



NORTHERN lights

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Venture North Funding and Development loans money to small businesses to help them and northwest Michigan communities flourish. We work at a grass roots level and offer flexible terms and conditions and consider small loans. We are a Community Development Financial Institution and place priority on providing loans and other resources to small businesses in distressed communities and under-represented populations, like women and ethnic minority business owners. **Call us. Email us. Or stop us on the street.**

WOMEN-OWNED BUSINESSES KEEP GOING, SERVE TO INSPIRE NORTHWEST MICHIGAN

By AMY LANE

CADILLAC TUXEDO Cadillac

When Ashley Osowski bought her tuxedo business six years ago, she was just a few months out of college, holding a bachelor's degree in psychology and a minor in criminal justice.

Not exactly a background prepping her to run a business.

But Osowski saw opportunity in the well-established Cadillac bridal and tuxedo shop that was for sale and decided to buy the tuxedo portion "knowing that it was the biggest place in town to get tuxedos, and it was going to sustain itself."

And so Cadillac Tuxedo did, delivering consistent sales through proms and weddings – until the COVID-19 pandemic cancelled all that was normal.

"March (2020) was prom season, and that is what makes my year. So that was the biggest hit," Osowski said. "I had a couple weddings that still went through...but instead of the full wedding party, it was just the groom getting a tux. I think I lost 90 percent of my business last year."

Osowski is among women entrepreneurs that form a fabric in communities throughout Venture North Funding & Development's 10-county territory. At times moving past adversity and inference to operate, women-owned businesses are one of the key populations served by Venture North, a federally-certified Community Development Financial Institution that provides lending capital, technical and other assistance to small businesses in rural or economically-distressed communities.

Venture North's Regional Resiliency Program gave one of three grants that helped Cadillac Tuxedo survive and pivot in the

pandemic. First was a \$3,500 grant in August 2020 from nonprofit organization Michigan Women Forward, helping Osowski catch up on rent and other general expenses at her then-downtown Cadillac location.

Then came a \$10,000 grant in February through Networks Northwest, providing funds for her to relocate about a mile away to a smaller location, pay down a business loan and purchase spray tanning equipment to expand business services. And in June, the RRP awarded \$2,500 to advertise and promote Cadillac Tuxedo's new location and services.

Osowski's still recovering; she said this year's prom season – traditionally drawing young people from Cadillac and surrounding areas – was down by about half of usual sales, although wedding business is picking up.

But she's unshaken in commitment and pride in a business where she is the sole employee, working almost seven days a week for the last five years while taking customer's precise measurements and attending to details. "I know what I'm doing, I'm kind of a pro," Osowski said. "I can look at somebody and know their sizes right off the bat."



**I think I lost
90% of my
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*Ashley Osowski,
Cadillac Tuxedo*

She's fitted young men first with prom tuxes and years later for their wedding, and she sees customers shine. "The most satisfying thing about owning a tuxedo shop is seeing the smile some of the gentlemen – usually teenagers during the prom – get when they try their tux on. I can see their confidence boost when they see themselves looking so nice."

With rewards have come the occasional inappropriate comments she's encountered as a woman, like when she's measuring inseams. But Osowski lets it roll off. "I try to kind of ignore them, because they're looking for a reaction. And I continue on with my work."

Women-owned businesses make up 51 percent of Venture North's loan portfolio clients and 41 percent of those receiving technical assistance, like access to professional services that can help businesses meet operating needs and grow.

And women number even higher in the RRP, which through the pandemic has provided grants of up to \$5,000 to help businesses of nine employees or less survive and rebound. Among RRP businesses collectively receiving some \$1 million in aid, 70 percent have been women-owned.

Venture North board member Laura Trudeau said the RRP figure may reflect that women in Venture North's communities make up "a lot of the entrepreneurs...that are providing services and providing the glue that holds the community together. A lot of the water's being carried by women. Whether we know it or not."

That's one of the things I love about it, knowing that I get to be a part of these kids' lives for many years.

