

# 2015

---

## ANNUAL REPORT



---

GROWING SMALL BUSINESSES, JOBS, COMMUNITIES

# GROWING SMALL BUSINESSES, JOBS & COMMUNITIES

Dear Friends:

Fiscal year 2015 was a time of introspection and innovation for Mountain West Small Business Finance. It was a year where we took a look at our organization and adjusted to meet the needs of our lenders, small business owners, and our organization. As part of that review, we expanded our footprint by adding more resources into our lending functions throughout the state. We also reorganized our lending function to create more time for our loan officers and business development officers to be out meeting with lenders and small business owners in their places of business. These changes will get us closer to those looking to Mountain West as a resource for help in expanding and strengthening their businesses, and will increase our efficiency and effectiveness in getting our 504 loans processed, authorized, and closed.


We'd like to focus your attention on two things from 2014. We predicted that small businesses would recognize that the economy was gathering momentum and gaining strength. Nationwide, there was more SBA lending than any other time in the history of the Agency. Utah was no exception and had one of its best years ever. The second thing we mentioned was our hope that the industry and the federal government could get together and bring back the hugely successful Refinance Program to help our Utah small businesses unlock the working capital captive in their businesses. That has happened and we will be rolling out the program this coming summer.

Some of our other results for fiscal 2015:

- Mountain West made 132 504 loans for \$92,784,000.
- Through fiscal 2015, there were 28 loans for over \$4,900,000 made from our small 7a program to help small businesses with operating capital.
- Rural lending continues to be strong in Utah, where over one-third of all lending is rural, based on federal guidelines.
- Loans made by Mountain West to small businesses have added nearly 2000 new jobs directly into Utah's economy in 2015. Thousands of additional jobs were added that were directly attributable to expansions and new operations from 504 projects.

Mountain West Small Business Finance continues to be the largest SBA lender in the state based on total dollars lent, but this is only part of the story. We work hard to be in a position to help small businesses of all types grow, get stronger, expand, and make meaningful contributions to their communities—just like we have done for the last 35 years and are committed to do for the next 35.

Sincerely,



Scott Davis  
President  
Mountain West Small Business Finance



# SBA 504 LOANS: HOW SMALL BUSINESS GROWS

## Unique Market Niche

- Targets the most dynamic and job-rich sector of our economy: small, independently-owned companies and provides optimally-structured financing to support growth and expansion.
- Focuses exclusively on financing owner-occupied commercial real estate for small businesses.

## The Advantages of Two Mortgages

- Loans are structured to have a first mortgage from a bank (usually 50 percent), a second mortgage 504 loan (usually 40 percent), and a minimum 10 percent down payment.
- Combines and provides expertise of both the Certified Development Company (CDC) and the bank.
- Leverages the SBA's position with \$3 of private investment for every \$2 of SBA-guaranteed funds.

## What is a CDC?

- Provides a local source of marketing and expertise on 504 loans.
- Acts as the hub of the project: prepares all paperwork, coordinates activities of the financing participants.

## Window to Wall Street

- 504 loans are funded through monthly pools of debentures, guaranteed by the SBA, giving small business borrowers access to the public capital markets represented by Wall Street.
- Enables small businesses to access capital at the lowest possible cost allowing them to preserve working capital, grow faster and create more jobs.

## A Federal Small Business Program that Pays for Itself

The unique market niche, private expertise, the focused expertise of the CDC, the SBA guaranty and the affordability of both the CDC services and the capital markets participation, all combine to provide 504 loans to borrowers at the lowest possible cost.

*Mountain West Small Business Finance is an equal opportunity provider and employer.*



## 7a COMMUNITY ADVANTAGE LOANS

Mountain West Small Business Finance and Salt Lake Community College have partnered with Goldman Sachs *10,000 Small Businesses* in Utah; a \$500 million initiative designed to help small businesses create jobs and economic growth by providing entrepreneurs with access to capital, a practical business education, and business support services. The program has already made a big impact for several Utah small businesses, including two featured on the next few pages: the Sandy Havoline Express Lube and Utah Spinal Care.





# TIME FOR A CHANGE

In 2007, Brad Findlay moved to Utah looking for a change...an oil change. Well, to be more precise, he was looking to open an express lube business. Armed with a strong financial background and years of experience working in business development for Big O Tire Company, including a stint as the owner of a Big O franchise in California, Findlay knew that location is the key to success for automotive service businesses. He found the ideal spot on the east side of Sandy. A new development was being built in the neighborhood that included some highly-trafficked anchor stores as well as a tire shop and a car wash—businesses that would perfectly complement his express lube.

He opened the Sandy Havoline Express Lube and has experienced steady growth ever since. In 2015, the shop serviced 16,000 cars in its three bays. The Express Lube has built a tremendous relationship with its customers, who are loyal to the neighborhood and the business. One reason for its steady growth is that the shop goes the extra mile for customers when things don't go right. "Mistakes rarely happen," said Findlay, "but when they do, we do whatever it takes to take care of the problem immediately and make it right."

Over the years, as customers stopped in for oil changes and safety and emissions tests, they would ask Express Lube employees where they could get their brakes, alignments, shocks, struts, belts, and other basic car maintenance done. The employees would refer their customers to several different repair shops, but none of them were necessarily close or convenient. Findlay realized that he had an opportunity to grow the business. "We had done a great job building trust in the community and realized that if we expanded the shop's

