

# **Paper Mill Closure Hurts Countless Small Businesses**

Allison T. Williams, Associated Press Writer

ISLE OF WIGHT, Va. (AP) — By 6:15 a.m. most days, Fred's Restaurant once hopped with International Paper workers stopping for a cup of coffee or breakfast before heading on to work the day shift at the paper mill.

"People used to sit in the parking lot and wait for me to unlock the doors at 6 a.m.," said David Rabil, owner of the eatery that's been a fixture in downtown Franklin since 1945. "We don't see that anymore although we are managing to hold our own."

Fred's and a slew of other small, locally-owned businesses in downtown Franklin and southern Isle of Wight County are feeling the pinch of International Paper's closing its Isle of Wight plant and idling 1,100 workers.

With people being more conservative about their spending, small businesses are cutting hours, making menu changes and crossing fingers that there's truth to the rumor that International Paper will be making an announcement about the future reuse of the mill site within the next 30 days.

"We think an announcement by the mill will turn things around for downtown," said Clifford Brinkley, owner of Designs by Sandra, a gift shop. "I don't think another giant like IP will come here but whatever comes will reflect in the future of downtown."

Parker Drug a pharmacy, fountain and gift shop that had been in downtown Franklin since 1887 closed its doors in July. The pharmacy had closed in December and owner and pharmacist Ed Canada went to work for Farm Fresh. But Canada tried for six months to keep the popular downtown lunch counter afloat before finally shuttering the store.

"It's a bleak situation and we (business owners) need to make changes to adapt to the situation," said Rabil. He's trimmed hours and relies more heavily on special events such as Franklin's weekly summer concert series to draw customers.

Free resources and advice are available to help small businesses struggling in the wake of International Paper's closure, said Jim Carroll, executive director of the Small Business Development Center of Hampton Roads. Using a \$23,000 grant from Verizon Communications Foundation, Carroll has compiled an on-line business-planning curriculum for small business owners. People can log on using their computers at home and review units that cover several business-related topics: financing, business plans, risk assessment and marketing.

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Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

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Although he didn't have specific numbers, Carroll said there has been an increase in web traffic to the Verizon library site.

The small business center also has applied for several grants, totaling about \$100,000, that would be earmarked for growing small businesses in Isle of Wight, Franklin and Southampton County, Carroll said.

A number of local business owners are taking advantage of the center's free business counseling services provided by Carroll and eight graduate students from the Old Dominion University's School of Business, Carroll said. The private consultations are done at least once a month, by appointment, both at the Franklin-Southampton County Area Chamber of Commerce in Franklin and the Isle of Wight-Smithfield- Windsor Chamber of Commerce in Smithfield.

"We try to give business owners as much information as we can so they can make good, informed decisions," Carroll said, adding the small business center does not provide any loans or grants. "We present the numbers, report options that may be available to business owners or a lot of times, we are simply validating decisions already made by business owners."

Most small businesses are struggling after International Paper's closure, but the change has provided a catalyst for some former company employees to strike out on their own, said Lisa Perry, the county's economic development director. At least seven new businesses including an engineering firm, an electrician, a medical billing office and a meat store have set up shop or dramatically expanded in the months since International Paper closed.

Last April, about two weeks before his last day at International Paper, Lorain Gardner, a 22-year company veteran, opened L&L Country Meats outside of Holland. The store sells homemade sausage, hand-cut pork and beef; fresh-ground beef; and fresh produce raised on the family's farm in rural Suffolk.

"We're still crawling but it's paying its own way right now," said Gardner. "I feel like we are off to a good start."

**Source URL (retrieved on 08/22/2014 - 3:16pm):**

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