects sales of over eight million greeting cards and notepads this year.

Massimino and Lehrer are co-owners of the company and now marital partners as well.

Through an independent distributor, the firm markets cards in Canada and the US, and, through licensed overseas production, reaches the United Kingdom and Australia as well.

US distribution involves 120 sales representatives: independent salespeople who have agreed to take on Oatmeal's line of cards in addition to stationery, gift wrapping paper, and other products they market to various stores.

In addition to the 22 employees in Rochester, there are freelance artists and writers in New York City and California. Printing is arranged through competitive bidding and is presently done by several print shops, mainly in Massachusetts.

A collaborative venture between Oatmeal and 3M produced a line of 'post-it notes' that has become increasingly successful. The project entailed use of 3M adhesive patents.

"There are over 500 greeting card publishers in the United States, some of them very small ones, some of them very large companies like Hallmark and American Greetings," Massimino said. "In terms of retail popularity, there's a research firm that reports monthly. It has always placed us in the top 15 to 25," he said.

of trends and fashions in the highly competitive greeting card industry, Oatmeal has no intention of leaving.

"The town of Rochester is a real special place for us and for anyone who works for the company — in the sense of community and its size and just in terms of the physical beauty of the valley," Massimino said.

"It's a pretty hectic business, and it always helps to contrast that with a nice, quiet environment when we need to. I enjoy that mix," Lehrer added.

The new building, with Richard Wylie Robson as architect, will use wood siding "in the tradition of a large Vermont-style building," Massimino said, with the site intended to blend into the countryside. In that last respect, it will be very much like its owners.

Both came to Vermont 13 or 14 years ago, leaving metropolitan areas for something that felt more like home, they said. "There has been a lot of support from the community and from the town," Massimino said, "both for our business and for our building project."

"I think it's important to the community because it provides a certain amount of jobs," Lehrer said.

According to customer service manager Kelly White, the pair were in 1986 voted the Rochester Valley Chamber of Commerce business persons of the year, "the first time a business team has been given the honor."

Prior to Oatmeal's beginnings eight years ago, Massimino had been "pretty much self-employed," doing carpentry, logging and work on cars.

Lehrer had been an art major at Cooper Union in New York City. When she decided on the move to Vermont, she looked for ways to put her art skills to use.

She began silkscreening little note cards, she said, and "there seemed to be a demand for them, and I started to do more." Sales reps who saw the cards in area shops started getting in touch with her.

"At that point I spoke to Joe and he joined me in pursuing this as a business for both of us," Lehrer said. "We were



*Helene Lehrer and Joe Massimino, owners of Oatmeal Studios, have created a full line of greeting cards and note pads.*  
(Photo: E Barna)

The first step, Lehrer said, was to establish a 'look,' a recognizable set of stylistic characteristics. In their case it was a look that is "humorous, colorful, and fun." In an industry where there are more ecological niches than market positions — where the offbeat, zany, and outrageous are par for the course — Oatmeal manages to combine mainstream appeal with consistent interest.

"The humor is direct. It's not corny or punny, it's not rude, and it allows people to communicate a variety of salutations about holidays and events," Massimino said. "I think the humor in our cards works so well because it touches on subjects and situations that are common to a lot of people, but which we don't easily see the humor in," he said.

With time, the original line of cards was joined by two more, and soon yet another line with a more contemporary look will be joining them, Lehrer said.

"Within that look we then establish the categories that are necessary to sell greeting cards," she said: seasons like Valentine's Day and Easter and Mother's Day, occasions like graduations and

the different relationships: father to daughter, sister to brother, and so on.

For Christmas, a market in itself, they have a line of cards in a more traditional vein.

Over the years that adds up to a lot of designs. "We started with two dozen and over 1,500 designs have been created in that time period," Massimino said, perhaps 2,000 including stationery designs.

"It may be even higher than that," said Lehrer, who at this point sometimes finds herself creating new cards in her sleep.

"It's a constant creation business," Lehrer said. "It's trendy, it's fashion oriented." One year pigs will be all the rage, then dinosaurs, or — who knows?

"You keep your ears open and you keep your eyes open," Lehrer said. "Who creates trends, you know? Is it the people or the manufacturers? I don't know." They listen to what store owners are telling sales reps, and attend trade shows, and look in city store windows, "and try to be at the beginning of a trend. We've been successful at that," she said.

Bob Post

**1990**

**SMALL BUSINESS**

**PERSON**

**OF THE YEAR**

**2ND RUNNER-UP  
(TIED)**

**James L. Harrold, President**  
Webcrafters, Inc.  
2115 South Wilson  
Tempe, Arizona 85282  
(602)966-6922

Jim Harrold knows adversity in a very personal sense. When he was 18, he was stricken by polio and was paralyzed from the chest down. By his mid-20s, he had fought off much of the paralysis and has been winning ever since.

After taking over a bankrupt print shop in 1978, Harrold started Webcrafters, Inc., a printing company. The company earned a modest profit on revenues of \$800,000 that first year. Today it grosses more than that amount each month. Current annual sales are over \$10 million.

Among Webcrafters' customers is Arizona State University. The firm prints ASU's daily newspaper, *State Press*.