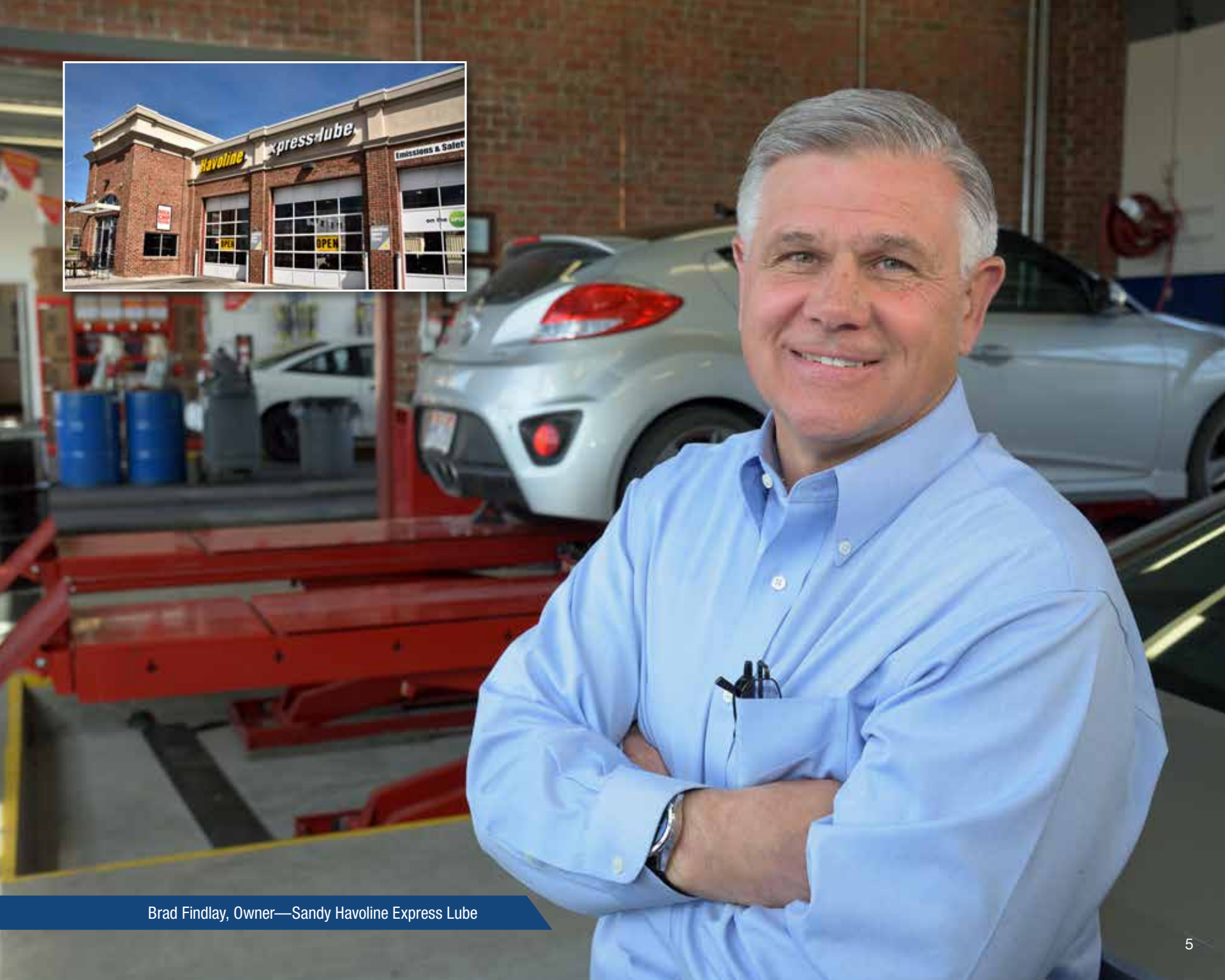
capabilities to handle more mechanical repairs, we'd have a built-in customer base," Findlay said.

Findlay started planning an expansion of his shop to add two more service bays, but he knew the process would not be easy because the business is on a ground lease and commercial banks generally don't like ground leases. Luckily, he had an ace up his sleeve—Mountain West Small Business Finance (MWSBF). Findlay had worked with MWSBF when he opened the shop in 2007 and he knew they would be the perfect partner to help him finance this new project.

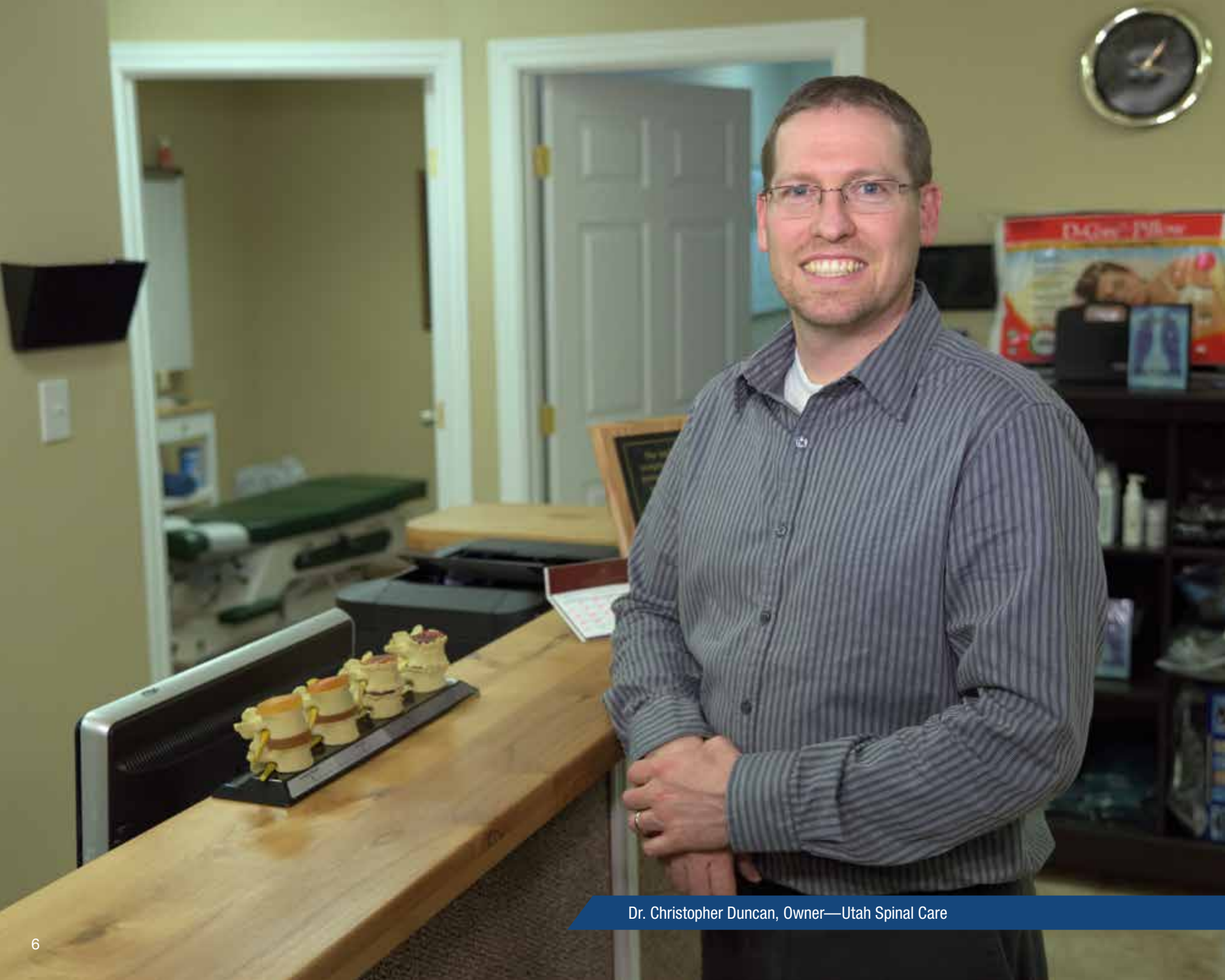
The process took some time because the expansion required the shop to break new ground. This meant that Findlay had to get permission from the complex's anchor stores and the ground developer. It took several months of writing letters, calling, and sending plans to get the necessary permissions, but MWSBF helped every step of the way. "Mountain West provided some great ideas on how to go about getting the permissions and worked closely with me to solve any problems that would arise," Findlay said.

