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A Tale of Two Entrepreneurs

By Sarwar A. Kashmeri

For the Valley News

Small businesses have an economic impact far in excess of their size. They shed jobs more slowly than their larger brethren during economic downturns, and they create jobs at a faster rate during a recovery. Nationally, they make up more than 99.7 percent of all employers, and account for more than 50 percent of the country's nonfarm private sector GDP. In fact, small businesses create 75 percent of the net new jobs in the economy.

These businesses are particularly important for the Upper Valley because the infrastructure, population density and public preference here do not favor large, heavy industries. So, the ease of starting a small business is an important leading indicator of the area's economic health.

How does the Upper Valley stack up in this regard? To find out, I spoke with two local entrepreneurs who have taken the plunge and launched new businesses here.

The Center for Cartoon Studies in White River Junction and Finowen in West Lebanon are 25 minutes and 35 miles separate, but they are worlds apart in what they do, how they do it and where they see their long-term plans going.

The Center for Cartoon Studies, which draws its inspiration from the centuries-old yearning to express oneself through artistic creativity, aims to provide a comprehensive college-level education to aspiring cartoonists through a two-year course of study exploring the medium's past, present and potential. Finowen, a high-technology company, aims to provide fast Internet access (broadband) using wireless communications to the one-third of the Upper Valley that is uneconomical for cable and telephone companies to serve.

The Center for Cartoon Studies will consider itself a success if it is able to draw 80 students to its curriculum in three to four years; it plans to start with 20 this fall. Finowen already has hundreds of subscribers and won't rest until it has thousands.

The Center for Cartoon Studies has chosen to locate itself in the middle of a town that has seen better days and is in intensive care, its future far from assured. Finowen is one of dozens of businesses that dot the commercial landscape of West Lebanon.

James Sturm, founder of the Center for Cartoon Studies, can't wait for a cafe to open its doors in White River Junction; Luc Beaubien, the entrepreneur behind Finowen,

has a choice of more than a dozen places he can walk to.

While Finowen is well into the execution of its business plan and revenue generation, the Center for Cartoon Studies is in a far earlier stage of its lifecycle. Private investment started Finowen; the Center for Cartoon Studies' startup fuel is donations and grants, along with the recent acquisition of a \$250,000 line of credit from the town of Hartford and four area banks.

I could go on, but it is equally important to look at what both ventures have in common -- besides being led by two visionary, hard-working entrepreneurs who are living their dreams: Their success will tangibly enhance the Upper Valley's quality of life.

The Center for Cartoon Studies' students, many of whom will live in town, will make a significant contribution to the efforts of White River Junction in reversing its decline. A historically important town, it owed its success to being one of the busiest railroad hubs in the nation. The age of the railroad has long gone, and with it the fortunes of White River Junction. Now, the town has begun to transform itself into a creative center to leverage the information age. The Center for Cartoon Studies could well give this effort the critical mass it needs by serving as the pivot point for change.

Finowen's success will make the Upper Valley a more desirable place to relocate for professionals who ply the urban trades of finance, accounting, commercial art, engineering, Web site design, information systems and publishing. My wife, a watercolorist, licenses her work to companies throughout the United States. She could work from anywhere, but prefers (as I do) to live in this area because of its beauty, quality of life and sense of community.

What makes this possible is the Internet, and the absence of broadband is a serious obstacle to her conducting business from the village of Reading, Vt. Finowen's technology will let people who work out of their homes live anywhere in the Upper Valley, not just in the larger cities -- which will help maintain the area's low population densities. The technology will improve the quality of education, and increase Internet commerce for local businesses.

Both entrepreneurs applauded the many unseen Upper Valley resources that make it possible for startup businesses to succeed. Finowen's business case made a compelling argument, but because it did not involve patentable intellectual property, it was impossible to get startup financing. "We ultimately raised \$300,000, most of it from investors in the Upper Valley," Beaubien said. "They wanted to do well, but more importantly, they wanted to do good. They knew the Upper Valley needed this infrastructure, and they stepped up to the plate."

Sturm continues to be bowled over at the proactive nature of Vermont's state government and its elected officials. "We get visits from Vermont's United States Senators Jim Jeffords' and Patrick Leahy's offices. I've actually met Jim Jeffords," he tells his New York friends. "Wait till you try to get an appointment with Senators Hillary Clinton and Chuck Schumer!"

Beaubien said the Vermont Economic Development Agency has projects in place to increase access to broadband from the current 75 percent to 90 percent, and Sturm said the Center for Cartoon Studies could not have been launched without the state's assistance. "Last year's state capital bill gave us \$30,000 to renovate the Colodny Department Store building (where the school will be located), and we got another

\$2,000 Cultural Facilities Grant from state of Vermont.”

Finowen and the Center for Cartoon Studies demonstrate what can be achieved by harnessing an area's business force multipliers -- local and state governments, investors and interested citizens -- in making a commercial success of a sound entrepreneurial idea. It is not easy to do this, but in these two cases, everything seems to have clicked just right, and we will all be the better for it.

Sarwar A. Kashmeri of Reading, Vt., advises corporations on communications and marketing strategy and is a fellow of the Foreign Policy Association. He can be reached at skashmeri@aol.com.

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