

minnesota BUSINESS

INSPIRATION FOR GROWING COMPANIES

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Getting in now:
Marcus Jundt is
seizing the "oppor-
tunity of a lifetime."



BIZ BRIEFING

**WILLISTON
HOLDING
COMPANY**

Headquarters:
Bloomington

Leadership:
Marcus Jundt,
chairman and CEO;
Lawrence Neumann,
CFO

Employees:
250

Revenue:
\$20 million (projected)

Description:
An investor group
focused on restaurant
properties in the area
of Williston, North
Dakota

Joining the boom

For Marcus Jundt, investing in Williston's restaurant scene is a no-brainer

BY STEVEN SCHUSSLER

The Jundt family name is well known in Minnesota and beyond, both in business and philanthropic circles. Jim and Joann Jundt, along with their son, Marcus, were among the first investors in Caribou Coffee and founders of the successful investment firm Jundt Associates. The family has quietly and generously supported the arts, education, and other nonprofit causes on both local and national levels. (The next

time you visit the Guthrie Theater in Minneapolis, be sure to check out Jundt Terrace, with a breathtaking view of the historic Stone Arch Bridge.)

An entire story could be devoted to the history of the Jundts, but this article focuses on Marcus Jundt, an entrepreneur, restaurateur, and savvy financier who has invested more than \$10 million over the past two years in the "new wild west" ... Williston, North Dakota.

If you haven't heard about the Bakken formation or the oil boom around Williston, chances are that you haven't turned on the news in the past year, and you probably aren't reading *Minnesota Business* magazine.

So who is Marcus Jundt? Jundt is the ultimate entrepreneur, having built more than 20 successful businesses resulting in the creation of more than 10,000 jobs, both in the Twin Cities and around the U.S.



“The phenomenon that is taking place in Williston is **absolutely mind-boggling.**”

—Marcus Jundt

He is one of the principal founders and board members of the national Kona Grill and served as its president and CEO from July 2006 to May 2009, as chairman of the board from March 2004 to May 2009, and as director since 2011.

I have known and admired Jundt for several years, and in 2012, I was appointed to the Kona Grill board. My role as a columnist here is to interview business leaders who have inspirational stories, and Jundt fits the criteria in every way. He isn't a business partner, and I am not compensated for writing this column (it is my honor to give back to the business community), but I felt it was important to share how I know him.

Prior to founding Kona Grill, Marcus was the vice chairman and president of Jundt Associates, an investment advisory firm that experienced great success specializing in the management of pension assets, mutual funds, and hedge funds. He has also been involved as an investor in numerous private enterprises, as he has a knack for spotting a lucrative deal.

His early career days were the perfect training ground for an aspiring entrepreneur and investor. He learned firsthand about evaluating businesses as a research analyst, and he also worked in the trenches of the Chicago Mercantile Exchange with Cargill Investor Services.

So what is Jundt doing in Williston? “My paternal grandparents are from the Mandan/New Salem area of western

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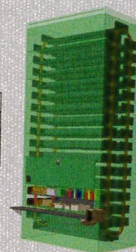
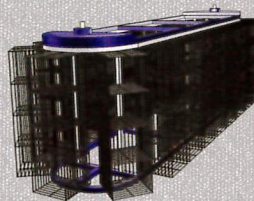


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THE NETWORKER



A mighty thirst:
The restaurants Jundt is backing will enjoy plenty of demand



North Dakota, so I was familiar with the general area," he says. "I had heard rumblings a few years ago about the emergence of an oil boom in Williston. So I headed up there to check out what was going on in the Bakken.

"When I drove up there, it was in a raging blizzard, and I was astounded to learn that there were no hotel rooms. Everything was booked. Finally at 3 a.m., after driving around for hours and calling every hotel and motel within a hundred miles, I found a run-down motel with one room to spare, and I grabbed it. By the end of my exploratory trip to Williston, I was convinced that this was an opportunity much like the California Gold Rush of '49, and I didn't want to miss out on the opportunity of a lifetime. I also didn't want to have any regrets when I am 90 years old that I didn't invest in the Bakken.

"Williston is the only place in the world that I know of where a person can be homeless and earn six figures," explains Jundt. "The phenomenon that is taking place in Williston is absolutely mind-boggling. The hotel rooms are all booked, people are sleeping in tents and in their cars, there isn't a room to rent, and it really is the case that there are homeless people who are earning six figures. It's wild!"

He admits that he was so taken by what was going on in Williston that he didn't even pause to write a business plan. "I spent two hours at the Applebee's on a Monday night, had lunch at McDonald's, and that was enough evidence for me that Williston needed restaurants. No matter where I went to eat, and there were not a lot of options, I witnessed three-hour-long lines and lots of hungry people."

Jundt put together a group of investors and formed the Williston Holding Company (WHC). It purchased the former Trapper's Kettle restaurant building, Gramma Sharon's Family Restaurant, and J Dub's Bar & Grill. It's also leasing space in the El Rancho hotel for a new restaurant concept called the Williston Brewing Company. J Dub's and Gramma Sharon's needed some cosmetic changes, and Trapper's Kettle is undergoing a full remodel and a name change to Doc Holliday's Roadhouse.

These restaurants are no small undertakings. Doc Holliday's Roadhouse will have a 50-foot bar, barn-wood paneling, and a large

patio. The Williston Brewing Club required completely gutting the 12,000-square-foot space and will feature a bar, cafe, and formal dining room, as well as banquet facilities and five fireplaces. J Dub's and Gramma Sharon's did not require extensive makeovers, so those properties are open and business is booming.

I asked Marcus how he is overcoming the challenges of finding staff and paying the going rate, which is often \$20 an hour for a server, not including tips that can average \$400 a shift for a server. "There is a great economy of scale when running four restaurants in close proximity," he says. "We are cross-training our staffs, so if there is a waiting line at one restaurant, we can quickly send staff from another location to help out. The same is true for guests. If there is a wait at one restaurant and not at another, we can offer them the option of going down the road to eat at one of our other restaurants that isn't as busy. Plus, we took over existing restaurants which were fully staffed, so we did not have to staff from the ground up.

"This is an exciting time and a great experience," he says. "I travel back and forth from North Dakota to Minnesota, and I love being part of both communities. My roots are in Minnesota, and my closest advisors are here, such as Doug Holod [chairman of the law firm Maslon Edelman Borman & Brand]. My 15-year-old son is coming to Williston this summer to work with me, and I am looking forward to being able to spend time with him and teach him the restaurant business."

When asked what advice he would give to other entrepreneurs, Marcus thinks carefully and responds, "There is no substitute for true passion. Whether you are starting off or you have years of experience, there will always be naysayers and people who try to crush your dreams. But if you have passion, a vision, a dream, and you believe in what you are doing, then listen to your heart and keep moving forward. Follow your dreams and don't take no for an answer." ■



STEVEN SCHUSSLER is CEO of Schussler Creative, the founder of the Rainforest Café, and the author of *It's a Jungle in There: Inspiring Lessons, Hard-Won Insights, and Other Acts of Entrepreneurial Daring*.