Harrold is assisted in his operations by his wife, Penny Ann, and their 19-year-old son, Brent. Jim's brother, Joe, is company controller. From 12 employees 12 years ago, Webcrafters has 115 today.

owns adnvercity  
1<sup>st</sup> polio  
then bankrupt  
print shop  
ASU

# Withdrawal/Redaction Sheet

## (George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04. Application	Small Business of the Year, re: James Harrold; personal information redacted. (1 pp.)	01/19/90	P-6, (b)(6)	

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Speechwriting, White House Office of  
**Series:** Speech File, Backup  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Small Business Person of the Year 5/8/90

<b>Date Closed:</b> 10/18/2004	<b>OA/ID Number:</b> 06898
<b>FOIA/SYS Case #:</b>	
<b>Re-review Case #:</b> 2004-2265-S	
<b>P-2/P-5 Review Case #:</b>	

<b>MR Case #:</b>	<b>Appeal Case #:</b>
<b>MR Disposition:</b>	<b>Appeal Disposition:</b>
<b>Disposition Date:</b>	<b>Disposition Date:</b>

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P-1 National Security Classified Information [(a)(1) of the PRA]  
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
P-3 Release would violate a Federal statute [(a)(3) of the PRA]  
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]  
P-5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

(b)(1) National security classified information [(b)(1) of the FOIA]  
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]  
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]  
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]  
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]





P.O. Box 22022  
1400 East Southern Avenue  
Tempe, Arizona 85282  
(602) 345-8800

**Elden "E.G." Barmore**  
President & CEO

November 6, 1989

Mr. James P. Guyer  
District Director  
U.S. Small Business Administration  
2005 N. Central Ave., 5th Fl.  
Phoenix, AZ 85004

Dear Mr. Guyer:

As his banker, I am proud to place James L. Harrold in nomination for "Small Business Person of the Year 1990."

The story of Jim and Webcrafters, as told in the following narrative, is that of the classic success of an entrepreneur and his small business.

He guided his company through start up to prominence and profitability in an extremely competitive printing industry. He is the kind of person with the kind of company that Rio Salado Bank is honored to have as a customer.

Jim recently accepted appointment to our Advisory Board and the bank now benefits from his business acumen.

Sincerely,

Elden "E.G." Barmore  
President & CEO

EGB:os

**NOMINEE**

**James L. Harrold**  
**President**  
**Webcrafters, Inc.**  
**2115 S. Wilson**  
**Tempe, AZ 85282**  
**(602) 966-6922**

**AWARD  
CATEGORY**

**Small Business Person  
of the Year 1990**

**SPONSOR**

**Elden "E. G." Barmore**  
**President & CEO**  
**Rio Salado Bank**  
**1400 E. Southern**  
**Tempe, AZ 85282**  
**(602) 345-8800**

**November 6, 1989**

James L. Harrold  
President  
Webcrafters, Inc.

## STAYING POWER

For the last 12 years, James "Jim" Harrold has been a driving force in the growth of Webcrafters, Inc., one of the major commercial printing houses serving metro-Phoenix.

Jim had extensive experience in the printing industry (see Resume, Appendix A) before he decided to set off with several colleagues and form his own printing company in late 1977. The group purchased the assets of a small print shop that had filed bankruptcy and then in January, 1978, they organized Webcrafters, Inc., in Glendale.

As Jim recalls, the new company had its share of start-up problems but "never had a losing year." They showed a modest profit on revenues of \$800,000 in their first year. Webcrafters now grosses more than that in a month.

In 1982, the company moved to Tempe "to be closer to our larger clients," Jim explains. Arizona State University is one of their biggest. Webcrafters prints ASU's daily newspaper, *State Press*.

Jim functioned as general manager of the business while an equal partner, Tanner Brown, dealt more with sales and marketing. Wanting to move Webcrafters into a more aggressive posture, Jim bought out Brown in 1985 and now controls 90 percent of the firm's stock. The remaining 10 percent is held by Edwin "Ted" Maudsley who serves as press room manager.

With Jim in control, the company increased production and revenue soared from \$2.5 million in 1984 to \$4 million in 1985 (see Financials, Appendix B).

In 1987, after leasing its facility in Tempe for five years, Webcrafters exercised an option and purchased the land and building. The acquisition was financed through Rio Salado Bank.

with a Small Business Administration guaranteed loan. Additional space has been leased as the company continues to flourish, even in the area's soft economy.

Jim says, "I don't expect a record-breaking year in 1990, but Webcrafters will keep volume up and continue its profitability." He has diversified the company into many forms of printing, using both web and sheet-fed presses. Webcrafters prints newspapers, catalogs, books, advertising supplements, direct mail pieces, brochures and folders. He attributes his firm's success to being "consistent" in its reliability. "We meet deadlines again and again," Jim says. "I can't remember the last one we missed."

*rules are simple - and they make sense.*

### GROWTH IN NUMBER OF EMPLOYEES

In 1978, Webcrafters began operations with 12 employees. The number has grown each year until today the company provides employment for between 110 and 115 persons.

Working side-by-side with Jim is his wife, Penny Ann, who serves as Secretary of the corporation. Their nineteen-year-old son also is employed by Webcrafters. Jim's brother, Joe, serves as the company's controller.

The employees have a full range of benefits, including a profit-sharing plan.

