

RESILIENCE



OPENING REMARKS



We invited popular podcaster: **MICHELLE MERCIER**, Business Strategist & Host of The Resilient Entrepreneur Podcast, to preview our annual message and to share her insights into the challenges and stories featured within. Michelle shared these comments about the inspirational business leaders who navigated through diversity with seCTer fully onboard for support.

[To hear more from Michelle, look for her on Apple Podcasts.](#)

One of my favorite quotes by Sheryl Sandberg reads, ***“You are not born with a fixed amount of resilience. Like a muscle, you can build it up, draw on it when you need. In that process you will figure out who you really are and you just might become the very best version of yourself.”***

I want to remind you that when the world stopped and things shut down – business owners made conscious decisions to persevere and actively build their resilience muscles. They embraced the spectrum of emotions that accompanied the pandemic and kept moving forward. I consider myself fortunate to bear witness to so many remarkable stories of reinvention and innovation.

Some were surprised by the tenacity of entrepreneurs and the fact they made the choice to press on despite the challenges. What they failed to realize was that resilience is in our job description. We’ve been strengthening the muscles for years and the pandemic only allowed for more opportunity to grow.

As I witness these stories of resilience, there is no doubt in my mind that the entrepreneurial community will come out of this period of history stronger. The painful memories may linger but they will only serve as speedbumps not roadblocks to success. Also, as the quote above alludes – the adversity will allow us to figure out who we really are and become the very best versions of ourselves. That is definitely something I’m looking forward to seeing! — MM

VISION

seCTer is the lead regional economic development resource, stimulating growth and prosperity in Southeastern CT.

MISSION

Making Southeastern CT stronger and more vibrant by 2030!

VALUES

We believe:

- Our board and staff are reflective of the clients we serve
- In supporting and making our clients and communities successful
- In valuing our employees and rewarding integrity, teamwork, innovation, and excellence
- In collaborating with and being responsive to clients and partners
- In being accountable fiscally and professionally to all stakeholders
- In advocating for our clients, our services, and our community
- In diversity and inclusiveness


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The Southeastern CT Enterprise Region (seCTer) is the federal and state-designated economic development organization for the Southeastern CT Economic Development District. seCTer is the region’s One Resource for:


 **ECONOMIC DEVELOPMENT:** seCTer writes, facilitates, and reports progress on the region’s Comprehensive Economic Development Strategy (CEDS). seCTer prioritizes regional pandemic economic recovery.

 **BUSINESS ADVISING:** New! seCTer hosts a Connecticut Small Business Development Center Counselor to provide no-cost advising services to both prospective and existing business owners to help them start or expand their businesses in Southeastern CT.

 **CAPITAL:** seCTer’s non-traditional, community development-based, small business lending program helps small to medium-sized businesses expand, upgrade machinery and equipment, and/or relocate in our region, with a focus on pandemic recovery.

 **TECHNICAL ASSISTANCE:** The CT Procurement Technical Assistance Center (CT PTAC) is a statewide, no-cost service, available to aid any CT-registered business interested in selling their goods or services to federal, state, or local governments.

 **DATA:** seCTer has a number of premier data tools to help member municipalities and regional businesses put together compelling cases for interested developers, site finders, grantmakers or investors. seCTer offers grant writing and management support for Economic Development Administration (EDA) grants in the region.

 **SITE FINDING:** seCTer collaborates with state partners, AdvanceCT, and the Department of Economic and Community Development (DECD), to help developers and businesses find available sites within the region.

Read on to learn more about how seCTer’s services are making waves in the lives of its clients, member municipalities and partners!

THANK YOU TO OUR GENEROUS FUNDERS AND MEMBER MUNICIPALITIES:

- US Economic Development Administration
- US Defense Logistics Agency
- CT Department of Economic and Community Development
- Chelsea Groton Foundation
- Eastern CT Savings Bank Foundation
- Frank Loomis Palmer Fund

- | | |
|------------|--------------------|
| Bozrah | North Stonington |
| Colchester | Norwich |
| East Lyme | Preston |
| Franklin | Salem |
| Griswold | Sprague |
| Groton | Stonington |
| Ledyard | Stonington Borough |
| Lisbon | Waterford |
| Montville | Windham |
| New London | |

GILMAN GEAR

Pivoting is a term commonly used in sports — but in 2020, sporting goods manufacturer Gilman Gear came to understand pivoting in a new way. For generations, the Bozrah-based company has been an industry leader in sports manufacturing, serving the NFL, NCAA, and many local schools by making sports equipment such as goalposts, pylons, and sideline markers. This year, with the onset of the COVID-19 pandemic, Gilman Gear shifted production to manufacture personal protective equipment (PPE) for the medical community at a time when the need was at its greatest.