They got the permissions they needed and Findlay financed the additional 1000-square-feet and two new service bays with a SBA 7a loan, a unique loan that's perfect for small businesses that need working capital.

The two new bays opened for business in February 2016 and Findlay is confident that business will continue to grow by using the shop's formula for success: take really good care of customers, provide good pricing, and do great work.



Brad Findlay, Owner—Sandy Havoline Express Lube



Dr. Christopher Duncan, Owner—Utah Spinal Care



# THE ADJUSTMENT BUREAU

As the owner of Utah Spinal Care, chiropractor Christopher Duncan works every day to relieve people's pain and to help them feel the best they can—not only through chiropractic adjustments, but also through diet, exercise, and lifestyle modifications that promote happiness.

Duncan started at Utah Spinal Care in 2013 when he was fresh off a three-year stint for the Navy, where he had worked as a chiropractor at a Naval Hospital in Florida. When he came back to Utah, he started running the Sandy offices of a chiropractor based out of Logan. Within a year, he had decided to purchase the practice, but he found getting a loan to be a painful process. His main problem: he wasn't asking for enough money. Duncan fell into a category that is not well served by commercial banks. After initiating the loan process and completing piles of paperwork with ten different banks over the course of 60 days, only to be rejected, Duncan heard about Mountain West Small Business Finance (MWSBF). This made all the difference in the world because MWSBF was able to work with Duncan in a way that commercial banks can't. MWSBF suggested financing the business through the SBA's unique 7a loan—a loan designed to provide working capital for small businesses.

“After spending so much time and energy trying and failing to get a commercial loan, it was such a breath of fresh air to work with Mountain West,” said Duncan. “They really worked with me and jumped through all the hoops to help me secure the money I needed to buy the practice.”

Since taking over the practice, Duncan has been working

to upgrade technology and expand his patient base. He's off to an incredible start. Duncan had the benefit of working at the location for a couple of years, so he's been able to retain about 90% of the former owner's patients. This high retention rate is rare because chiropractic treatment is all about technique. Medical doctors can give patients medication that will work no matter who prescribed it, but the effectiveness of chiropractic treatment is based on the technique of the adjustments and the skill of the chiropractor.

While chiropractic adjustments are the clinic's primary service, Utah Spinal Care also offers laser, ultrasound, electrostatic, and decompression treatments, as well as massage therapy. Duncan is also developing a growing niche by working on innovative treatments and techniques for artists, musicians, and dancers who, like athletes, repeatedly put their bodies into positions that may be causing them harm.

Through hard work, innovation, and an unwavering dedication to patients, Utah Spinal Care's business has continued to grow. However, even with all the clinic's success, Duncan does not pretend that he has made a career adjustment to be considered a businessman. He concludes, “I'm a doctor first and foremost. If I'm honest and straightforward with my patients, the business side tends to work out.”

# REACHING NEW HEIGHTS

For the layman traveling on I-15 past downtown Salt Lake City, the giant black building on 400 West and 1450 South looks like a graphic designer's think tank. It's chic, clean, and, at 70-feet tall and with 35,000 total square feet, it's pretty hard to miss. For climbing enthusiasts, it's known as Utah's premier indoor bouldering and rock climbing facility, with nearly 30,000-square-feet of world-class indoor rock climbing – plus training facilities, pilates, yoga, and a bevy of accoutrements for the climbing enthusiast and (as their website so aptly phrases it) “for the ‘not-interested-in-climbing’ significant other.”

The space is vast, redefining the term, “open floor plan,” but the vibe is comfortable. Lounge areas set next to giant garage-style windows flood the space with natural light, and turn the place into an open-air concept in the warmer months for community events and competitions. From the desk manager to the trainers, the entire staff is genuine and kind, with a cheerful disposition that's noticeable from the floor all the way to the top.

Owner and CEO Dustin Buckthal said that's not a coincidence. In fact, it's one of the key things he said the company excels at: “We've really got the hang of staffing on a higher level,” he explains. For The Front, a living wage, health insurance, professional development, and options for flexible work schedules are all keys to help attract and retain top talent.

Buckthal said having the right human capital is part of the equation for success, and measured risk is another key piece, which seems appropriate coming from an industry that is built on one grip or step

of measured risk at a time. And Buckthal knows the industry. As an avid sport climber and entrepreneur, he's also managed climbing gyms in Oregon and Idaho, in addition to Salt Lake's “The Front” and its sister gym in Ogden. Buckthal's also a co-owner of Vertical Solutions – a high-end designer and manufacturer of cutting edge climbing walls, all proudly made in the USA.

The experience from both sides of the industry has put him in a unique position, with unparalleled insight into what makes a climbing gym the best. “Authenticity is a better business model,” he said. “We're building a community – that's what keeps membership retention. We really try to do what feels right – from a social, environmental, and economic standpoint.”

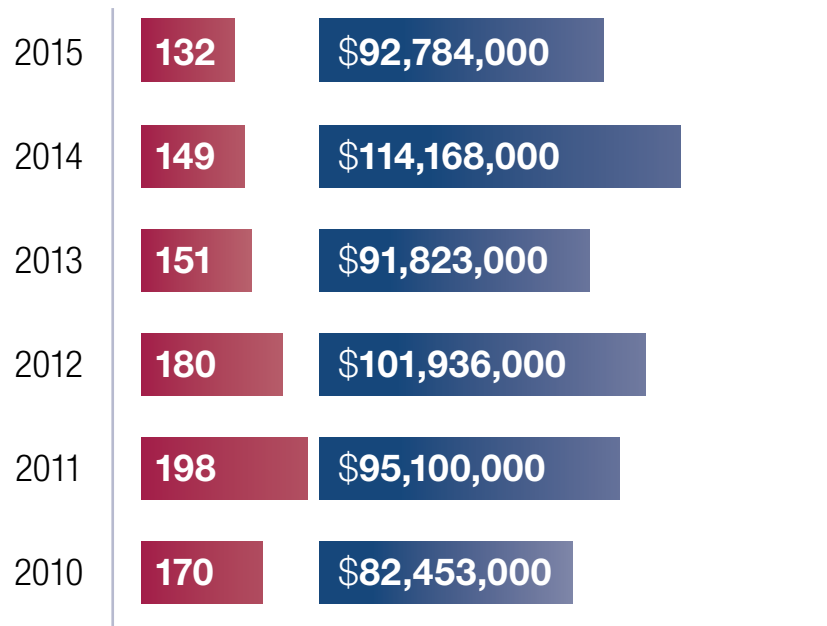
For The Front, that means putting money and materials where it matters. Buckthal said they worked hard to make the place as green as possible, from the building's design, to using a swamp cooler instead of air-conditioning, to the placement of windows, to their recycling program. All of the pieces fit together to make The Front more than a place of giant walls and footholds.