### INCREASE IN SALES

Despite a severe newsprint shortage (see "Response to Adversity") in the early years of operation, Webcrafters has posted a continued increase in sales and revenue.

From start-up year revenue of less than a million dollars, Webcrafters has tracked constantly upward. After Jim gained control in 1985, his leadership moved the company to \$6.3 million in 1986, \$8 million in 1987 and \$10 million in 1988. Fiscal 1989, although slowed by a faltering economy, also is expected to show growth.

## CURRENT AND PAST FINANCIAL REPORTS

From the time Webcrafters was incorporated, Jim recognized the importance of having good financial statements and cost controls. See Appendix B for complete sets of financials on the past three years of business.

## INNOVATIVENESS OF PRODUCT

Jim sees his company as more than a printing house. "We're really a part of the communications cycle. We are a manufacturer of advertising-based products." Speaking about what the industry calls *free-standing inserts* (FSI), Jim points with pride to his new Didde press, a million-dollar state-of-the-art unit.

The Didde can handle massive runs of FSI's for clients such as Advo, a large direct mail company. An eight-color press, the Didde can feed out FSI's printed in four colors on both sides, folded and dried, and ready for delivery to the Post Office -- all in a single run. The press even changes rolls of paper without slowing down. (See sample FSI, Appendix C.)

According to Jim, "We're one of only three or four companies in the area that can handle 800,000 pieces and have them off the press and in the hands of consumers within hours."

## RESPONSE TO ADVERSITY

When Jim was age 18, he was stricken by polio. The crippling disease left him paralyzed from the chest down. By his mid-20's, he had largely regained use of his body. Although still handicapped in the right leg, Jim won his battle with polio. He's been winning ever since.

No stranger to adversity, he faced a critical test within six months of starting his new printing company. "We're dependent on raw materials," Jim says, "and we'd just opened the doors when the publishing industry was confronted with the worst shortage of printing papers in this century."

*physically  
challenges*

At that point in the company's existence, it had a web press and needed newsprint. And the newsprint shortage was to run two years. Because Webcrafters was a new company, its allocation from big Canadian suppliers was too small to allow the firm to break even.

Desperately, Jim looked around for another type of customer who didn't require newsprint. He found one in a new Christian publishing house which wanted to print educational materials for a nationwide market. Jim could obtain book printing papers and went to work doing books for the Christian publisher. "Problem was," Jim reflects, "both our companies were undercapitalized, so you had two drowning entities clinging to each other. But somehow it worked."

Jim arranged a credit line with a paper supplier. "In effect our supplier bankrolled us." This approach to the problem helped Webcrafters survive until the paper shortage ended. Today, the Christian publisher is located next door and remains a large and successful client, expected to sell two million books next year to 1,400 private schools across the country. And, Jim still buys from the paper supplier which helped him through those difficult years.

## AID TO COMMUNITY-ORIENTED PROJECTS

A printing company is the kind of business that is often asked for a contribution by non-profit organizations. Jim is quick to lend his personal and company resources to worthy causes.

Most recently Webcrafters donated a 40-page program for a Special Olympics event. They also printed a fundraiser mailer for an adoptive parents group.

*Faith like the spirituality publishers whose shops  
of business helped carry - Religious print shop  
years critical shortage - role of faith in self  
Church and news - Faith in country - Faith*

APPENDIX

Appendix A - Resume

Appendix B - Financials

Appendix C - FSI

NAME: James L. Harrold

# Appendix A - Resume

ADDRESS: 1503 E. Westwind Way  
Tempe, Arizona 85283

DATE OF BIRTH: May 12, 1941, Fort Dodge, Iowa

MARITAL STATUS/FAMILY: Married - 24 Years  
Wife - Penny Ann  
Son - Brent - 19 Years

EDUCATION: High School - Fort Dodge Public High School  
College - Mesa Community College - General  
ASU - General Business & Accounting

## EMPLOYMENT EXPERIENCE:

- 1961-1967 - Brooks Newspapers, Inc.  
General Production Duties: Typesetting, Process  
Camera, Film Stripping & Platemaking. Operated  
small letterpress and offset presses in firm's  
commercial job shop.
- 1968-1972 - Valley Of The Sun Newspapers, Inc.  
Supervisory responsibility for typesetting and page  
layout for group of weekly newspapers. Transferred  
to Business Office in 1970. Promoted to Business  
Office Manager in 1971. Financial responsibility for  
activities of 11 weekly newspapers and small  
commercial web printing plant.
- 1973-1977 - Sun World Corporation, dba Sun Publishing Co.  
Operations Manager, Sun Publishing Co., Tempe, Az.  
Duties included full general management responsibility  
for this division, including Sales, Production,  
Estimating, Staffing, Purchasing, Marketing Strategy,  
Capital Expenditures, Budgeting, etc., with  
accountability for over \$1,200,00.00 of production  
assets, and the activities of 55 employees.
- 1978-1987 - Webcrafters, Inc.  
President

## PROFESSIONAL ACCOMPLISHMENTS:

-- Increased gross sales of Sun Publishing Co.'s commercial  
printing plant from \$14,000.00 per month (1972) to level of  
\$185,000.00 per month (1977).

-- Reversed losses of approximately (\$20,000.00) per month  
(1972) to profit of \$18,000.00 per month (1977) at Sun Publishing  
Co.'s Tempe commercial printing plant.