This “pivot” by a longtime loan and CT PTAC client became possible, in part, due to the extension by seCTer of a loan deferment, supported by the CT Department of Economic and Community Development, freeing up more capital to give Gilman Gear the financial freedom to pursue this new revenue stream. In a short time, Gilman Gear was able to repurpose one of their factories to manufacture isolation gowns, hoods, surgical gowns, surgical caps, hair net caps and surgical face masks. The company began making 40 gowns per week, but by September, Gilman was producing more than 10,000 gowns each week.

This new revenue stream allowed Gilman Gear to keep their skilled workforce on the job, supplying the medical professionals on the front line of COVID-19 with the PPE they needed to stay safe. Gilman Gear is not only making PPE, but it is being manufactured in such high quality, they are now able to compete on a global level. The success of this temporary pivot may yield a permanent result — as the company is exploring the possibility of creating a whole separate branch of its business: Gilman Gear Medical.



See full video [here](#)



BROAD BROOK ACRES

While many sectors faced harsh business conditions amid the pandemic, some industries were presented an opportunity to thrive. Michael and Christian Swanson at Broad Brook Acres in Preston grabbed the reins to their opportunity, and jumped to meet emerging consumer demands for locally-sourced products.

Broad Brook Acres originally started in 2014 raising Berkshire pigs and chickens at their 15-acre property, and in 2019, the farm expanded to produce beef. Fresh, local, humanely-raised meats had been growing in popularity for several years, and the COVID-19 pandemic provided even more growth opportunities

for local farm products. According to the Connecticut Department of Agriculture, community supported agriculture has seen a nearly 40% increase in membership throughout the COVID crisis.

To capitalize on this growing demand and to aid in the farm's expansion, our Loan Partner, Jewett City Savings Bank referred the Swansons to seCTer. In partnering with USDA and Eversource Energy, seCTer was able to help provide funding for two new Pole Barns and Solar Panels that will increase the capacity, functionality and efficiency of this small business enterprises.

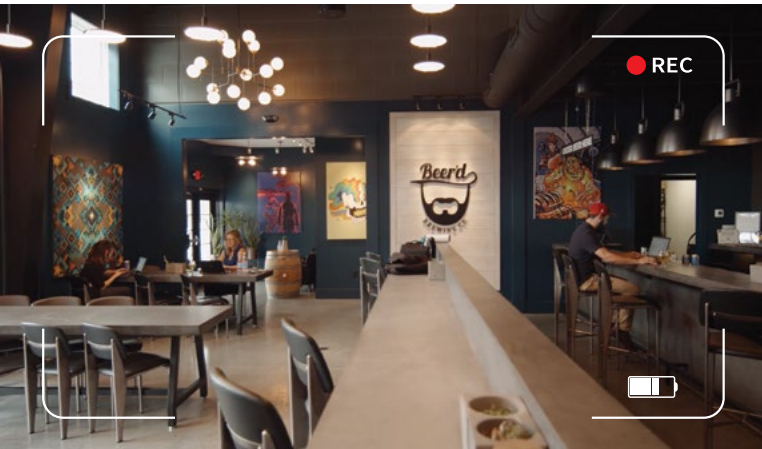


BEER'D BREWING

While it has been a challenging year for many retail and manufacturing businesses, independent craft brewery and longtime seCTer loan client, Beer'd Brewing Co., was able to sustain and even grow in 2020 with locations in Groton and Stonington. In previous years, seCTer has provided matching grants and loans for capital investments, but to help address their needs, Beer'd this year was offered a loan deferment package through support by the CT Dept of Economic and Community Development.

Ultimately, Beer'd was able to barrel forward without the deferment. However, co-owners Aaren and Precious Simoncini said knowing the deferment from seCTer was available to their company served as a lifeline — allowing Beer'd to make capital investments with the confidence that the company had some financial flexibility.