It takes capital to build a building, but it takes much more to create a community. Buckthal knew that the additions and build-out of The Front were going to be a challenge: “A lot of lenders were skittish about loaning to a rock climbing gym. It was a hard project to get done and very expensive, but Mountain West Small Business Finance (MWSBF) and First Utah Bank were great to work with. They helped us put the case together and now we have the premier proof of concept.”

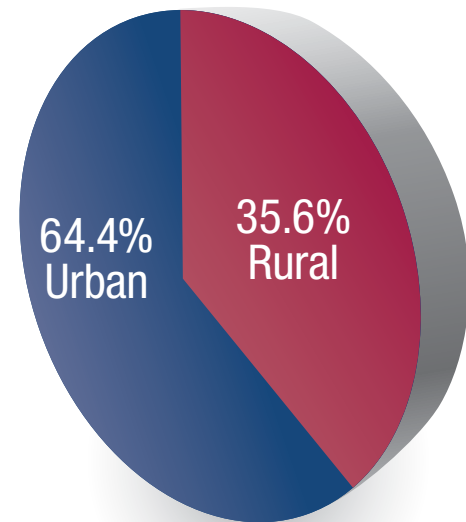


Dustin Buckthal, Owner—The Front Climbing Gym

# LOANS APPROVED



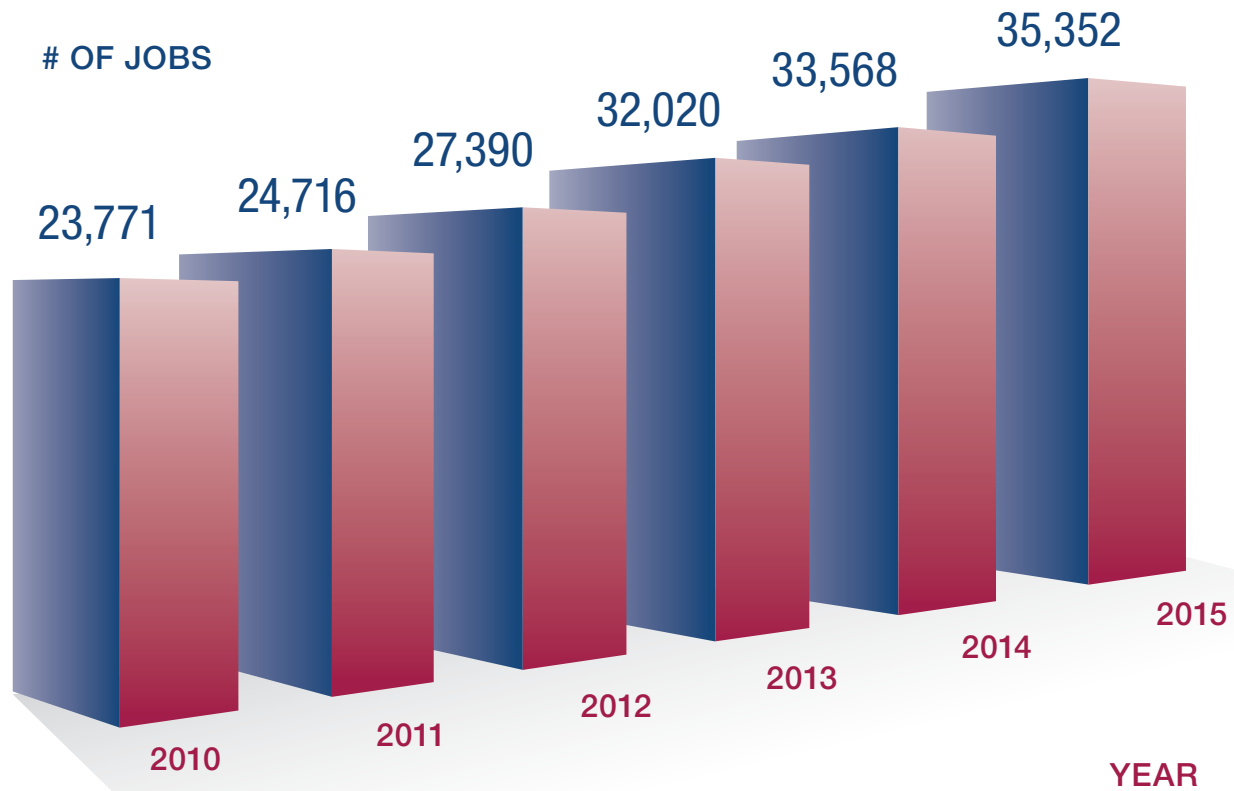
YEAR # OF LOANS TOTAL \$ AMOUNT



LOAN BREAKDOWN



# CUMULATIVE JOBS CREATED & RETAINED



# SLEEPING GIANTS

Sam and Kacie Malouf were in college at Utah State University and in search of nice sheets. When they realized the cost, they set out to find a way to experience luxurious sleep at a more cost-effective price. With research and time, they discovered where and how to create high quality bedding at a more affordable price – and Malouf was born. The company started out with their sheets in retail shops, which lead to shop owners recognizing the sheets' quality and attention to detail – so they asked for more from Malouf. The company followed with a line of pillows, mattress protectors, bed frames, and mattress toppers.

For more than a decade, Malouf has been offering a variety of sleep solutions. Jake Neeley, Malouf's Marketing Communications Manager said, "Our attention to detail sets us apart from our competitors. We look at all aspects of the business and refine everything to work better. Our primary plan is to provide individualized sleep solutions to everyone," he continued. "We're not preaching 'one-size-fits-all' for sleep products. We make products for all levels of income, all materials, body types, different sleep circumstances, etc. Coupled with our products, we also help people understand how they can sleep better."

This approach has earned them a vast customer base, as well as honors and accolades. In just the last year, Malouf earned the following:

- *Green Business Award for Corporate Excellence from Utah Business Magazine*
- *Outstanding Achievement for French Linen sheet packaging from HOW In-house Design Awards*
- *American Graphic Design Award for French Linen sheet packaging from Graphic Design USA*
- *First Place for Italian Collection sheet packaging at 8th International Design Awards*
- *Top Trademark Registrant (no. 3) at Utah Genius Awards*

Malouf has continued with sustained growth from its inception and has recently been doubling its business size year after year, so when it was time to expand their brick-and-mortar operations, they turned to Mountain West Small Business Finance (MWSBF) for help.

Jared Erikson, Chief Financial Officer for Malouf said, "Mountain West helped us obtain financing for our new headquarters: a 40,000-square-foot office and 180,000-square-foot warehouse. The people at Mountain West are great to work with. They are responsive, knowledgeable and positive."