1990

Revised

**SMALL BUSINESS**

**PERSON**

**OF THE YEAR**

**2ND RUNNER-UP  
(TIED)**

# Withdrawal/Redaction Sheet

## (George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
05. Application	Small Business of the Year, re: George Mathews; personal information redacted. (1 pp.)	11/28/89	P-6, (b)(6)	

**Collection:**

**Record Group:** Bush Presidential Records  
**Office:** Speechwriting, White House Office of  
**Series:** Speech File, Backup  
**Subseries:**  
**WHORM Cat.:**  
**File Location:** Small Business Person of the Year 5/8/90

<b>Date Closed:</b> 10/18/2004	<b>OA/ID Number:</b> 06898
<b>FOIA/SYS Case #:</b>	
<b>Re-review Case #:</b> 2004-2265-S	
<b>P-2/P-5 Review Case #:</b>	
<b>MR Case #:</b>	<b>Appeal Case #:</b>
<b>MR Disposition:</b>	<b>Appeal Disposition:</b>
<b>Disposition Date:</b>	<b>Disposition Date:</b>

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

P-1 National Security Classified Information [(a)(1) of the PRA]  
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
P-3 Release would violate a Federal statute [(a)(3) of the PRA]  
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]  
P-5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

(b)(1) National security classified information [(b)(1) of the FOIA]  
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]  
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]  
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]  
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
(b)(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

AY 04 '90 10:44

U.S. SMALL BUSINESS ADMINISTRATION  
SMALL BUSINESS PERSON OF THE YEAR  
CANDIDATE FOR APPOINTMENT



to the

ADVISORY COUNCIL

SOCIAL SECURITY NO. \_\_\_\_\_

NAME: George David Mathews  
(FIRST) (MIDDLE/INITIAL) (LAST)

POSITION, NAME AND ADDRESS OF BUSINESS OR EMPLOYER: President/CEO  
Ozark Mountain Enterprises (Stone County Ironworks)  
HC 73, Box 427, Mountain View, Ar 72560 (Hwy 66 West)

TYPE OF BUSINESS: Manufacturing PHONE: 501-269-8108

INDICATE PREVIOUS OR PRESENT FINANCIAL, SURETY BOND, OR CONTRACTUAL ASSISTANCE WITH SBA. GIVE APPROXIMATE DATES AND TYPE OF ASSISTANCE.  
None

HOME ADDRESS: HC 73 Box 427, Mountain View, AR 72560  
(Please include post office and zip)

SERVICE ON FEDERAL BOARDS, COUNCILS OR COMMISSIONS (Indicate previous or present): \_\_\_\_\_

IF EMPLOYED BY A STATE GOVERNMENT, IS IT AN ELECTIVE POSITION  
Yes \_\_\_ No \_\_\_ NA X

ARE YOU ON A FEDERAL PAYROLL? Yes \_\_\_ No X

PLACE OF BIRTH: Russellville, Alabama BIRTHDATE: 5/27/59

CONGRESSIONAL DISTRICT 1

The authority to obtain this information is contained in 5 U.S.C. 301, 15 U.S.C. 634(b)(6), 44 U.S.C.,3101. Routine uses of the information are:

- To respond to a request from a member of Congress regarding information about an Advisory Council member.
- To disclose information about an Advisory Council member to general public.
- To respond to requests from the National Archives.

[Signature] Date: 11/27/89  
(Signature)

(This must be signed as a condition of the appointment.)

David Mathews  
Introduction

DAVID MATHEWS AND STONE COUNTY IRONWORKS-  
THE GREAT AMERICAN SUCCESS STORY

When David Mathews, President and founder of Stone County Ironworks, first picked up a hammer in 1976 at the age of twenty three, he had no intention of creating a multi-million dollar corporation that produced hand-forged iron products.


Having dropped out of college in search of an alternative lifestyle (born in 1953, he hales from Athens, Alabama), his goal was to lead a simple life in the hills of Stone County, Arkansas where his philosophies would reflect in every aspect of his life.

From years in the Boy Scouts (he also attained the rank of Eagle Scout), he gained a great respect for nature and folklore. The writings of Louis Bromfield (one of the first organic farmers in the United States) and Henry David Thoreau further inspired him. Feeling that everything matters and is connected in life, that meaning takes precedence over money and that in business you need not be ruthless to succeed, he set out to make an example out of his life.

At first, Mathews made his living by cutting fire wood and doing maintenance work. The art of blacksmithing he, by chance, discovered appealed to him immediately. Though this craft was an essential part of everyday life, by the mid 1930's all that remained of its use was horse shoeing and repair work. The opportunity to be a part of the revival of this traditional art, while not compromising his principles appealed to him.

An apprenticeship through the Committee of One Hundred (who promote Arkansas arts and crafts) and a position at the Ozark Folk Center (an Arkansas state park) demonstrating the blacksmithing technique helped this "self taught" blacksmith hone his skills.

By 1979, Mathews needed a place closer to town with electricity and running water and moved his home-based shop into an old, abandoned filling station which he rented near the town of Mountain View and was officially open for business.



He and his two employees (who play an integral part in the company today) did everything from produce, ship and sell the then ten item product line. Stone County Ironworks was marketed through the Ozark Craft Guild, Ozark Folk Center and an ever expanding number of retail craft shows.