Among the investments Beer'd was able to make in 2020 included the expansion of its Stonington taproom — allowing their retail business to safely continue while remaining compliant with social distancing guidelines, in addition to offering curbside and home delivery to its customers. The company, recognizing industry demands, also shifted focus to increase its self-distribution and wholesale distribution capacities. Tapping into these opportunities not only helped the company meet its production goals, but also allowed Beer'd to keep their workforce on board.



See full video [here](#)



OZNBONES BBQ

When COVID-19 created unanticipated challenges for Chris and Diane Ozmun of OzNBones BBQ LLC and their plans to expand their small business, they looked to seCTer for help. Along with our loan partners at CIC Lending and with credit enhancements provided by the SBA in response to COVID-19, we were able to provide an SBA 504 Construction/Permanent Mortgage to purchase and renovate 43 Hayward Avenue in Colchester (the former NuNu's) and to purchase and install Machinery & Equipment. Now, not only does the very popular OzNBones BBQ Food Truck have a permanent home, the company also has a large commercial kitchen to service

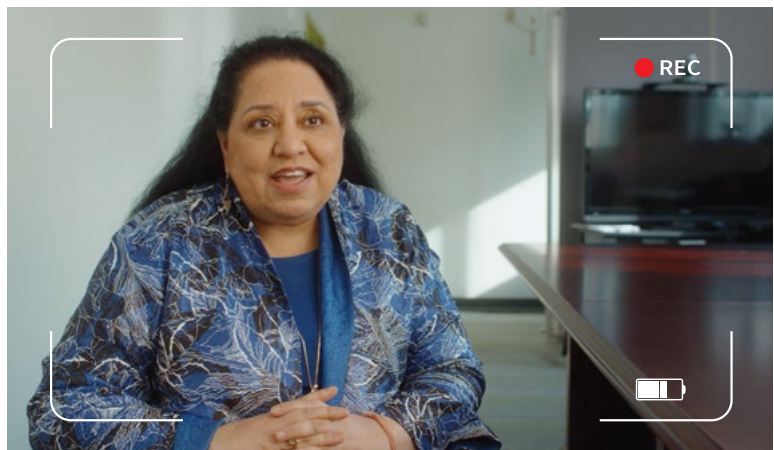
the food truck and catering business and to provide for expansion into Grab N Go options. At some point in the next few months, the new facility will also provide OzNBones BBQ with dine-in and private party options that they did not have before. For seCTer, the something extra, “lagniappe” in BBQ lingo, that this Project provided, was a warm welcome to seCTer loans and economic development services for our most recent member municipality, Colchester.



GENESYS DIAGNOSTICS

The COVID-19 pandemic put Genesys Diagnostics to the test — quite literally. The Montville-based company had long been providing on-site testing for cancer, autism, prenatal and cardiac diseases, pneumonia, and other infectious diseases. In 2020, Genesys Diagnostics found itself on the cutting edge in an area of great public need — becoming the first lab in New England after the Department of Public Health to provide COVID-19 testing.

A long-time seCTer loan client, Genesys also became a CT PTAC client this year. CT PTAC served as liaison for Genesys to the Connecticut Airport Authority, guiding Genesys to become the testing provider for Bradley International Airport. In a normal year, Genesys Diagnostics conducts 3,000 tests. In 2020 — far from a normal year— the company has already conducted more than 50,000 tests. To meet its new demand, Genesys hired 25 new employees in 2020 and through new opportunities, now faces prolonged success well beyond the pandemic.



See full video [here](#)



See full video [here](#)



AGCT is a Service-Disabled Veteran-Owned Small Business that has found success supporting government, commercial, municipal, and housing projects for nearly 40 years. It was with a goal of getting their foot in the door with Electric Boat that CEO Charles Feters found and approached CT PTAC. AGCT was assigned to a Procurement Specialist to assist the company with making the proper connection and introduction at EB.

Following the waves made by COVID-19, AGCT — confident in CT PTAC’s ability to help once again — reached back out to the team for suggestions and brainstorming on how to survive a complete work stoppage. CT PTAC was able to help AGCT determine the golden opportunity to start sourcing and distributing PPE. AGCT Partner and CFO Andrea L. Wolfe was then able to quickly pivot to make new budgets necessary to financially prepare for the new challenges present in the new world of COVID-19. Working with local direct lender, Dominic DeMartino, volunteer consultant T. Douglas Howell, and armed with a plethora of new contracting and sourcing tools provided by CT PTAC, AGCT was able to remain resilient and enter the world-wide PPE market — successfully creating a new business division of the company.