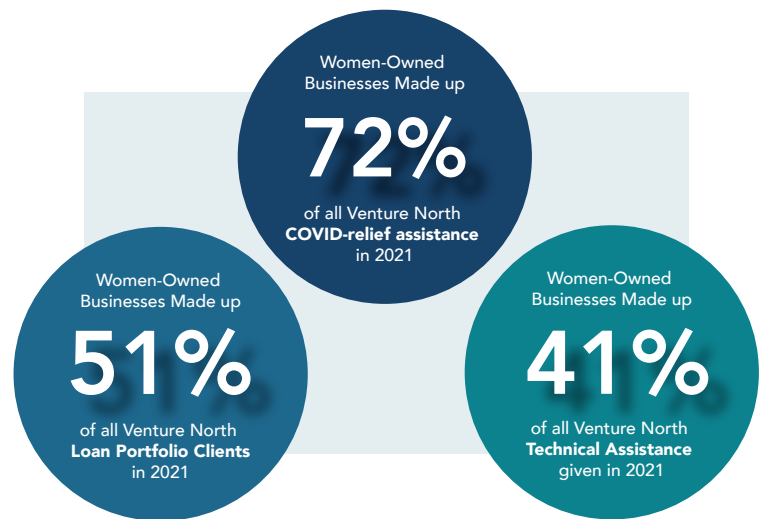
*Shelli Golembiewski,
Conservatory of Dance*



CONSERVATORY OF DANCE Manistee

Take Manistee's Shelli Golembiewski and Tarah Fancher, who through their Conservatory of Dance have for years been providing students a safe place to learn dance and life skills – a studio they want to feel like home, as it did for the two of them.

Starting at the ages of four and five, the two grew up dancing together, teaching together and then owning together, buying the Conservatory in 2014 in what Fancher said felt like "a good next step." Added Golembiewski: "The studio is kind of our second home, so (there) really wasn't a lot of thinking. Definitely owning the place that we loved was kind of a no-brainer."



They both knew dance but didn't know a lot about running a business, learning initially from the former owners and then taking online classes. Golembiewski said they have a business meeting every day, usually talking on the phone for an hour or two and "discussing every issue that's going on, future plans. Since we are 50-50 owners, we kind of come to a decision on everything, and move forward that way."

They network with many dance studio owners who are also women, as well as students' "dance moms" who own businesses. But gender doesn't define their views of what they do.

"We just get up, go to work, we never thought that a woman-owned business was any special thing. It's what we do," Fancher said.

There is sacrifice – family or personal time eaten into by competition, recital or even just the after-school classes that can leave the two instructors and their significant others "like ships passing in the night," Fancher said.

But there are also rewards tangible and intangible, like making memories for their students and being part of their lives as they grow. "Just being able to see students at three years old and stay in their lives every year as they grow and become adults and move on, and make their dreams come true," Golembiewski said. "As a regular school teacher, you would have a student for a year. As a dance teacher, you get to have them every year. That's one of the things I love about it, knowing that I get to be a part of these kids' lives for many years."

And in 2021 their show goes on, even after the pandemic temporarily shut down the studio last year and left it with little income – a challenge that a \$5,000 RRP grant from Venture North helped the owners overcome.

Annie Olds, director of the Michigan Small Business Development Center, Northwest region, said that passion, willingness to take risk and resiliency are marks of small business owners who stand to succeed, no matter male or female. But there are style differences in how they approach reaching out for help to the SBDC, she said.

Women typically appreciate a longer-term relationship with the SBDC's team of local consultants, while male clients tend to be more transactional: "This is my question, help me, get me out of here," Olds said.

By the numbers, half of the businesses the Traverse City-based regional office works with are women-owned. And of 20 new business starts through the first half of this year, 50 percent of those also are women-owned.

However, while women carry their weight in business ownership, some relay that they feel they're sometimes not taken seriously by professional service providers they approach, like lenders, realtors and contractors, Olds said. It's an issue that's similarly popped up over the years with the SBDC's own local team, the majority of which are women.

"It's an interesting dynamic, we've occasionally come across male business owners who would rather work strictly with a male consultant; but I guess we can't deny that there are probably women business owners who would rather only speak to women consultants. The latter has just been less obvious, I suppose," Olds said.

"There's a lot of work to be done in how women business owners are treated, and respected."

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GROCER'S DAUGHTER CHOCOLATE Empire

At Grocer's Daughter Chocolate in Empire, owned by husband-and-wife team Jody and DC Hayden, Jody has encountered subtle and not-so-subtle differences as the duo operates the craft chocolate business. For example, if she and DC are in meetings together, "other men will, no matter what...look him in the eye, ask him a question first."

Hayden said she sometimes feels she doesn't get the immediate respect that she would if she were a male, but she's found ways to address that. "Just to be a little bit more

persistent or assertive, is a strategy that's worked for me," Hayden said. Women business owners "have to be a little feistier to get our voices across, but that's OK, we can do that. It's just a shame we have to."

