



TWIN Award Recipient, Karen Mills: Helping Small Businesses Grow

Part of “Making Change Happen: Women Creating a Better Maine”

Written by Michaela Cavallaro

Karen Mills has spent her career in typically male-dominated environments ranging from manufacturing floors to the conference rooms where venture capital deals are made. Generally, the Brunswick resident has been unfazed by the experience. “It didn’t matter to me that lots of men like doing the things I liked,” says Mills. “It mattered that I liked them.”

That no-nonsense attitude is a hallmark of Mills’ tenure at the U.S. Small Business Administration, which she heads. The agency counsels, supports and in many cases funds small businesses across the country. It’s an

enormous job: The agency provides \$90 billion in loans and loan guarantees to small businesses, which it supports via hundreds of Small Business Development Centers and Women’s Business Centers nationwide. “I see my job as both being the voice of small business in Washington, and providing the tools to help small businesses grow and create jobs,” says Mills.

Mills comes to her position at the SBA with a deep background in business, starting with her family, which owns candy maker Tootsie Roll Industries. Mills’ parents, Ellen and Melvin Gordon, are

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president and CEO, respectively. "I grew up in a manufacturing family," Mills says. "It's what we talked about around the table."

So perhaps it's no surprise that Mills is at home on a manufacturing floor, talking to a company's managers and staff about how they built their business and what they need to succeed; it's what she's done for decades. She holds both a bachelor's degree and an MBA from Harvard, and spent roughly 25 years investing in and working with small manufacturers.

That doesn't mean she was always welcomed with open arms. When Mills was well along in her first pregnancy, she was working on a deal to buy a Canadian steel mill. She visited the site on her last trip before pregnancy-related travel restrictions kicked in. Once on site, her hosts led her across a frozen yard and into the mill to witness a ladle pour. One of the most dramatic moments in steelmaking, it involves intense heat and open flames—some of which roared precariously close to the group.

"I realized later that they'd done it to test me," Mills says. "The truth is that I'm a big fan of steel, and this was one of the most exciting things I'd ever seen. Once they saw I had the same passion for steel that they did, we connected. But there was a minute where I thought, wow, those flames are coming really close."

Until moving to Maine, Mills worked solely in the private sector. After her husband, Barry Mills, was hired as president of Bowdoin College, however, Mills began getting involved in the public sector. Initially, she worked on the redevelopment plan for Brunswick Naval Air Station. From there, she became interested in economic clusters—the idea that when businesses in the same industry are geographically close, the whole group benefits economically:

They can attract trained workers, collaborate on research and development and take advantage of other synergies.

In fact, Mills helped create successful clusters around boatbuilding and specialty foods here in Maine. It was that work, she says, that led to her role on President Obama's transition team and her subsequent appointment as SBA Administrator. Most recently, Mills received the Maine Women's Fund Tribute to Women in Industry award for 2010. "Every day I think about the lessons I learned in helping build a piece of the Maine economy," Mills says. "I try to translate them into policies and initiatives that perhaps can help across the country."

One of Mills' major accomplishments at SBA is the release of a proposed rule aimed at increasing the number of women-owned businesses that win potentially lucrative government contracts. "I'm very proud that it has come out and will be implemented on our watch," says Mills.

Such efforts are important, Mills says, because women-owned businesses are among the fastest growing small businesses in the country. And the small-business sector continues to be hampered by the aftereffects of the subprime mortgage crisis, which caused lenders to back off on loans of all kinds. But Mills sees signs of success there, too: "We've reached out to 1,200 banks that haven't made an SBA loan since 2007 and gotten them lending again," she says. "And we're not going to stop there: We're pushing really hard to get lending back to levels that support small-business owners' needs."

What are you pushing for?
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