In 1984, Mathews began redirecting his base of business from retail craft shows to wholesale accounts and his first building was erected (with a blacksmith shop and showroom) to house his growing business.

Today, five expansions later, the company has burgeoned into a thirty-three thousand square foot operation (with over one hundred employees) consisting of:

- a production blacksmith shop supplying their now three thousand wholesale accounts
- a custom blacksmith shop creating one of a kind residential and commercial commissions (its latest project for the Washington National Cathedral, Washington, D.C.)
- a pottery shop manufacturing planter inserts for their line of plant accessory items
- offices
- the newest addition: a retail store located in a National Historic Register building in downtown Mountain View.

Mathews seems older and wiser than his thirty six years when he sights his dedication to traditional values. Producing over two hundred fifty items, each with a look of heirloom quality, is a tribute to Mathew's ability to combine the best of old world craftsmanship and modern business practices.

Mountain View, Arkansas (population: 2147) is the heart of rural America and possibly an unlikely location for Stone County Ironwork's headquarters (townspeople believed success might require relocation to a larger city). But, it was here that Mathews was first captivated by the scenery and the people and from humble beginnings his dream began to unfold.

Today, Mathews and Stone County Ironworks are a major asset to the community. Any adversities to rural conditions Mathews sees as a personal challenge and has conquered them in his favor.

Now the second largest employer in Stone County, Mathews has created an enriching environment stressing creativity, support and a sense of team spirit. His participation in community efforts is helping Mountain View to realize its potential.

In spite of his success, David Mathews remains dedicated to his original philosophies rather than dollar signs. And, as business continues to increase, David Mathews exemplifies the spirit of American small business.

David Mathews

Part I

### STAYING POWER

Stone County Ironworks began in business in Arkansas in 1981 and was organized as a corporation in 1986 under the name Ozark Mountain Enterprises.

As President (and majority stock holder), Mathews has attracted professionals to key positions by offering equity positions. His three partners head up the production, marketing and general office areas.

- 1979 Mathews moves from his shop in a rural mountain top homestead to a rented abandoned filling station with electricity and running water.
- 1981 Company's name is changed from Kahoka Hill Forge to Stone County Ironworks.
- 1984 Base of business is redirected from retail craft shows to wholesale accounts.  
3600 square foot building is erected for a blacksmith shop and showroom.
- 1985 1800 square foot building added for more production space.
- 1986 Additional 3600 square foot building added for more production space.  
Business incorporates under the name Ozark Mountain Enterprises.
- 1987 The Village Smithy, a local blacksmith shop, merges with Stone County Ironworks.  
Joe Matheson, owner of Village Smithy, becomes Production Manager and is made a partner.  
Karen Taylor, one of Mathew's first employees and now General Manager, is made a partner.
- 1988 Stone County Ironworks moves into Stone County's new industrial park with a 10,000 square foot building to house production.  
Michael Thornton is hired as Marketing Director and made a partner.  
The operation is computerized.  
A pottery shop is acquired to manufacture planter inserts for the plant accessory line.

1989 5600 square foot expansion is added to the building in the industrial park.

An accounting manager is hired.

A new, larger and more sophisticated computer network system is added.

A retail store is opened in a 7900 square foot building in a National Historic Register building in downtown Mountain View.

David Mathews

## Part II

## GROWTH IN NUMBER OF EMPLOYEES

Stone County Ironworks first started in business with Mathews and two other employees. Those two employees still play an integral part in the company today.

The company runs two full shifts and is made up of the following areas:

Forging department (where blacksmithing is done)

Fitting department

Finishing department

Shipping and Warehouse

Front office operation

Retail division

Today, Stone County Ironworks is the second largest employer in Stone County, Arkansas and makes a significant economic contribution to the area.

Growth, by year is listed below:

<u>YEAR:</u>	<u>NUMBER OF EMPLOYEES:</u>
1981	4
1982	6
1983	9
1984	23
1985	32
1986	47
1987	58
1988	85
1989	110

## David Mathews

## Part III

## INCREASE IN SALES AND/OR UNIT VOLUME

David Mathews realizes continued growth means constantly setting and attaining new goals. Product development, keeping abreast of production techniques, searching out new classes of trade and new opportunities: Mathews welcomes future challenges.

Stone County Ironworks continues to grow at an impressive rate. The Growth rate for 1989 will be 54% over 1988 sales and is projected to be 54% again in 1990.

<u>YEAR:</u>	<u>SALES VOLUME:</u>
1981	\$ 20,216
1982	32,300
1983	63,374
1984	126,200
1985	176,156
1986	380,000
1987	910,076
1988	1,674,579
1989 (11 months)	2,257,187

David Mathews

Part V

## INNOVATIVENESS OF PRODUCT OR SERVICE OFFERED

The very nature of the profession Mathews chose and his unwillingness to compromise his principles exemplifies his company's originality. With tenacity and inventiveness, Mathews has managed to:

- revive a near extinct industry and create a multi-million dollar corporation in the process.
- combine the best of ancient and contemporary production techniques (example: a dipping process has now replaced the individual hand rubbing necessary to provide a finish on each product.
- produce heirloom quality products on a large production scale.
- design a functional product (example: when he couldn't pick up a log with actual tongs from Colonial times, Mathews redesigned it to work).
- research and introduce reproductions of historic items into the product line (example: Courting Candle, Stickin' Tommy).