She and DC purchased Grocer's Daughter in 2013 from its founder and Jody said the two "partner together well." DC, whose background was in cinematography and professional videography, learned to make chocolate and is now learning to make gelato. He has creative and detail-oriented skills that transferred well into confections, Hayden said.

I've found the money comes in when the entire business is vibrant and healthy and we're doing our best to care for our talented staff and making decisions that align with our values.

*Jody Hayden,
Grocer's Daughter Chocolates*



"I've been the one who runs the business day to day...I am a small business owner and operator and that's how my brain works, and he is the artist," she said.

Recent years, pre-pandemic, brought 50 percent to 60 percent annual sales growth from in-store, web and wholesale business. It's success underpinned by the desire to support community, employees and local ingredient purveyors, as well as the Ecuadorian farms from which Grocer's Daughter sources most of its chocolate.

"I don't know if it's because I'm a woman but my approach to running our business is holistic, meaning that each part of business is integral to our success – our people, our decisions, our impact, our financial situation," Hayden said. "I don't run the business solely to maximize profits. I've found the money comes in when the entire business is vibrant and healthy and we're doing our best to care for our talented staff and making decisions that align with our values."

The business has been on the move, literally. In 2018, it relocated a half-mile north on M-22 to a building where it promptly gained a 40 percent increase in sales. Then in 2019, Grocer's Daughter purchased an adjacent hardware store and demolished it to create a public garden space with seating and play area – a site also serving as the chocolatier's drain field. And in 2020, on the business' other side, came the purchase of a building that's being converted into a gelato shop and larger bakery, with the upper floor housing two studio-sized rental units.

Helping the business expand into frozen treats was an \$87,000 equipment grant through the Michigan Department of Agriculture and Rural Development. And helping Grocer's Daughter's bottom line was a \$144,500 Venture North loan that's enabled buying in bulk, via a shipping container of 27,000 pounds of Ecuadorian chocolate.

The volume purchasing saved \$30,000 to \$40,000 that Grocer's Daughter will put toward employee wages, Hayden said. The business currently employs seven full-time, year-round staff and about ten part-time people, and will add two full-time year-round employees and six part-time staffers with the gelato shop's expected opening by September.

A \$5,000 Venture North RRP grant is helping elsewhere, funding an update to Grocer's Daughter's point-of-sale system and new product design for its nibbling discs -- one of the many chocolates produced at the shop.

Hayden said the business brings "opportunities knocking all the time. We just have to be open to them and learn how to gauge which are worth pursuing and which aren't." She adds that through assistance provided by the SBDC and Venture North, she's learned how to be a better businessperson, access state and federal grant and loan funding, and found "a trusted mentor."

Trudeau, principal of Trudeau Consulting LLC and previously nearly 16 years with The Kresge Foundation, including as senior advisor to the president and managing director of Kresge's grantmaking program, said Venture North programs are supportive to women and other entrepreneurs who can't access traditional financing, with flexible micro loans of up to \$50,000 and other small business loans from \$50,000 to \$250,000, and grants for technical assistance.



BLUE FISH EARLY LEARNING CENTER Kalkaska

When Kristin Andrews was looking to start her Blue Fish Early Learning Center in Kalkaska, she got help from the SBDC to develop a business plan and approached Venture North for a loan, receiving a total of \$25,000 that she used to cover a host of opening and operating costs, from building upgrades to materials and staff.

For Andrews, opening the child care center was a realization of something she saw Kalkaska needed, and a give-back to the community where she grew up and was raising a family. The center opened in September 2019 with slots for 48 children and has grown to 118, with some waiting lists a year long.

Andrews was reluctant to apply for the loan but said Venture North "made it extremely easy. They were helpful, it wasn't hard. It's a lot of money when you look at it, but it's...something that needed to be done. If we hadn't done that, then we wouldn't be where we are."

Andrews now has 17 employees and is working on opening another center in Marion this fall that could accommodate around 20 pre-school children and up to 12 infant toddlers. The Kalkaska center's services have grown and she's looking at other ways to aid the community, like potentially partnering with The Father Fred Foundation to provide meals to families.

"It's just being more helpful, and being a light in the community here for families who are in need," Andrews said. She also hopes the center can become a hub where other providers, women business owners and business owners in general can "come together and network...bounce ideas off one another." It could even become a location that provides training like CPR to other child care providers, Andrews said.

**The number of U.S.
women-owned
businesses grew 58%
from 2007 to 2018**

Venture North board member Laura Reznich said supporting women-owned businesses is essential. "It is important to give resources to all business owners, but women need confidence-building...support, to validate that you are strong, capable."

