

Letter from the Chair



Welcome to the 70th anniversary celebration of NSBA and the small-business movement! We have a lot to celebrate tonight. Not only has NSBA accomplished so much during our existence, but our growth has spurred myriad wonderful things for small-business owners in this country and around the world.

Tonight's events are only a peek into what NSBA does on a daily basis. We're the best at getting the pulse of small business. These efforts focus on advocacy, where we always reaffirm what's on the mind of small-business owners and we speak not just for our members, but for all small businesses.

Our 70th year has been one to write home about—and it's only May. In February, our members selected the small-business priority issues for the 110th Congress. Growing concern about the "tax gap" vaulted that issue to the top of the list and also spurred NSBA to launch a landmark initiative, which you can learn more about at preventirsabuse.org.

Also this year, NSBA released the seventh Survey of Small and Mid-Sized Businesses—which delves into the state of small business in the United States. More about that is located on our Web site, nsba.biz.

With so much happening around us, please take a moment tonight to reflect on the successes of small-business owners over the last 70 years. I hope you had the opportunity to watch the video that aired during the reception, which honors Milt Stewart and Lew Shattuck. More about those two pioneers can be found on p. 4 of this program.

Finally, I'd like to thank our event chairs, Joy Gay and Phyllis Shearer Jones, the 70th anniversary committee, and the NSBA staff for their hard work in planning tonight's first-class event.

Please take a moment to introduce yourself to me or our board members and please keep in touch after the celebration ends.

Sincerely,

A handwritten signature in black ink, which appears to read "Grafton H. Willey, IV".

Grafton H. "Cap" Willey, IV
2007 NSBA Chair

NSBA History

Like many of its members' businesses, NSBA was founded because of hard work, dedication, and a commitment to make a difference. Now, 70 years later, the organization takes a look back at its distinguished history.

Seventy years ago, the Great Depression consumed the nation; a stamp cost three cents and there were no zip codes; “Snow White and the Seven Dwarfs” became the first full-length animated movie to hit theatres; the 75th Congress began without Hawaii and Alaska—who would not achieve statehood for another 22 years; there was no Super Bowl or National Basketball Association; most companies were small; and “mom and pop” stores were the norm, not the exception.

In some ways, things have not changed since 1937. Small businesses still are the backbone of the American economy—comprising 99.7 percent of all employer firms, employing half of all private sector employees, and creating 65 percent of the net new jobs.

In other ways, things are very different. The American economic climate is extremely complex, the 110th Congress is underway, first-class stamps cost 41 cents, zip codes now include a plus-four element, and Alaska and Hawaii have been in existence for nearly 50 years.

But one thing has remained steady over the last 70 years—the National Small Business Association.

HUMBLE BEGINNINGS

NSBA can trace its beginnings to the actions of one man, DeWitt McKinley Emery—owner of the Monroe Letterhead Corporation in Akron, Ohio. His company was struggling amid the Great Depression and Emery was running out of answers. The Monroe Letterhead Corporation, founded in 1911, dealt with the task of paying Social Security, unemployment insurance, increased county and state



DeWitt McKinley Emery founded NSBA on Nov. 13, 1937 after being convinced that the White House was unfairly targeting small-business owners...

taxes, higher material costs, and increased wages—the same plight faced by small-business owners today.

Emery, convinced the White House was unfairly targeting small-business owners, wanted to do something to correct this injustice.

“How can one man fight a situation like this?” he reportedly shouted as he stood in his empty office. “No... of course not... not one man, not 10... but thousands just like me... grouped together, with common interests and a common purpose... sure, we’re all small, how

does that saying go? ‘Many small make a great.’”

“Other groups organize into associations, why not an association of small-business men from all over the nation! We’ll have our own House of Representatives, right in Washington,” he added.

And thus the small-business movement had begun.

On Nov. 13, 1937, Emery founded the National Small Business Men’s Association. He crafted a mission statement and began to recruit members. Emery sent a letter to as many small-business owners as he

NSBA History

could find, asking them to join the newly-formed association. Of the 200 owners that received the letter, 160 joined the nascent group.

By 1962, the group had changed its name to the National Small Business Association—acknowledging the strong presence of female business owners. While the name is the same one the organization uses today, there were more name changes ahead.

In 1981, Small Business United (SBU) started with a similar mission statement as NSBA. Although SBU technically was a competitor at the time, that group helped lay the foundation for NSBA's current network of affiliates.

The original SBU member groups included the Smaller Business Association of New England (SBANE), SMC Business Councils in Pittsburgh, and the Council of Smaller Enterprises in Cleveland.