And if anyone knows a thing or two about being positive, it's the people at Malouf. The company's unique culture is another major focus of the business and a key to its success. Neeley said that although Malouf has grown well beyond its roots, the company still functions like a family. Employees play together on company sports teams and have special celebrations for holidays and birthdays. The company even has an in-house chef who prepares incredible meals so the employees can eat lunch together daily in the beautifully designed kitchen and dining area.

Malouf also has a robust charitable arm that has built and delivered beds for children in need. They also create and distribute "comfort kits" to all breast cancer patients in Utah and have donated bedding to many women's shelters, safe homes, and organizations all over the country.

Forging ahead, Neeley says the sky's the limit for Malouf: "We're a young group of people with a lot of time ahead of us, so we plan to achieve more success in helping people find the right sleep solution."



Jake Neely, Marketing Communications Manager—Malouf



Jason Budge and Steve Palmer, Co-Owners—Thrive Life



# TURNING THE TABLES

The colorful story of Thrive Life starts in Logan at Utah State University, where students Jason Budge and Steve Palmer became friends and then colleagues at a pest control company. After a few years working in sales, the two entrepreneurially minded men wanted to strike out on their own. They designed and developed a unique solution to store and rotate cans of food and called it Shelf Reliance.

In 2004, Budge and Palmer opened an 1800-square-foot warehouse in Orem with a few part-time employees. Business took off and soon their shelves were flying off the shelves. Right from the start, many Shelf Reliance customers would ask where they could get the food to use with the shelving system. Seeing an opportunity for growth, Budge and Palmer decided to develop a high-quality line of foods and, along with it, a new focus for the company. The mindset went from selling preparedness products to providing solutions for families. Thrive Life was born with an overall mission to provide ways for families to have more meaningful mealtime experiences. The company completely shifted its paradigm. The food it sells is not considered to be “food storage” that families can sometimes use in meals. Thrive Life provides fantastic, high-quality meals that also happen to work perfectly as food storage.

It’s a concept the company calls “Home Store.” Thrive Life provides everything a family needs to create a store in their home to be able to quickly prepare healthy and delicious meals, the idea being that parents will spend less time at the grocery store and in the kitchen and more time around the table interacting with the family.

Thrive Life has continued to grow to meet the needs of its customers. From 2004 to 2010, the company moved through a series of increasingly larger buildings. In 2011, Thrive Life moved into its current location, a 57,000-square-foot facility in American Fork. The company will soon be adding another 38,000-square-foot state-of-the-art freeze dry facility.

The number of employees has continued to grow as well. Thrive Life now employs over 150 people, including culinary, research and development, finance, IT, and marketing teams, in addition to the warehouse staff. More impressive than the number of employees is their energy and excitement about the company’s vision and future.

Part of that future involves helping communities in need across the globe. Currently, 5% of profits are set aside for the company’s nonprofit arm, Thriving Nations. The money goes to empower impoverished families and communities around the world to create a better lifestyle for themselves and future generations.

As Thrive Life continued to grow and expand its capabilities, Budge and Palmer realized the next step in the company’s progression was to take on manufacturing freeze-dried foods in-house—the first and only freeze-dried manufacturing plant of its kind in Utah. Thrive Life turned to Mountain West Small Business Finance (MWSBF) for an SBA 504 loan. Budge and Palmer had worked with MWSBF on a couple of previous loans and loved how MWSBF acted like a partner with them. “They really championed our business and pushed us to reach our potential,” said Palmer.

“Mountain West was thoroughly inspiring. It’s hard to say where we would be today without them—we definitely wouldn’t be as successful. They’ve helped us pursue our dreams that will positively impact the lives of many people for years to come,” Budge added.

The new equipment gives Thrive Life the ability to provide an uninterrupted supply of freeze-dried foods to its customers, another game-changer that allows the company to continue to develop innovative ways to provide families with meaningful mealtime experiences.

# PUTTING THE WHEELS IN MOTION

In business, the old adage “location, location, location” seems like an easy way to account for the success of Rapid Cycling. Set against the backdrop of stunning orange and red rock monoliths of southern Utah, juxtaposed with the sunny blue skies of St. George, the business’s new location on Bluff Street (a main thoroughfare in St. George) gives outdoor enthusiasts easy access to Snow Canyon and beyond.

But Rapid Cycling’s success is about more than just location. Holly O’Keefe, who owns the business with her husband Kevin (an avid cyclist), said they discovered something was missing from the cycling community, and they weren’t the only ones who felt that way.

“There were great shops here,” she explained, but said they were “lacking a little something. We saw an opportunity to bring something more, something different to Southern Utah and cycling.”

That “little something” really had to do with offering more. “We offer choices,” she explained. “Rapid Cycling understands that not every cyclist fits on one particular brand of bike. Not every cyclist likes one particular brand of shoes.”

Offering more choices, more brands and understanding that not every cyclist likes the same things are keys to what O’Keefe calls the Rapid Cycling Experience, and it’s been very well received—they recently announced a second location, another service center, on the opposite side of town, nestled in between two very active cycling neighborhoods.

“We’ve had a very warm welcome and people seem to like what we have to offer,” she said. “In the two-and-a-half years

of business, we’ve made changes to our product lines. We’ve adapted and we have listened to customer feedback.”

Rapid Cycling first opened its doors in September of 2013, just a few doors down the road from their new location. “I came to Mountain West Small Business Finance (MWSBF) almost a year ago when Kevin and I realized we needed more space,” O’Keefe said. With the loan from Mountain West, they purchased an aging building in a great location with the intent to completely remodel. The space is close enough to their former location that their customer base could still find it easily, but now opens up additional traffic sources for the company.

O’Keefe said another reason Rapid Cycling has been successful is that they understood from the beginning that it was going to be more than just a love of mountain biking—it was going to take capital—to make Rapid Cycling a success. They knew they’d need to invest, and, when the time came, MWSBF was the certified development company that helped them with the process.

“Working with Mountain West was a breeze from the very beginning,” O’Keefe said. The couple had plenty of experience in the business world: “My personal background was in marketing, and Kevin is a self-employed psychologist,” she explained, but “I was responsible for my section of the business, which did not include bank loans or accounting. MWSBF walked me through the process every step of the way. When I didn’t understand something, they would explain it to me in the simplest of ways until I could do what needed to be done. We needed financial help to do all that and MWSBF made the process as easy as possible.”



Holly O'Keefe, Owner—Rapid Cycling



# PARTNER LENDERS

We value the many individuals and organizations that are committed to making small businesses successful. Our excellent lending partners help us to consistently and effectively provide SBA 504 loans to small-businesses in our community. We sincerely thank the following lenders for supporting us and for ensuring the success of their clients.