Reznich is director of finance for Traverse City-based Plascon Group Inc., a manufacturer of specialty plastic packaging, and is president and owner of Tiered Consulting LLC, which provides financial and accounting services for small businesses.

She said women business owners she's encountered tend to be savvy, organized and "go above and beyond what people expect of them" to please. Among her female clients, she also sees women challenged by the load they carry, juggling work and family commitment.

And when it comes to opportunities like professional advancement or accessing capital, board member Trudeau said women's life skills may not garner the credit they deserve. "Many women have gained a lot of skills through a lot of non-traditional means, not the least of which is raising a family. And I think traditional loan decisions often overlook the value of those types of experiences."

Source: getfundid.com, 5/18/21

It's a bigger universe than what she envisioned when she was looking at starting Blue Fish, and Andrews said the center's brought rewards and opportunity. "The opportunities, they're endless here. We are helping families, and children, and the entire community."

It's come with sleepless nights, late nights and long hours. And at the start, her husband went straight from his overnight job to the center to help out for a few hours in the morning, staying till just before lunch and then going home to sleep before returning to work, Andrews said.

She said in her line of business, being a woman, with a nurturing mindset, has been in her favor.

"I think owning and operating this business has been successful because I'm a woman. I think women are more compassionate, but that can also be a double-edged sword, because you also can't have extremely compassionate people and mix money together. I've seen businesses fail that way," Andrews said.

She said when she's presented something to consider, she takes in the information, thinks it over and gives her response – a deliberate approach that's sometimes misconstrued. "I think that a lot of people think that women react quicker. Or, because I'm not reacting, maybe I don't understand."



The goal of my business - that environment that supports everyone, and at the end of the day, a healthy place for people to work.

Becky Tranchell, Rose & Fern Café

ROSE & FERN CAFÉ Traverse City

At Rose & Fern Café in Traverse City, Becky Tranchell has approached her business with tenacity, determination and commitment to community and employees.

A graduate of Northwest Michigan College's Great Lakes Culinary Institute with about a decade in the food and restaurant industry, Tranchell started her café in September 2018 initially as a pop-up, housed in a building owned by Mike and Kathy Potter and attached to their Potter's Bakery.

Seeking to renovate the space to build out a full café, she approached local banks and credit unions. But lacking capital and collateral Tranchell couldn't meet loan terms and she turned to Venture North, which connected her with the SBDC to create a business plan and help with cash flow projections, among other things.

And through Venture North, she received a loan of just over \$26,000, moving her dream forward. "I didn't think I was

going to get it, didn't think I would get the total amount. I had run into so many walls," Tranchell said.

In the café space renovated by family and friends, the loan helped Tranchell purchase kitchen equipment, butcher's block for tables and countertops and espresso bar set-up for Stockist Co.'s Jeffrey Brown, who supplies and roasts coffee beans in-house.

Brown is an employee who also pays rent to roast at Rose & Fern, and Tranchell buys his wholesale coffee. The two share space and business visions, working well together, Tranchell said.

"I'm reactive and quick, Jeff is this steady force that keeps me level," she said.

Tranchell said she's applied creativity to her business needs, getting used equipment and trading food for services from designers, builders and an electrician – finding "a way to make these things happen, without money." And she's made it through business challenges beyond her control, including, in her first summer, construction closing the street where she's located. And last year, COVID-19.

She's notched annual revenue growth and has seven employees who are "a killer crew that's supportive and happy and runs the show for me." Among other things, her staff endured and adapted through indoor dining shutdown and a move to takeout-only, and ran the café on their own for four weeks this spring when Tranchell was out with a preventative double mastectomy.

Ask her how she feels about what she's achieved, and "it's complicated," Tranchell says. "If I actually got to sit here and just enjoy my success and where I'm at, I'm over the moon."

But instead, she's looking at how to keep Rose & Fern alive. This is the last summer and fall for Rose & Fern at its current location, with its lease up at the end of 2021. It's a place that Tranchell says has been her focus, home and lifeline in many ways, including providing the insurance needed for her mastectomy.

She's now looking for a 1,600- to 1,800-square-foot space that can be the next spot for her neighborhood café and house a small intimate dining room, Brown's coffee space, a kitchen and takeout area.

Amy Lane is a veteran Michigan business reporter whose background includes work with Crain Communications Inc., Crain's Detroit Business and serving as Capitol correspondent for nearly 25 years. Now a freelance reporter and journalist, Lane's work has appeared in many publications including Traverse City Business News.

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