

SMALL BUSINESS DEVELOPMENT CENTER SUCCESS STORY

SANTA PAULA MATERIALS, INC.

1224 East Santa Clara St., Santa Paula, CA 93060
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BEFORE:

Mile Grbic and his son Roko opened Santa Paula Materials in 2012 to process and sell rocks and recycled construction debris. With limited access to natural material supplies, they added concrete and asphalt to the list of materials they processed. However, the business struggled to grow as it faced equipment and communication challenges.

BEST ADVICE:

Mile contacted the Small Business Development Center, where he connected with advisor Bill Bartels. Bartels advised the pair on a business expansion plan that would help them capitalize on their strengths, which includes a vast knowledge of the industry. He recommended they standardize the company's communications documentation and get administrative support.

Bartels also provided support as the Grbics secured a \$1.1 million loan from the Recycling Market Development Zone. The 2013 funding is being used to purchase capital equipment the company previously rented and to develop a new market for the county's heaviest recyclables.

This equipment uses massive hammers to crush loads of demolished boulders, concrete and asphalt brought by contractors and road crews. Once the material is sorted into neat piles by particle size, these same contractors and road crews use it to build new roads throughout the region.

AFTER:

Santa Paula Materials' efforts have yielded impressive results that have set the stage for future success. The company has greatly expanded its staff and purchased equipment to meet their rising demand. Mile and Roko intend to purchase more equipment and hire more employees as the company continues expanding and growing.



Roko Grbic, David Goldstein of the Recycling Market Development Zone, and Mile Grbic.

LESSONS LEARNED:

- **Go Green:**
By recycling materials and processing them for new applications, Santa Paula Materials helps the environment and its business. "This type of recycling is called 'mining the urban waste stream.' It helps the environment by conserving resources and reducing waste. It also creates jobs," said David Goldstein, RMDZ administrator. "The difference in value between discarded material and recycled products is enough to pay for workers and equipment needed for collection, processing and distribution."
- **Find a Niche:**
Not many companies in the Santa Clara River Valley repurpose these types of materials, so the company has few competitors and is fulfilling an unmet need.
- **Innovate and Adapt:**
While expanding the company's services has been challenging, Mile and Roko stayed focused on the long-term. Having a well-thought-out business plan enables the pair to guide the business through any rough patches. They continue to look at opportunities to expand their suite of services.
- **Think Outside the Box:**
"We went to every bank, and they weren't willing to fund something like this," said Roko. RMDZ saw the business's potential and provided funding to help the company grow its environmentally friendly product line and applications. "We didn't have any equipment and we were struggling to stay alive," Roko said, adding that the loan is a huge step for the company.



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