American Bank of Commerce  
Bank of America  
Bank of American Fork  
Bank of Nevada  
Bank of Star Valley  
Bank of Utah  
Bank of the West  
Banner Bank  
Brighton Bank  
Cache Valley Bank  
Capital Community Bank  
Celtic Bank  
Central Bank  
Chase Bank  
Continental Bank  
Cyprus Federal Credit Union  
Deseret First Credit Union  
First Colony Commercial  
First National Bank of Layton  
First Utah Bank

Four Corners Community Bank  
Goldenwest Credit Union  
Grand Valley National Bank  
Holladay Bank  
Horizon Community Bank  
Ireland Bank  
Key Bank  
Kirkwood Bank of Nevada  
Legacy Bank  
Lewiston State Bank  
Liberty SBF  
Meadows Bank  
Mission Bank  
Mohave State Bank  
Mountain America Credit Union  
National Bank of Arizona  
Nevada State Bank  
Optum Bank  
People's Capital & Leasing Corp.  
Prime Alliance Bank

Proficio Bank  
Quorus Commercial  
Rock Canyon Bank  
Security National Life Insurance Co.  
Security Services Federal Credit Union  
Southwest Community Credit Union  
State Bank of Southern Utah  
Stearns Bank  
T.N.M. Co., LLC  
Town & Country Bank  
Umpqua Bank  
University Federal Credit Union  
US Bank  
Utah Community Bank  
Utah Community Credit Union  
The Village Bank  
Wells Fargo  
Wyoming State Bank  
Zions Bank



# BOARD OF DIRECTORS

The passion and commitment of our Board of Directors keeps the entrepreneurial spirit alive and their experience and wisdom provides our organization the counsel to run smoothly and effectively.

**Clare Leishman**

*Chair, Board of Directors  
Lewiston State Bank (Retired)*

**Preston Eichers, CPA**

*Vice Chair, Board of Directors  
The Leonardo*

**Nathan Hawes**

*JP Morgan Chase Bank*

**Jill Remington Love**

*Love Communications*

**Scott Davis**

*Mountain West Small Business Finance*

**Les Prall**

*Utah Division of Economic Development  
(Retired)*

**Holly Galbraith**

*Maverik, Inc.*

**Nicole Martin**

*Herriman City Council*

**Matthew Hunt**

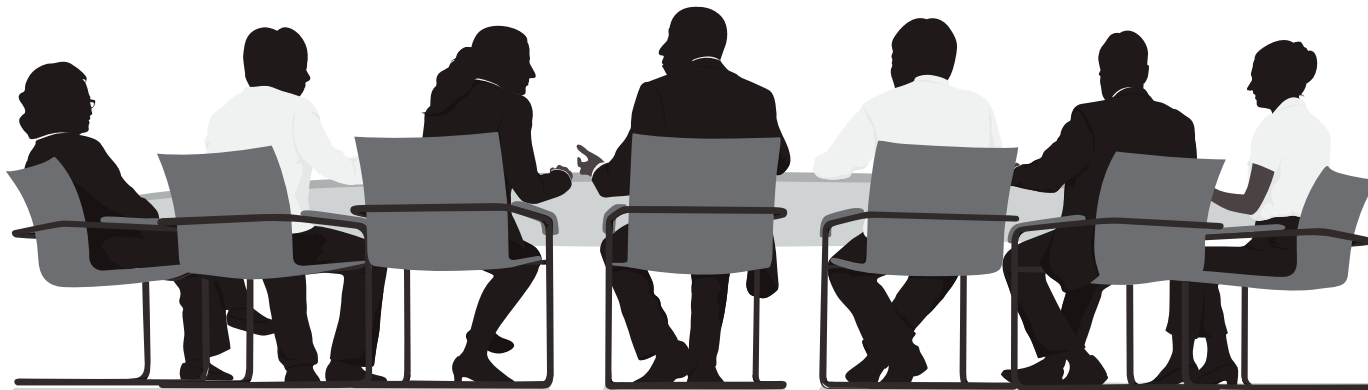
*Avana Capital*

**Tim Barney**

*Banyan Ventures*

**Russ Cowley**

*Six County Assoc. of Governments*



# THE SWEET TASTE OF SUCCESS

Remember those utterly delectable peanut butter fingers your elementary school served in the cafeteria? The one thing that school lunch always did right. A taste you've been craving ever since you left your school days behind. Well, crave no more, because Janey Lou's has just what you need to satisfy your appetite—mouthwatering peanut butter meets tantalizing chocolate atop a flaky crust.

James Fillmore opened Spanish Fork's Hickory Kist Deli in 1997. The restaurant featured fresh soups, sandwiches, and a peanut butter bar that replicated and even enhanced the classic school cafeteria peanut butter finger. People took to them like bears to honey and the deli sold out of the delicious dessert every day.

For several years, Fillmore and his wife kicked around the idea of selling the popular treat in other locations. Finally, in 2005, Fillmore connected with a couple of convenience stores and started selling his peanut butter bars along with a rice crispy treat. The items sold like hotcakes and soon Fillmore got a distributor and expanded his products into more convenience stores. He was still baking the desserts in the kitchen at his deli, but knew he needed a space dedicated to this new venture. He bought a small building, but quickly grew out of it, so he purchased a large facility in Spanish Fork. Janey Lou's was housed there for a couple of years, but the company kept growing. Soon, Fillmore saw an opportunity to purchase a frozen dough company in Orem and, along with it, a much larger facility.

The move launched Janey Lou's into exciting new directions with a line of products that now includes a dozen different cinnamon rolls and all sorts of cookies and bagels to go along with the rice crispy

treats and peanut butter fingers. The company recently introduced the Beehive Roll—a dinner roll similar in look and taste to Utah's famous Lion House rolls.

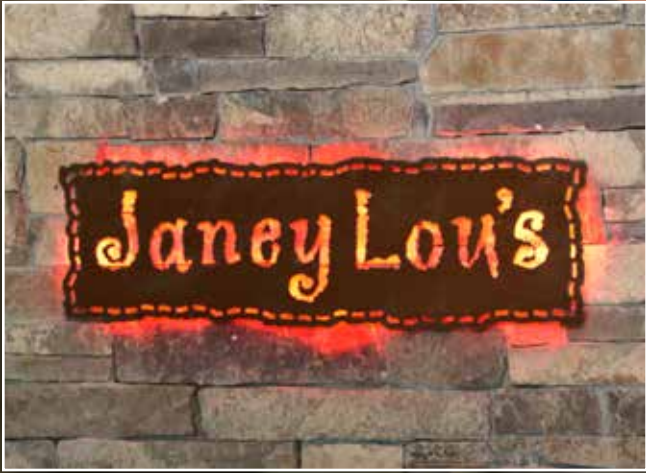
Through it all, Fillmore has maintained an unwavering focus on using only the best ingredients. "We've found that if you do something different—something better—you stand out from the crowd. Quality is our calling card. People will pay for quality," Fillmore said. "There may be some cheaper products on the market, but none come close to our level of ingredients or taste."