NEW PROGRAM FROM CT PTAC: SUPPLIER SERIES

Contractors work directly with the government on large federal contracts — which generally require subcontracts for outsourcing work to small businesses. But not all small businesses know how to get their foot in the door with these large prime contractors or how to present their company's assets to the prime's procurement staff. The primary funding sources for CT PTAC, Department of Defense's Defense Logistics Agency, and the state's DECD, are encouraging virtual training, so with the cooperation of some of the state's biggest contractors, UCONN, Sikorsky – Lockheed Martin, Pratt & Whitney, Turner Construction, and L3Harris Technologies, a new training series was born, "How to do Business with Primes." Live sessions were guided by CT PTAC staff and recorded for www.ctptac.com. This is groundbreaking territory for Connecticut, and especially crucial as manufacturing grows in our state. Supporting a diverse supply chain is a cornerstone of resilience.

These webinars have been attended by dozens of CT PTAC clients who sought to learn more about these prime federal contractors and the processes to engage with these larger companies as a subcontractor. The webinars created roadmaps for the attendees, teaching them how to make their pitch in a way that contained all the essential elements to be attractive to that particular company. The success of the Supplier Series has led to a new series. "How to do Business with Municipalities," is under development.

CT PTAC PROGRAM HIGHLIGHTS

583

active clients

2,437

hours of counseling

41

events hosted

1,340

total contracts & subcontracts

\$217M

total contracts & subcontracts

EASTERN CT WORKFORCE INVESTMENT BOARD



(L-R) John Beauregard, retiring CEO/President of EWIB, recipient of the seCTer Dick Erickson award, Congressman Joe Courtney, Chris Jewell, Mark Hill

Workforce development is Southeastern Connecticut's most critical economic development priority. Growth at Electric Boat and its supply chain will necessitate the need to hire thousands of new employees over the next 10-15 years — presenting more than just jobs, but opportunities for meaningful, skilled employment.

Meeting this demand for a skilled workforce requires training. The Eastern CT Workforce Investment Board (EWIB) has taken on this challenge, creating an employer-focused program to offer that skills training. The Eastern CT Manufacturing Pipeline Initiative (MPI) was launched in 2016 and it still going strong today, having placed more than 1,600 individuals in jobs to date. The MPI raises the baseline of our labor force's competencies to align with skills that are in-demand by manufacturers. Given its success since inception, the program was recognized by the 550-member National Association of Workforce Boards for its Outstanding Achievement in Partnership. The MPI's capability to upskill jobseekers has become a significant competitive advantage for the region.

Regional efforts are underway to expand upon

the success of this program. The MPI is now reaching into high schools to create a youth pipeline program to serve students intent on entering the workforce upon graduation, focused to manufacturing. Additionally, the success of the MPI is now being replicated for the healthcare industry.

seCTer is proud to participate on the EWIB Board as well as the MPI and healthcare subcommittees.

Program administrators have made successful adaptations to the MPI given the impact of the pandemic. More virtual learning opportunities have been built into the MPI curriculum to support program candidates. Also, to leverage the over 200 employers who already hired program graduates, program leadership launched an innovative On-the-Job Training program (OJT) in September to help spur hiring during the pandemic. The OJT reimburses employers for onsite training costs upon hiring MPI program graduates. Based on the overwhelming success of the MPI, the OJT initiative is off to a fast start and holds promise for the future.

