

Small Business Success Awards 2004

Center: Rutgers-Newark SBDC

Clients: Gerard Hunt and Mr. Patrick Russo, Jr.

Business: The Heat

19 Elm Street

Montclair

973-509-3400

After 14 years of helping start and manage successful retail clothing companies for other people, Gerald Hunt and Patrick Russo Jr. decided to open their own store. They approached the Rutgers-Newark SBDC in 2001 seeking assistance with the preparation of a business plan/loan package. Associate Regional Director Denis Rasugu worked with the clients, helping them to complete a sound business plan, assemble required documentation and conduct a site analysis.

The assistance resulted in an \$80,000 7(a) SBA loan from Valley National Bank. The partners invested \$20,000 of their own savings and opened The Heat, a retail clothing store, located on Elm Street in Montclair, selling popular urban wear brands such as Sean John, Roca-Wear, Tommy Hilfiger, Timberland, and Nike.

Since acquiring the loan, The Heat has become a very popular shopping destination, grossing more than a million in each of its first two years (2002 and 2003) while operating profitably as well as employing six people.

In the summer of 2004, the partners opened their second store, The Heat II, in Union where they employ four. In November they opened a third store in Jersey City called KD's that retails clothing for women and children, employing an additional seven people. The new store in Jersey City is funded by a second SBA loan for \$180,000 from New Millennium Bank, and they are still looking for other viable locations to continue to expand.



Sec. Bauer reads about the accomplishments of Gerard Hunt (center) of The Heat, who is running a growing chain of retail clothing stores. Hunt and partner Patrick Russo worked with the Rutgers-Newark SBDC, led by Tendai Ndoro (to Hunt's right). Denis Rasugu (far right) worked on the business plan with Hunt.