This dedication to quality has propelled Janey Lou's continued expansion. Customers can now purchase Janey Lou products in hundreds of grocery and convenience stores across the western United States.

In 2014, the company was bursting at the seams in their Orem location, so Fillmore turned to Mountain West Small Business Finance (MWSBF) to help him finance a new facility with an SBA 504 loan. "I had worked with Mountain West before on a building in Spanish Fork, so I knew they would be the perfect partner to help us get into our new facility. The loan process can be intimidating at times, but the good people at Mountain West make it easy," Fillmore said.

The 504 loan financed a large chunk of land and a 46,000-square-foot-facility west of the Salt Lake City International Airport. The space includes a manufacturing floor, new equipment, a test kitchen, offices, and, best of all, room to grow.

As it turns out, Mountain West and 504 loans are two great tastes that go together—like peanut butter and chocolate.



James Fillmore, Owner—Janey Lou's



Kate Allen, Owner—Rustica Hardware





# OPPORTUNITY KNOCKED

Rustica Hardware owners Kate and Paul Allen's ability to create functional, yet irresistible doors and hardware was born out of the necessity to provide for their young family more than a decade ago. The mantra for their burgeoning business became "I will find a way, or I will make a way." The Allens believed that doors could be more than just a piece of wood that swings in and out. Paul suggested that doors could be canvases for art, modes of expression, and literal doorways to uniqueness. In confirmation of his theory, Rustica has been designing, creating, and selling inspiring barn doors and barn door hardware since the company first opened for business.

"Our approach to innovation has also allowed us the capacity to make modern and rustic-designed home décor beyond doors," said Kate. The company also manufactures barn door tables, desks, office décor, speakeasy and door grills, doorknobs, levers, and cabinet hardware.

Under Kate's leadership, Rustica's growth has been impressive. From sales of \$9 million in 2013, to \$13.6 million in 2014, to a staggering \$20 million in 2015, it's apparent that she has got the company on a continued trajectory for success. Though Kate is also keen to make sure the company's achievements are properly attributed: "It's my firm belief that opportunities are granted from God, not happenstance," she said.

Whomever is doing the granting, several factors are helping to create the opportunities. Manufacturing is obviously a key, and it's all done domestically right at the base of the Wasatch Mountains in Provo, Utah. The company proudly shares on its website: "For every manufacturing job, at least three additional jobs are created."

Two other sources for the company's success are customization and customer service. Kate said her designers are up for any challenge.

The company thrives on creativity and innovation. Rustica can customize door size, door finish, track size, and hardware finish. She also said the Rustica team is chock-full of creative and superior staff members who are dedicated to making sure customers are satisfied. The company is accredited with the Better Business Bureau and has an A+ grade with them, but accolades go beyond ratings.

Rustica has also been featured by numerous style and design outfits, including HGTV, Houzz, *Curb Appeal*, Touch of Modern and *The Nate Berkus Show*; and just recently Kate was contacted by the Small Business Administration to be featured during National Small Business Week.

The company is also keen on being green – from utilizing renewable and recycled US materials in the manufacturing process, to having business cards printed on 100% post-consumer recycled paper (using wind power), using soy based inks, and recycling every cardboard box, paper, and letter sent their way.

"Corporate can be offensive," is another Rustica saying the company lives by. So Kate was grateful that the people at Mountain West Small Business Finance (MWSBF) were "very down to earth. They understand whom they're working with. MWSBF specializes in small business and everyone there was very helpful and gave us clear expectations – so we could do the same. They were really dependable and straight forward."

The new facility that MWSBF helped to fund allows Rustica the capacity to quadruple their output, which is important as Rustica's wheelhouse is customization on a mass level. "We're big on American innovation and taking advantage of what machinery and innovation can do to personalize an area," Kate said. "Rustica is about creating spaces that are inspiring."

# STRONG COMMUNITY PARTNERSHIPS



## Grow Utah

Grow Utah Ventures is a privately funded, non-profit organization dedicated to accelerate the creation of innovative, entrepreneur-led, high-growth businesses that will strengthen and expand the future growth of Utah's economy. MWSBF donations support various Grow Utah activities such as Concept to Company (C2C) events for Outdoor Products, Digital Entertainment, Robotics, Internet, and Financial Technology. MWSBF donations also support Utah Student Innovation contests throughout the state.



## Site Select Plus

Site Select Plus is an active participant in support of value-added businesses in these and other burgeoning fields: manufacturing, customer service centers, operations, distribution and high-tech. MWSBF is a sponsor of the Site Select Plus' annual summit. Scott Davis serves as a member of the Council.



## U. S. Department of Agriculture Rural Development

USDA Rural Development helps improve the economy and quality of life in all of rural America by helping rural individuals, communities and businesses obtain the financial and technical assistance needed to address their diverse and unique needs. MWSBF has been a participant in the USDA Rural Development Intermediary Lender Program since 1988. Over \$5 million has been loaned to date.



## Utah Microenterprise Loan Fund

Utah Microenterprise Loan Fund (UMLF) has provided loans to over 450 small businesses, lighting the way to a brighter future for underrepresented entrepreneurs, particularly women and minorities. MWSBF provides the UMLF with both financial and operational support, and its employees serve on UMLF loan committees.



## Utah Shakespeare Festival and School Program

Contributions by MWSBF help to ensure that children in rural areas get to experience a classic Shakespearean play. MWSBF is also facilitating the funding of a new theater for the Utah Shakespeare Festival in Cedar City.



## Utah State University – Jon M. Huntsman School of Business

Contributions made by Mountain West Small Business Finance to the Huntsman School of Business facilitate entrepreneurial education at regional campuses in Brigham City, Vernal, Ephraim, Tooele and Logan, Utah. MWSBF President, Scott Davis, serves on the National Advisory Board to the Huntsman School of Business. Go Aggies!

# LEADING OUT IN THE COMMUNITY

Like our small business clients, Mountain West Small Business Finance is community driven. We care about our relationships with the communities where we live and do business. We constantly look for opportunities to serve and freely give of our time and resources to make our communities better.



## **Turn Community Services**

Turn Community Services provides an array of services and specialized support for individuals with disabilities to live, work and play within their communities across Utah. MWSBF contributes financial support as well as providing employee participation and donations to the organization's yearly "Labor of Love" Christmas program.



## **Clark Planetarium and Discovery Gateway**

Both Clark Planetarium and Discovery Gateway provide crucial hands-on academic and learning experiences for thousands of Utahns—particularly children.



## **Utah Chamber Artists**

Comprised of forty vocalists and forty musicians, Utah Chamber Artists creates sounds of eloquence and perfection that enriches the lives of its listeners. MWSBF is a longtime supporter of the Utah Chamber Artists and its culturally-enriching musical contribution to the community.