In 1986, SBU and NSBA merged

Washington Presentation (then known as the Washington Group) in the 1960s. After the SBU-NSBA merger, NSBA became responsible

tion currently reaches more than 150,000 small-business owners—a number well beyond the group of 160 members Emery recruited.



SMALL BUSINESS USA

A Publication of National Small Business United July/August 1990

President's Address Highlights Conference

Speaking to more than 200 small business owners and activists during a special White House visit on May 1, President George Bush called for small business involvement in building an entrepreneurial spirit in Eastern Europe and throughout the world. The President praised small business owners for their central role in the economic progress of the United States—especially during the past 10 years—and said that the Eastern European countries could learn a great deal from American small businesses.

The meeting with President Bush was just one of the highlights of a very successful Impact National Policy Conference, co-sponsored by National Small Business United (NSBU) and the

President George Bush is presented with a plaque of appreciation by NSBU President Karl Krieger and NAWBO President Casey Stacy.

... but despite those roots, the organization consistently has been able to attract speakers from the White House, including President George H.W. Bush and Vice President Al Gore.

to become National Small Business United. The organization kept that name until 2003, when it returned to its roots and used the NSBA moniker.

As the association grew, so did the roster of affiliate groups. Later additions include the Arizona Small Business Association, Small Business California, the Missouri Merchants and Manufacturers Association, and the Small Business Association of Michigan.

SBANE originally created the

for running the Washington Presentation—which has become its signature event.

“It’s very fitting that NSBA’s 70th anniversary will be celebrated at the Washington Presentation,” NSBA President Todd McCracken said. “It’s a wonderful opportunity to honor our distinguished past and stay true to our grassroots nature.”

Emery died in 1955 and most likely would be very proud of the progress achieved by the group he founded. For example, the organiza-



Although much has transpired since Emery’s death, NSBA’s original roots remain. That alone gives the organization reason to rejoice during this evening’s festivities—and for many years into the future.

Remembering the Pioneers

During this evening's gala, NSBA honors two of the greatest small-business advocates this country has ever seen. Their dedication, work and insight opened doors for many fellow small-business owners.

Milton D. Stewart

Milton D. Stewart didn't start with the moniker of "Mr. Small Business." A native New Yorker and a lawyer, Stewart's early work was for the U.S. Commission on Civil Rights.

Eventually, though, he found himself on Wall Street and the president of two venture capital firms. Seeing the importance of investment in small businesses, Stewart jumped into the small-business community and never looked back.

Having served as president of both the National Association of Small Business Investment Companies and NSBA, the zenith of Stewart's influence came when he was selected by President Jimmy Carter to be the nation's first Chief Counsel for Advocacy at the U.S. Small Business Administration.

As the first and only independent advocate for small business within the federal government, Stewart had the ability to set the tone and the precedents for those who would follow in his footsteps.

Stewart produced a constant flow of innovations and ideas for how government could best help small business succeed. During his term in office, he helped guide a pro-



In his work organizing the 1980 White House Conference on Small Business, Stewart helped small-business advocates see that the power to make change rests with them.

lific flow of landmark small business legislation through the Congress: the *Regulatory Flexibility Act*, the Small Business Innovative Research program, the *Equal Access to Justice Act*, patent reform, the

Paperwork Reduction Act, the *Prompt Pay Act*, and many others.

In his work organizing the 1980 White House Conference on Small Business, Stewart helped small-business advocates see that the power to make change rests with them.

In addition to his stellar career helping small-business owners, Stewart served as an administrative assistant to then-U.S. Rep. Franklin D. Roosevelt Jr. (D-N.Y.), an analyst in the Bureau of the Budget, a special counsel to then-New York Gov. Averill Harriman and general counsel to the New York State Thruway Authority.

He also worked in the private banking division of a New York investment banking firm in the mid-1950s and was a partner in a Wall Street law firm from 1961-1965, when he became president of two venture capital companies that later played a part in his nomination for the post as the SBA's first Chief Counsel.

Even after leaving office, Stewart continued his role as a top small-business advocate, founding the Small Business High Technology Institute, serving as editor of *Inc.* magazine, and playing a crucial part in subsequent White House Conferences on Small Business, which were held in 1986 and 1995.

Though the small-business community lost a great champion when he passed away in 2004, Stewart's dynamism and passion has left a lasting legacy for us all.

