



Case Study: Patriot Converting Inc.

Founded in 2003, Patriot Converting works between paper mills and commercial printers by providing sheeting, cutting, rewinding and packaging services. The Anoka, Minn.-based company entered the Anoka Economic Gardening Program in December 2012, which enabled it to leverage the National Center for Economic Gardening's (NCEG) National Strategic Research Team (NSRT) and participate in a PeerSpectives roundtable. At the time, Patriot was generating about \$3 million in annual revenue with 23 employees.

One of Patriot's key questions was whether it should expand into Iowa. A large customer had opened a plant in the state and wanted the same kind of support Patriot was providing in Minnesota. "Yet we didn't want to move down there blindly and asked the research team to investigate other potential customers," explains Mike Stilwell, Patriot's CEO.

The NSRT looked at three customer categories that Patriot serves — commercial printers, paper mills and folding carton manufacturers. Stilwell had hoped to find 100 prospects in each category and was delighted when the researchers delivered more than 500 names per category. "Granted, that doesn't mean they would all be ideal clients, but just to see that much potential assured us that we could fill the new plant with work," Stilwell says.

Armed with this data, Patriot opened a 30,000-square-foot facility in Newton, Ia., in December 2013. The plant enables Patriot to create six full-time positions — with additional jobs projected for 2014.

In addition to winning new clients, the new facility enables Patriot to expand business with existing customers. Because the company also provides warehouse space for clients' inventory, customers can serve a larger geographic footprint without their own physical location. This is especially attractive to larger brokers and foreign mills, Stilwell explains, noting that Patriot's new Iowa facility gives such customers access to Chicago, St. Louis, Kansas City, Omaha and Des Moines markets from one hub.

The NSRT also:

- Evaluated Patriot's two websites and made recommendations how to make each more powerful and user-friendly.
- Provided research on transportation trends, comparing intermodal freight to rail.
- Researched succession trends in the paper-converting industry.

In addition to accessing the NSRT, participating in the Economic Gardening program enabled Stilwell to participate in a monthly roundtable with other second-stage CEOs. "It was great to engage with businesses that came from different industries," Stilwell says. "They looked at things with a completely fresh set of eyes, which was really helpful."

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Participating in the roundtable also helped with the research portion of the program, Stilwell adds. “Our facilitator knew what our issues were — and what made sense to take back to the research team.”

“Overall, the program was a great sense of community and resources,” Stilwell says. “Everything is about driving growth and getting more out of your business.”

Patriot now looks to generate more than \$4 million in 2014 revenue and exceed \$5.5 million in 2015. “We might have moved forward without the research, but it definitely accelerated our timeframe — probably by as much as a full year,” Stilwell observes.

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The Edward Lowe Foundation is a nonprofit organization that supports entrepreneurship through research, recognition and educational programs, which are delivered through entrepreneur support organizations (ESOs). The National Center for Economic Gardening is a partnership between the foundation and Chris Gibbons. NCEG delivers Economic Gardening services and maintains national standards in training and certification for both regional and state networks. For more info, visit www.edwardlowe.org.