SOUTHEASTERN CT ENTERPRISE
REGION CORPORATION STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2020

(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020)

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 410,395	\$ 457,121
Grants receivable	187,505	16,505
Accounts receivable	110,215	83,222
Prepaid expenses	11,434	18,029
Restricted cash and certificate of deposit	2,021,063	1,572,451
Loans receivable, less allowance for doubtful loans	4,161,263	4,581,963
Property and equipment, net	23,338	24,489
Total assets	<u>\$ 6,925,213</u>	<u>\$ 6,753,780</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Notes payable	\$ 70,000	\$ —
Accounts payable	25,423	16,669
Accrued expenses	42,042	43,466
Due to CT – small business lending partner program	157	157
Due to CT – small business express program	65,907	59,012
Deferred grant revenue	134,954	69,196
Total liabilities	<u>338,483</u>	<u>188,500</u>
NET ASSETS		
Without donor restrictions	404,404	405,917
With donor restrictions	6,182,326	6,159,363
Total net assets	<u>6,586,730</u>	<u>6,565,280</u>
Total liabilities and net assets	<u>\$ 6,925,213</u>	<u>\$ 6,753,780</u>

SOUTHEASTERN CT ENTERPRISE REGION CORPORATION STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020)

	2020 WITHOUT DONOR RESTRICTIONS	2020 WITH DONOR RESTRICTIONS	2020 TOTAL	2019 TOTAL
SUPPORT AND REVENUE				
Grant revenue	\$ 798,280	\$ 70,000	\$ 868,280	\$ 741,416
Contributions	31,157	74,885	106,042	140,135
Interest income	173,943	87,275	216,218	215,815
Program fees	33,886	3,079	36,965	33,684
Investment income	8,118	571	8,689	9,371
Loan allowances	(12,000)	–	(12,000)	(15,000)
Net assets released from restrictions:				
Satisfaction of purpose restrictions	212,847	(212,847)	–	–
Total support and revenue	1,246,231	22,963	1,269,194	1,125,421
EXPENSES				
Program services				
Loan programs	140,970	–	140,970	151,267
Comprehensive economic dev. strategy	144,885	–	144,885	144,834
Procurement technical assistance center	794,826	–	794,826	671,490
Total program services	1,080,681	–	1,080,681	967,591
Supporting services				
Management and general	167,063	–	167,063	128,481
Total expenses	1,247,744	–	1,247,744	1,096,072
Change in net assets	(1,513)	22,963	21,450	29,349
NET ASSETS, beginning of year	405,917	6,159,363	6,565,280	6,535,931
NET ASSETS, end of year	\$ 404,404	\$ 6,182,326	\$ 6,586,730	\$ 6,565,280

RESILIENCE IN REGIONAL RECOVERY

The passage of the \$2.2 trillion Federal CARES Act in March 2020 was critical for many businesses throughout the U.S. to remain solvent and active throughout the COVID-19 pandemic. As the designated Economic Development Organization leading an established Economic Development District, seCTer proactively led its community partners in planning for region-specific recovery. This work enabled seCTer to secure \$2.3 million in funding through the Department of Commerce's Economic Development Administration (EDA) to support economic recovery in Southeastern Connecticut.

EDA's additional funding allows seCTer to expand its lending program and boost regional economic recovery efforts for the region. By offering \$1.76 million in COVID recovery-related small business loans over the next two years, seCTer will help catalyze growth for local small businesses, and also assist with their recovery and resilience efforts. EDA CARES Act funding will be used to hire a resilience coordinator to be the point person for the region's municipal and business pandemic recovery efforts, and renew its Comprehensive Economic Development Strategy (CEDS) to become congruent with the new