Lewis A. Shattuck

Lewis A. Shattuck served as the president of the Smaller Business Association of New England (SBANE) for 25 years, but his impact and legacy reach into every corner of this nation. Shattuck's great gift was his ability to motivate and mentor small-business owners to be their own best advocates. In the days before "Washington Fly-In" was even a phrase, Shattuck was bringing small businesses to Washington, D.C., setting up meetings and providing talking points.

In fact, at one point during his term as SBANE president, Shattuck arranged a meeting with then-President Richard Nixon to bring attention to small businesses.

"Nixon told Lew that he always knew where big business stood because they spoke with a unified voice," said Leo McDonough, Shattuck's longtime friend. "On the other hand, Nixon said, one never knew where small business stood because there were so many groups clamoring for attention—all sending a different message. Nixon recommended that the small-business groups unite and speak with one voice if they wished to have any real impact on public policy. It was a sobering but extremely relevant message."

Partly because of Nixon's



Perhaps Shattuck's finest hour was his leadership in the creation of the SBA's Office of Advocacy. He was a strong advocate for such an office and created the right political conditions for its passage by Congress.

remarks, Shattuck realized that his efforts in New England would be much more effective if they were part of a nationwide effort.

Partnering with other regional

groups, Shattuck shaped the Washington Presentation into the event that it still is today. He was the driving force behind the creation of Small Business United—the national coalition of state, local, and regional small-business organizations that NSBA still represents. Searching for even more small-business advocacy opportunities, Shattuck was pivotal in the creation of all three White House Conferences on Small Business.

Perhaps Shattuck's finest hour was his leadership in the creation of the Office of Advocacy at the Small Business Administration. Shattuck was a strong advocate for such an office and created the right political conditions for its passage by Congress. But he didn't stop with this one office. Throughout his career, Shattuck was the nation's strongest advocate for an effective Small Business Administration.

Though Shattuck was central to virtually every small-business event of the era, he was rarely at the forefront. He built coalitions, enlisted the support of others, inspired other small-business advocates, and created the conditions for their success. But he left the limelight to others. He truly earned his title, the "Godfather of Small Business."

When Shattuck passed away last year, he had retired to his beloved Vermont. His legacy of achievement remains the mark to which all small-business advocates must strive.

NSBA Through the Years

Much has transpired in the 70 years since NSBA was founded—both in the organization and in the world. A peek into some of the things that have occurred since 1937 offers much insight. Additionally, all of the organization's six logos can be found at the bottom of the page.

Nov. 13, 1937—NSBA (then called the National Small Business Men's Association) is founded by DeWitt McKinley Emery in Akron, Ohio.

July 30, 1953—The U.S. Small Business Administration is established via the *Small Business Act*.

1962—As a sign of the times, NSBMA changes its name to the National Small Business Association.

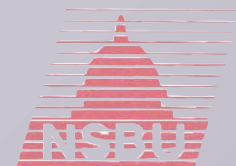
May 13, 1973—President Richard Nixon declares the first Small Business Week.

1937

Sept. 13, 1938—NSBMA holds its first convention in Pittsburgh, where DeWitt Emery was elected its first president (a position he held until 1955).

Jan. 3, 1959;
Aug. 21, 1959—Alaska and Hawaii become the 49th and 50th members of the United States, respectively.

1967—The organization celebrates 30 years of small-business advocacy.



NSBA Through the Years



January 1980—
President Jimmy Carter hosts the inaugural White House Conference on Small Business.

1986—NSBA and SBU merged into a group called National Small Business United. In August of that year, President Ronald Reagan hosts the second White House Conference on Small Business.

July 11-15, 1995—
President Bill Clinton hosts the third White House Conference on Small Business.

Feb. 10, 2005—
NSBA unveils a landmark proposal that calls for broad reform of the health care system in the United States.

May 9, 2007—
NSBA celebrates the 70th anniversary of the organization and the small-business movement at an elegant gala in Washington, D.C.

2007

June 4, 1976—
The SBA's Office of Advocacy is established via Public Law 94-305.

1981—
Small Business United is founded.

1987—
The organization celebrates 50 years of small-business advocacy.

June 18, 2003—
The organization returns to its roots and once again is called the National Small Business Association.