## **Utah Food Bank Backpack Program**

Through this program, Utah Food Bank provides packages of nutritious, nonperishable foods to many Utah schools, helping to feed hundreds of children during weekends when school meals are not available. MWSBF makes annual financial contributions to the Backpack Program.

GREAT FUTURES START **HERE.**



## **Boys & Girls Clubs of Utah County**

Mountain West contributes funds and volunteer hours to help support the 2,200 plus youth served through the Boys & Girls Clubs of Utah County.

# FUELING UP FOR SUCCESS

Businesses can spend thousands on advertising budgets, but any marketing or public relations executive worth their weight will tell you that you can't really put a price tag on the power of word-of-mouth endorsements.

"More than half of all our business is done through our website, [rotopax.com](http://rotopax.com)," said Jason Wallin, president of RotopaX. The company specializes in tanks that use a specific rotary locking system connecting the tanks to vehicles, toolboxes, or other tanks. The gasoline containers are currently available in five sizes, with four new sizes coming soon, and can be used for everything from water, gasoline, diesel, and kerosene to emergency first aid and utility packs.

RotopaX are the only rotationally molded fuel containers approved for sale in the United States by the EPA and CARB (California Air Resources Board). Wallin says it's because of a patented three-layer roto-molding process, along with a specially formulated plastic barrier material that meets the government's new extremely low permeability requirements.

RotopaX's unique modular system, made in the USA, is the outdoor enthusiast's must have – and once they have it, they can't wait to tell their friends and the entire blogosphere about it.

"If you search RotopaX online," Wallin said, "everything is positive." And he's not overstating. A simple online search showcases the basically flawless reviews: four-and-a-half out of five from Amazon, the same at Rocky Mountain ATV-MC, and five-out-of-five from Revzilla, among many others.

Wallin said the company is expecting tremendous growth in the next few years, "and we couldn't have this type of growth

without word-of-mouth. It's people seeing how great the products are and telling others about it."

RotopaX are made by the original manufacturer of the first generation fuel and water packs. The company's original customer moved to a less expensive "blow-mold" option, but RotopaX continued manufacturing the original packs, and Wallin said it's a key to success: "We do all of our own product development and manufacturing – and we keep things as close as possible so we can adjust quickly to demand," which is good, because demand is high. In addition to buying RotopaX online, you can find the products at any power sports dealer, and big contracts are coming soon with national chains. Additionally, 20% of revenues come from international exports.

Wallin said the biggest hang-up with growth was that they couldn't meet capacity with their current building size, so they turned to Mountain West Small Business Finance (MWSBF) for financing.

"The new 13,000 square foot building will really help us with growth," said Wallin. "It's going to help RotopaX add room for our new line, 'Fuelpax,' which is being released soon."

There's another hidden benefit to the new building. Wallin said he's looking forward to working a little closer to home. For eight years, he's been making the two-and-a-half-hour round-trip commute between Bountiful and Logan a few times a week. So there's plenty to be excited about both personally and professionally.

Wallin said partnering with MWSBF was a positive, good experience. "They worked with us and the SBA (Small Business Administration) on making it a smooth process."





ROTO X PAX

Jason Wallin, Owner—RotopaX





Andrea Wilson, Owner—Dwell Realty Group

# THERE'S NO PLACE LIKE HOME

Visiting the offices of Dwell Realty Group feels like strolling into a hip vacation home. The leafy backdrop behind the front desk and the bright colors throughout the offices make the space seem so inviting, you'll want to hang out on the couches or fire up a barbecue in the spacious backyard. The space is so thoughtfully designed and bustling with activity, you may be surprised that Dwell owner, Andrea Wilson, got into the business almost by accident just 10 years ago.

In 2005, while still a student at Utah State University, Wilson saw a job listing for a realty company that was looking for someone to work at the front desk. Wilson applied, got the job, and was immediately thrust into the fire. On her first day at work, the owner tried to teach her everything about the business in a just a few hours before he set off for a month-long vacation.

Not one to back down from a challenge, Wilson got to work organizing the office. She immediately updated the company's online presence and incorporated technology to better run the business and to help the agents with new prospects. Once the office was running smoothly, Wilson got her real estate license and then her broker's license so that she could learn the business from all angles. She also dragged her husband, Grey, who was working in sales in another industry, into the company.

In 2008, just three years from working part-time at the front desk, the Wilsons bought into the company. By 2010, they owned it completely. In 2014, they changed the name to Dwell Realty Group and moved forward with their plans for the new office space, a key component in their growth strategy.

"We built our offices with an open floor plan, high ceilings, and vibrant colors, using raw materials like wood and metal, to make the space inviting and functional, for both work and entertaining," Andrea said.

"We wanted a great backyard area for parties and events."

"The idea being that if you provide a nice place to work, people will naturally want to spend more time there," Grey continued.

The offices have indeed proved to be a gathering place that has attracted agents and clients alike. The company had eight agents when Wilson started and now has 55.

"When I first started here, the company spent a lot of time and energy trying to recruit agents. I always felt that if we created the right type of environment, the best agents would come to us," Wilson said. "And if we have the right environment and the best agents, we'd also attract the best clients."

Creating an accommodating office environment has been important, but the primary catalyst behind Dwell's success is Wilson's unwavering focus on making sure her agents have all the resources they need. This includes weekly trainings that cover current trends, contract law, how to best use photography, and more. "As our agents build their skills, they become more confident and much more effective," said Wilson.

The Wilsons know the Logan area like the back of their hands and had long had their eyes on the location where the Dwell Realty Group offices now sit. They knew the purchase would be tricky because the land had to be subdivided and re-zoned, but no two people were better equipped with the knowledge and expertise to get it done.

Dwell financed the project with an SBA 504 loan from Mountain West Small Business Finance (MWSBF). "You hear how onerous the SBA loan process can be," Wilson said, "but working with Mountain West made it a breeze."



GROWING SMALL BUSINESSES, JOBS, COMMUNITIES

---

### **Salt Lake City**

2595 East 3300 South  
Salt Lake City, UT 84109  
Phone: (801) 474-3232  
Fax: (801) 493-0111

### **Bridgerland**

255 South Main Street, Suite 100  
Logan, UT 84321  
Phone: (435) 787-4242  
Fax: (435) 787-4040  
Contact: [jblakesley@mwsbf.com](mailto:jblakesley@mwsbf.com)

### **Central Utah**

741 North 530 East  
Orem, UT 84097  
Phone: (801) 221-7772  
Fax: (801) 221-7775

### **Tri-State**

107 South 1470 East, Suite 301  
St. George, UT 84790  
Phone: (435) 652-3761  
Fax: (435) 652-1768  
Contact: [jvanchiere@mwsbf.com](mailto:jvanchiere@mwsbf.com)

[www.mwsbf.com](http://www.mwsbf.com)