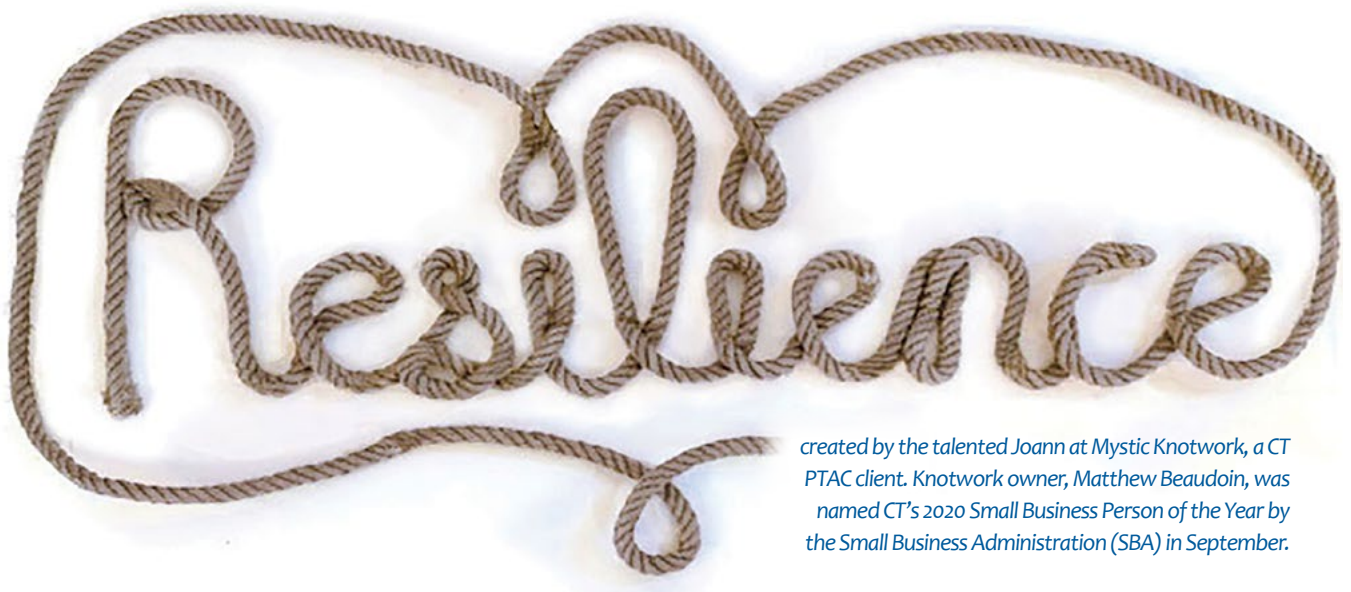
reality. The funding is also being used to identify resources, develop training programs, create a regional prospectus, and build upon connections to state and federal resources.

The coronavirus pandemic has undoubtedly affected every municipality and every business in the region — but financial support will help the economy of Southeastern Connecticut to transcend with greater strength and resiliency.

At the end of
Fiscal Year 2020, seCTer had

\$5,803,111

in its loan portfolio to small-
and medium-sized businesses
in the region.



created by the talented Joann at Mystic Knotwork, a CT PTAC client. Knotwork owner, Matthew Beaudoin, was named CT's 2020 Small Business Person of the Year by the Small Business Administration (SBA) in September.

CLOSING REMARKS

What a year – what an understatement!

Halfway into our fiscal year, things were looking great: we were on target with our program goals, holding our own financially, and looking at adding a new program. Then, very suddenly, we were making plans to close the office, frantically upgrading technology so staff could work from home, worrying about friends and family, and figuring out how to distance learn with our children while working full time. We started looking at all of our clients, especially our loan clients. How would they survive? How would we survive?

As with most of you, those first few weeks were terrifying. But we were lucky. Partnerships only strengthened as we all banded together to get resources into the hands of vulnerable businesses — whether that was a loan or grant, deferring payments for a while, or making connections between clients and new opportunities. We then got word that new CARES Act funding streams would become available, allowing us to do even more for our clients as the pandemic deepened. Staff dug in and learned various virtual meeting platforms and figured out how to do everything electronically, while still prioritizing customer service. seCTer's Board of Directors became even more engaged, doing everything necessary to guide and support the ever-shifting work environment. And we still added that new program – in fact, we added three. We not only met our goals, we exceeded them.

We are surviving — even thriving — during these unprecedented times. We know it is not over. We are facing a long recovery with many ups and downs, but we are poised to lead the way and walk alongside all of you as we navigate whatever our new normal will be. We are resilient, and we are so proud to be part of your team.



Nancy Cowser, Executive Director and Mark R. Oefinger, Board Chairman



2019-2020 BOARD OF DIRECTORS

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Retired Town Manager, Town of Groton

Sean Nugent, 1st Vice Chair
Redevelopment Agency, Town of Preston

Chris Jewell, 2nd Vice Chair
CFO/Principal, Collins & Jewell Co

Donna Simpson, Secretary
Retired Marketing Executive, Town of Stonington

Charles Seeman, Treasurer
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Michael Carey, Immediate Past Chair
Attorney, Suisman Shapiro Attorneys-at-Law

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Susan Adams, Senior Governmental Liaison,
General Dynamics/Electric Boat

John Beauregard, President/CEO, Eastern CT
Workforce Investment Board

John Burt, Town Manager, Town of Groton

Wendy Bury, Executive Director,
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