



How the spending plan affects consumers

BY RUSS VAN ARSDALE
EXECUTIVE DIRECTOR NORTHEAST CONTACT

The omnibus spending bill Congress passed earlier this month included \$1 billion for a destroyer. Maine's congressional representatives hope the contract goes to Bath Iron Works.

Passage of the 1,600-page, \$1.1 trillion bill headed off a possible government shut-down, prevented another of the stopgap spending plans our lawmakers have made famous and it allowed the national debt to go up. It also included a number of added-on spending items, known on Capitol Hill as "riders."

CONSUMER FORUM

Our thanks to writers at The Washington Post, Christian Science Monitor and The Atlantic for spotting these items of interest to many consumers.

— A 1 percent pay raise for federal employees, starting Jan. 1, 2016. President Barack Obama ordered the increase and the omnibus bill retains it. Military service personnel will receive a similar raise, while pay for generals and flag officers are subject to a pay freeze.

— Multi-employer pension plans. The benefits of potentially millions of retirees could be cut to try to save some pension plans that are in financial trouble. There are about 1,400 such plans, most of them in good shape.

— More money for food safety. Funding for the Food and Drug Administration goes up \$37 million from last year. The Food Safety Modernization Act gets \$27 million in new funds, and there's a \$5 million increase for the Food Safety and Inspection Service.

— Some Dodd-Frank reforms reversed. The financial reform bill had required that banks "push out" some derivatives trading into other entities that did not have the backing of the Federal Deposit Insurance Corporation. Banks won a reversal of that rule; Democrats say that, in exchange, they received more funding for enforcement efforts by the Securities and Exchange Commission and the Commodity Futures Trading Commission.

— Internal Revenue Service cuts. Funding for the IRS drops by \$345.6 million. The agency also is barred from singling out organizations that cite ideological beliefs to get tax-exempt status.

— School lunch programs. Flexibility goes to school districts that can "demonstrate a hardship" when buying whole grain products. There also are less rigid sodium standards until they are supported by "additional scientific studies."

— WIC and potatoes. The Women, Infants and Children nutrition program for low-income families gets \$6.6 billion, down \$93 million from the last fiscal year. But WIC will have to guarantee that "all varieties of fresh vegetables, including white potatoes, are eligible for purchase."

— Tired truckers. The trucking industry won a round in the fight to require that drivers get two nights sleep before going back to work. That Department of Transportation regulation would have cut a typical driver's workweek from 82 hours to 70. Maine Sen. See Forum, Page C2

Norinco railcar project hits delays

Redevelopment plans at former Loring air base still in the works

BY CHRISTOPHER BOUCHARD
AROOSTOOK REPUBLICAN

LIMESTONE — The plan for a Chinese manufacturer to build railcars at the former Loring air base has lost some urgency for the company, but the official leading the base redevelopment said a deal's still in the works.

China North Industries Group Corp., or Norinco, has been discussing plans of manufacturing

railcars at Loring for several years. Last year, the company paid \$40,000 to keep an option on part of the Blue Goose Building, half of which is used by the Maine Military Authority.

Carl Flora, president of the Loring Development Authority, said at a Dec. 9 meeting that Norinco remains interested in the project, "but there are some headwinds they're facing that perhaps they weren't a year ago."

Flora said the company's challenges include a softer Chinese economy and slowing demand for railcars designed to new North American safety standards for shipping crude oil.

"I no longer see that project as something that Norinco is in a rush to complete," Flora said.

"This is a commitment that we're going to be here for 30 years, so we want to make sure we do it right."

The company also has been unable to get a work visa for a key executive, Flora said. Allowing Norinco's executive to enter the United States is crucial for the project, as that person needs to oversee the project's startup and development.

Another division of the state-owned Chinese company came under scrutiny at the United Nations earlier this year, after a re- See Norinco, Page C2



BDN FILE

Expera Specialty Solutions announced in September it would shut down the mill in Old Town.

Paper industry troubles cast long shadow in 2015

BY DARREN FISHELL
BDN STAFF

PORTLAND — The loss of two more paper mills and about 800 papermaking jobs delivered blows to Maine's legacy industry in 2015 as more signs of the state's changing economy emerged.