### Courting Candle

A traditional time piece, the Courtin' Candle was used by a young girl's father when her suitor came "a courtin'".

If he liked a particular suitor, the father might set the candle on one of the higher rings, giving the couple a long visit in hopes that this lad might become his son-in-law. If the young man wasn't a favorite, the candle would be set on a lower ring allowing just a short visit.

When the candle burned down to the metal, courtin' time was over.

### STICKIN' TOMMY

*In the time before the battery-powered light, coal miners used this gadget to shed light on their work.*

*The miner could hook the tommy to his helmet to light the path into the mine while leaving both hands free to carry the tools he would need as well as food for the day. Once at his work station, the miner would either hook the tommy over a rock ledge or drive the spike into a convenient beam.*

*The Stickin' Tommy would then provide one candle-power of light by which to work.*

- create a separate custom shop which is able to handle one of a kind commissions.

David Mathews

Part V

- work with major accounts to design exclusive product (example: fireplace sets for John Deere Company, proposed furniture line for Ethan Allen Galleries).

- devise a training system able to turn an unskilled labor force into craftsmen.

- enter new markets successfully by researching the marketplace, then offering customers his interpretation in his medium (example: the wine rack, new this year, ranks #4 in unit sales).

David Mathews

Part VI

## RESPONSE TO ADVERSITY

## 1. How to Develop a Business From a Near Extinct Craft

According to A.B.A.N.A. (Artists and Blacksmiths of North America; Mathews was recently elected to their Board of Directors), only a limited number of its twenty nine hundred members actually make a living from blacksmithing; most enjoy it only as a hobby.

Today, Stone County Ironworks is one of the largest production blacksmith shops in the United States, employing forty blacksmiths and over one hundred employees.

## Training of Craftsmen

- Due to the hand forged , labor intensive process up to two years is invested in each blacksmith.

- Rather than an assembly line process, teams are formed for each product group.

- Team members become familiar with each phase of the process.

- Has resulted in minimal production losses due to absence, quality remaining constant, pride in craftsmanship.

## Product Saleability

- Researched ancient metal working techniques to find best processes (fifty year old Trip Hammers still used on the production floor today).

- Designed all product to be functional.

- Combines ancient techniques with contemporary design and marketing.

Never sacrificed quality."

## 2. How to Change the Base of Business to Allow For Maximum Growth

Retail craft shows were providing only limited growth. Entirely dependent on Mathews to produce product all week, then travel and sell it all weekend, selling to this class of trade offered no continuity.

Today, Stone County Ironworks supplies over three thousand accounts including such prestigious names: Neiman Marcus, Bloomingdales and Smith and Hawkin.

David Mathews

Part VI

### Obtaining Wholesale Accounts

- Began attending general gift shows, then added those that address a specific market (example: High Point, North Carolina furniture show)
- Wholesale accounts continued to purchase throughout the year.
- Hired independent sales representatives to service accounts in specific areas of the country.
- Have begun to develop export markets (currently selling in Canada, Japan and France).

### Marketing

- Created upscale image.
- Hired advertising agency to develop four color catalog.
- Added new categories of product (example: lighting, wine rack, furniture).
- Developed exclusive product for large retailers (example: planters for Smith and Hawkins' catalog, candelabra for House Beautiful Magazine).

### 3. How to Limit Employee Turnover

Stone County, Arkansas shares the problems of many other rural areas; economically underdeveloped, its youth have limited education and little or no skills. With so much training required, limiting employee turnover was very important to Stone County Ironworks.

"Offering a Skill, Not Just a Job"

- Rotating jobs within their various teams instills confidence and a sense of pride. As their skills develop, a craftsman is created.
- Teams are made aware of quotas and costs, creating healthy competition to "beat yesterday" and an awareness of the business and its needs.
- Free time is provided on Saturdays to any employee who wishes to design and make a product on his own.

David Mathews

Part VI

- Saturday classes and seminars are provided (most recently, the Blacksmith Association of Missouri shared information during an all day workshop).

Creating an Atmosphere of Team Spirit

and a Sense of Belonging

- A weekly newsletter shares employee, company and community information.

- Complete medical and life insurance is offered as well as free annual flu shots and hearing tests.

- Cash prizes are awarded weekly for the best suggestions.

- Any employee who designs a product which is added to the product line receives a 3% royalty (5% if they also make the prototype).

David Mathews  
Part VII

EVIDENCE OF CONTRIBUTIONS BY NOMINEE  
TO AID COMMUNITY-ORIENTED PROJECTS

Visiting Mountain View, Arkansas, in the foothills of the Ozark Mountains, is like taking a step back in time. And, for that very reason, tourists come in droves (the annual festivals bring over fifty thousand people to the small town with a population of 2147).

The setting, the people, the strong sense of values and community spirit are all genuine- not slickly packaged for the sake of the tourist dollar.

When David Mathews first visited the area, he felt a sense of belonging and knew he had found his new home. He remains committed to the town that first inspired him.

The growth that Mountain View is experiencing, the delicate balance between old and new, the industriousness required to bring about change- Mathews is all too familiar with these scenarios, having encountered similar situations in his own professional life.