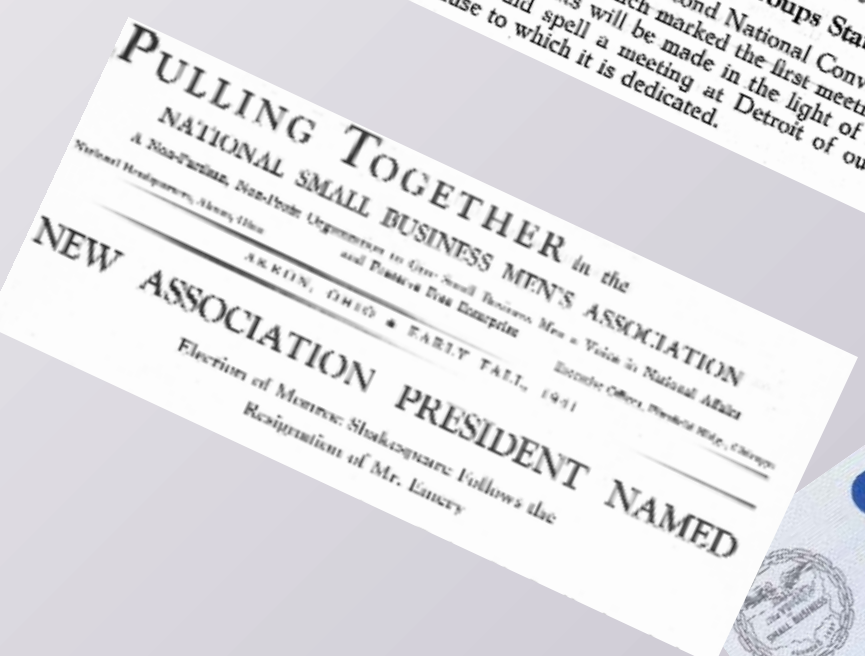
April 2007—NSBA launches a landmark "tax gap" initiative and conducts the seventh Survey of Small and Mid-Sized Businesses.



NSBA Publications

The organization has been producing print publications virtually since the beginning. Styles have changed, but the mission has not. And in some cases, the topics are the same.

THE EARLY YEARS





MODERN TIMES



NSBA
National Small Business Association®

ADVOCATE
Volume 21, Number 2
March/April 2007

NSBA Members Stress 'Tax Gap' Awareness

SBC attendees hear from speakers, select small-business priorities

Volunteer Leaders



NSBA would like to recognize all of its past chairs/presidents, who have headed the organization during its illustrious 70-year history. These small-business owners are the epitome of the small-business movement. This list reflects all name changes and mergers of the organization since its founding on Nov. 13, 1937 and the date of the first election (Sept. 13, 1938).

<u>TERM</u>	<u>OFFICER</u>	<u>TITLE/ORGANIZATION</u>
1938-1955	DeWitt M. Emery	President/NSBMA
1956	A.F. Matthews	President/NSBMA
1956-1958	L.M. Evans	President/NSBMA
1958-1960	Harry Brinkman	President/NSBMA
1960-1962	Frank Cruger	President/NSBMA
1962-1966	Lloyd E. Skinner	President/NSBA
1966-1968	Carl A. Beck	President/NSBA
1968-1971	Rufus Gosnell	President/NSBA
1971-1972	Harry Brinkman	President/NSBA
1972-1974	Raymond Sim	President/NSBA
1974-1975	Ken Anderson	President/NSBA
1975-1977	Milton D. Stewart	President/NSBA
1977-1979	Richard Simpson	President/NSBA
1979-1981	Eric Schellin	President/NSBA
1982	John C. Gardner	President/SBU
1981-1983	Richard Tittle	President/NSBA
1983	George A. Saxon	President/SBU
1983-1985	Bernard S. Browning	President/NSBA
1984	John C. Rennie	President/SBU
1985	Brad Roller	President/SBU
1986	Samuel Hope	President/SBU
1986	George Abbott	President/NSBA
1987	John C. Gardner	President/NSBU
1988	James H. Lagos	President/NSBU
1989	Betty Jo Toccoli	President/NSBU
1990	Karl Krieger	President/NSBU
1991	John C. Rennie	President/NSBU
1992	Susan Hager	President/NSBU
1993	George Abbott	President/NSBU
1994	Ronald Cohen	President/NSBU
1995	Gary Kushner	Chair/NSBU
1996	Kenneth Heller	Chair/NSBU
1997	Sharon Miller	Chair/NSBU
1998	Sharon Miller	Chair/NSBU
1999	Thomas Farrell	Chair/NSBU
2000	John Hexter	Chair/NSBU
2001	Richard Herring	Chair/NSBU
2002	Joy Gay	Chair/NSBU
2003	William N. Lindsay, III	Chair/NSBU
2004	Raymond Arth	Chair/NSBA
2005	Malcolm Outlaw	Chair/NSBA
2006	Paul Hense	Chair/NSBA
2007	Grafton H. "Cap" Willey, IV	Chair/NSBA