The past year showed continued declines in employment for paper manufacturers, with the year-end closure at Expera's mill in Old Town, the Lincoln Paper and Tissue mill's recent sale and 300 layoffs at the Verso's Jay mill through early next year.

The trouble for the paper industry comes as manufacturers generally held employment steady since the major losses during the Great Recession. The closure of UTC's plant in Pittsfield was another blow to Maine's tally of manufacturing jobs.

At the same time, service sectors, including health care and social assistance, continued to grow in importance to the state's economy and employment last year, overtaking the wages paid by government employers at all levels.

Those general trends are a backdrop for some of the biggest



BDN FILE

The BDN logo goes up at One Merchants Plaza.

business stories of the year.

Big transactions

The last year wasn't a particular outlier in the number or scale of business transactions, but amid a still recovering economy there were several major deals done and moves made — including the Bangor Daily News' sale of its Hampden printing plant, Main

Street office building and move to a downtown off ice space.

Plum Creek also announced plans to sell its holdings to Washington-based timberland investment trust Weyerhaeuser for about \$8.4 billion, based on the company's share prices at the time.

South Portland-based payment processor WEX scooped up a com- See 2015, Page C2

Hallmark store in Bangor Mall to close

BY NICK MCCREA
BDN STAFF

BANGOR — The Hallmark store in the Bangor Mall, in business since 1998, will close its doors at the end of January, according to the owners.

The store, known as Patrick's Hallmark, is owned by Patricia and Rick Smith, who also own Patrick's by the Sea in Bar Harbor. The Bangor Mall Hallmark will consolidate with the other Hallmark store in the city at the Broadway Shopping Center, ac-

cording to a Monday news release.

Rick Smith cited "personal reasons" in the family's decision to consolidate. Their lease at the mall was up for renewal and the family decided to forego continuing the store in order to "simplify," he said Monday.

Patricia Smith has operated stores in the mall since the 1980s, when she founded My Maine Bag, a handbag company she sold in 2005, which had a shop in the mall. They'll continue to run Patrick's by the Sea.

The Broadway and mall locations shared many of the same customers, and Smith said the Broadway location would "continue to serve them well."

As the mall store prepares to close, it has launched a half-off sale to clear out inventory. Store fixtures also are up for grabs.

Attempts to reach mall management Monday to ask whether a new tenant had been lined up for the space were not successful.

Follow Nick McCrea on Twitter at @nmccrea213.

8 tips to help start a business in 2016

Happy new year! If you are thinking about starting a new chapter in 2016 as a business owner, here are some tips from the many business owners I have had the privilege to know and interview over the years.



DEB NEUMAN
BACK TO BUSINESS

1. Plan ahead
Take the time to write a plan for your business. It is worth the effort to work through your business "on paper" first. Use that plan to manage your business and adapt it as you move forward.

2. Get help
There are so many resources available to help you start or grow a business. Take advantage of the organizations and individuals who can help you prepare that business plan, raise capital and walk you through the paperwork and other requirements necessary to start a business.

3. Have enough working capital

You likely will have more unanticipated start-up expenses than you planned for and it likely will take you awhile to see positive cash flow. Be prepared with enough cash to cover you in the meantime.

4. Family support is key
Being self-employed can bring great rewards and challenges. If you are leaving the security of a "day job" behind to venture out on your own or setting up your business in your home, be sure your family understands what changes to expect and that they are supportive.

5. Network
Building relationships in and beyond your community is critical to your success. Plus, it's important to build a support system of like-minded people who understand what self-employment is all about. A lot of new and repeat business will come your way just through getting out there and building relationships.

6. Build a team
No one can be successful in business alone. Build a winning team that includes professional experts (legal, accounting, insurance, among others) and other people who have skills that you don't. There is only so much time in the day. Focus your time on the areas of your business that you do well.

7. Don't let fear of failure hold you back

Ask any business owner if they've ever made a mistake or failed at something and it's likely their answer will be, "Yes, and when that happens you pick yourself up and you carry on." That is what I've heard time and time again from business owners.

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