He offers his energy and business acumen to help fight the demise of the small town in America:

- Takes an active role in the Chamber of Commerce, challenging its members to action. Is Chairman of the Chamber's Downtown Preservation Sub-Committee.
- Member, Board of Directors- Stone County Council on Tourism.
- Involved with Planning and Zoning Commission, pushing to develop and enforce stringent zoning laws.
- Spearheading a "Main Street" program for Mountain View. Locally funded, this program provides technical assistance in the form of promotional efforts, economic restructure and overall design of the town and has been successful in many small towns nationwide.
- Has taken over a building on the National Register of Historic Places in downtown Mountain View for Stone County Ironwork's flagship retail store. Rejecting suggestions for a large city location, Mathews felt the town would benefit economically.

David Mathews  
Part VII

Outspoken on the issue of preserving the town in character with its architecture, Mathews is now able to put his theory into practice and set the path for other building owners to follow.

- Has helped decorate the town during holidays and festivals by designing decorations (a six foot star made of iron and decorated with lights hangs from the courthouse on the town square this Christmas, a giant, old fashioned dinner bell signals the official start of the Bean Festival in October).

- Mathews sees his employees as extended family and provides support to them when needed. He has helped employees through drug and alcohol treatment with support and financial aid.

David Mathews  
Summation

CAN ONE PERSON REALLY MAKE A DIFFERENCE?

David Mathews left college behind and traveled to the hills of Arkansas in search of his destiny. He found his niche when he discovered blacksmithing.

In true entrepreneurial spirit, the vision, determination and industriousness of one man created American made products which are a tribute to his craft, a company based on his strong sense of personal values and principles, jobs and a better way of life for his employees and along the way- a multi-million dollar corporation.

Can one person really make a difference? David Mathews and Stone County Ironworks exemplify the "Great American Dream".

# Reports show economy back on track

By Mark Memmott  
USA TODAY 5-3-90

Three more pieces of persuasive evidence show that the economy rebounded in early 1990 and appears headed for more slow, steady growth.

But that good news means there's virtually no chance the Federal Reserve will try to push interest rates down any time soon, economists say. Prices already are rising too quickly for the Fed's taste, and it wouldn't want to risk sending inflation even higher by giving the economy too much fuel.

Fed Vice Chairman Manuel Johnson said Wednesday that inflation — which ran at a 5.2% annual rate in the 12 months ended March 31 — is already too high. His comments renewed speculation that the Fed might soon decide to nudge interest rates higher.

The latest evidence of economic strength:

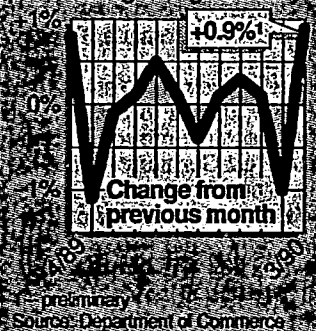
► The Fed said Wednesday that its April survey of business conditions shows the economy "continues to expand slowly." The analysis — contained in the Fed's "beige book," a report released eight times a year — shows that manufacturing has regained its feet in many regions. Also, consumer spending is growing at least modestly in most places.

Fed economists also say "there is little evidence that a general credit crunch is developing." So there should be enough money available for loans to help keep the economy moving.

► The Commerce Department said its index of leading indicators rose 0.9% in March

## Indicating growth

The index of leading indicators rebounded and now points to a growing economy.



from February. It was the biggest increase since June 1988 and a strong recovery from February's 1% plunge.

► Commerce said that orders for manufactured goods soared 3.8% in March from February. More than half of the increase was due to the highflying aircraft industry and a pickup in the auto industry. But even excluding the transportation sector, orders rose a healthy 1%.

Wednesday's reports follow other recent signs of a rebounding economy. Those include last Friday's news that gross national product growth accelerated to a 2.1% annual rate in the first quarter — well above fourth-quarter 1989's meager 1.1% growth.

Judging from the evidence, "it appears we've skirted a recession," says James L. Bellessa Jr., economist at investment advisers D.A. Davidson & Co. in Great Falls, Mont.

► Economy by region, 6B

THE WHITE HOUSE

WASHINGTON

1990 APR 27 PM 6:44

April 27, 1990

INFORMATION

MEMORANDUM TO THE PRESIDENT

THROUGH:

CHRISS WINSTON *CW*

FROM:

MARK LANGE *ML*

SUBJECT:

REMARKS FOR NATIONAL SMALL BUSINESS UNITED AND  
THE NATIONAL ASSOCIATION OF WOMEN  
SMALL BUSINESS OWNERS

I. SUMMARY

On Tuesday, May 1, at 2:05 p.m. you will deliver brief remarks to the leadership of National Small Business United and the National Association of Women Small Business Owners. The event will take place in Room 450 of the Old EOB and your remarks are approximately 8 minutes in length, on speechcards.

II. DISCUSSION

The attached remarks applaud the growth of small business in this country, especially those businesses owned by women, and identify their importance in the economy. You cite the empowering qualities of free enterprise and call on their support for the capital gains tax cut.

(Lange/Cawley)  
April 27, 1990  
6:20 P.M.  
[SMALLBIZ.DOC]

PRESIDENTIAL REMARKS: NATIONAL SMALL BUSINESS UNITED,  
AND THE NATIONAL ASSOCIATION OF  
WOMAN BUSINESS OWNERS  
ROOM 450, OEOB  
TUESDAY, MAY 1, 1990  
2:05 P.M.

Welcome to Washington! You know, a lot of dust tends to get kicked up around here -- and they say if you stay too long, it's easy to forget just how well things are really going in the land of the free.

But last year was a remarkable year for the job-creating, entrepreneurial core of American business.

Small businesses created over a million and a half new jobs in 1989 alone -- about two-thirds of the jobs created in the nation -- and almost equal to the entire labor force of the city of Los Angeles.

And the number of woman-owned small businesses created -- notably in mining, construction, and transportation -- increased at twice the rate of those owned by men. [[ So Maggie Thatcher was right in saying, "If you want something said... ask a man. If you want something done, ask a woman." ]]

But 1989 was an important year for another reason. Because it reminded us of the role that government should and shouldn't play in enterprise.

And it set off a collective movement toward democracy worldwide that had us all looking up from our work for a moment,

in wonder -- bearing witness as the world confirmed the wisdom of our forefathers.

They understood the importance of limited government. So they fought for a social order that gave free reign to ambition -- and unleashed the power of individual aspiration.

We rose, in fact, as a nation of upstarts who didn't know their place. And this was a new idea: that government, far from fearing private initiative, should be all for it. And it still seems like a new idea.

Last year, from Lima to Warsaw to Moscow to Minneapolis, we were reminded that the power of any economy flows not from an entrenched, centralized bureaucratic elite -- but from the vitality of free competition, free markets, and free wills.

Men, women, immigrants, Americans of every kind, from every corner of this great country, are **empowered** by opportunities -- by the degree of choice, and the kind of motivation, that only free markets can provide.

Adam Smith shocked the establishment 200 years ago with something we've relearned only recently: that everyone has a natural desire, and a natural right, to improve their situation -- to truck and barter and bargain and trade -- everyone from a CEO to a kid with a pocketfull of marbles. And society benefits from that creative, competitive impulse.

In this century, we defined that impulse as the American dream. And the dream has done more than endure. It's as dynamic as ever -- as every one of you proves -- every day.

Every man and woman who builds an enterprise -- from a shoe-shine stand to a multinational -- understands what I'm talking about. It is what has made us a nation of imagination -- of mavericks willing to take a gamble on the unexpected, the untried, the untested, the untraditional.

They're out there moving in every direction, working to create new economic orders out of chaos. Building empires out of garages. Foreseeing needs, forming strategies, finding investors, and founding corporations of every kind.

That is free enterprise.

And that is what we're working to encourage. But it is not just free enterprise by itself. It is a whole New Paradigm -- a new way of looking at the world -- that no longer assumes that bureaucratic, "top down" organization, stifling individual creativity and responsibility, is the right structure. We want to share this New Paradigm of freedom and democracy with the world. We want this democracy to mean opportunity -- for everyone.

So we began with the lessons our forefathers left us, about limited government -- which revealed an obstacle to opportunity they faced then, that we face now: excessive taxes.

Limited government must mean limited taxes. And this government should not be preventing people from investing in small businesses -- nor should it swallow a third of the business you've spent your life building.

But that's what our taxation of capital gains does. And that's why we're working to cut the rate on long-held assets -- and counting on your support.

For anyone launching a small business -- whatever their age, background, or ambition -- a capital gains cut means a bigger pool of start-up capital. For growing businesses, it means more investment for the long term.

And for all Americans, it means opportunity -- the kind of continued job creation that only new and expanding businesses bring about.

So we're fighting for this tax cut that raises revenue to the Treasury; creates jobs; puts us on a more equal footing with our trading partners -- and underwrites American ingenuity and creativity in businesses of every kind.

We need to do more to fuel the kind of flexible, creative energy that drives American business. On the wide range of issues concerning business owners across this nation -- from deficit reduction, to education, to product liability reform, and especially health care cost containment -- we're with you, working toward solutions. We're also encouraging the kinds of creative thinking business will need to attract and retain talent -- like flexible workplace policies, telecommuting, and choice in child care.

We've greatly appreciated the well-thought out book of policy recommendations recently produced by your two groups. And we're working on a range of ideas to help business move

with markets as they change -- from encouraging more research and experimentation, to allowing joint production ventures that let American firms pool their skills, build new production facilities, and share investment risks.

But the principle that encompasses our thinking on all of these issues, is something our forefathers knew -- and the rest of the world reminded us of, last year.

No state has yet managed to mandate prosperity -- or creativity. The cruelest societies are those that are static and stagnant -- cultures that run counter to human nature and aspiration. But the surest sign of a nation's kindness is the kind of social and economic mobility it allows its people.

What the world learned in the Revolution of '89 is that democracy \\ is another way of saying opportunity.

That government's best role, and greatest security, is not in consolidating power, but in empowering the individual.

And that the truest kindness the state can offer the people, is to govern with a gentle hand.

After two centuries, we're still convinced that government should be limited. But if our experience has taught us anything, it's that the creative potential of men and women with a mission is unlimited.

You are such men and women. So this administration salutes you -- and we'll do everything in our power to support the work you do.

God bless you -- and God bless American enterprise.