

The food industry's Top female ENTREPRENEURS

More women are making big waves with small food businesses.

BY JOAN HOLLERAN

Sometimes a woman's place really *is* in the kitchen. Take Barbara Jaffe: She turned her one-woman, storefront bakery operation into a multimillion dollar healthy snack foods business.

Stacey Kimball hit and missed several times before landing on the successful combination of gourmet prepared, frozen seafood entrees.

And feisty Frieda Caplan founded what is now a \$30 million specialty produce business back in the days when working women were a rare breed.

Not every female entrepreneur finds this kind of success, but more and more are striking out on their own rather than climbing corporate ladders. And since women traditionally have reigned in the family kitchen, the food industry should be a natural extension for female entrepreneurs, right?

Yes and no. We're seeing more women-owned food ventures than ever before, but they're having a hard time breaking out of the kitchen and into large manufacturing, say industry observers.

"Women have been held back by a financial community—made up mostly of men—which is encouraging women to keep things small, out of the home...

they are limited from thinking of a larger manufacturing operation," says Cynthia Iannarelli, director of The National Education Center for Women in Business, Greenburg, Pa. "If a man was the one going to the bank, he'd be encouraged to think much larger."

Iannarelli says that out of need, women have been more creative at financing their own businesses, like bartering or using their credit.

More of a problem than gaining access to capital is breaking into the food industry's "old boy" network.

Stacey Kimball, president and chief executive officer of Manchester, N.H.-based Oven Poppers frozen seafood entrees, has successfully grown her business around the country, but still doesn't know how to handle a certain pocket of men in the South who've told her flat out that they don't want to—and don't have to—do business with a woman.

Despite the pitfalls of getting established in a male-dominated industry, women—for the most part—say they don't consider themselves at the mercy of a sexist industry. Gender pales in importance to business know-how, say many business owners—but that could be another can of worms.

According to Iannarelli, "[Most]

women don't have the necessary business skills or management training."

One solution: The National Education Center for Women, which was launched earlier this year with a \$5 million grant from the U.S. Small Business Administration. Based at Seton Hill College in Greenburg, Pa., the center is devoted to research, education and information about women entrepreneurs, specifically manufacturing.

One of the first bona fide business ventures being supported by NECW is a soul food company started by several African-American women and their daughters. The idea is to let the women work in an area they are comfortable with, and it allows them to teach their daughters the business at the same time, Iannarelli says.

"The more tools women have to succeed, and the more others can learn from their success, the greater the economic impact," she says.

"Women will be bigger players in the next decade," Iannarelli adds. "Not only will you see an evening of the numbers of female to male business, but the size will be more equal as well."

And the food industry is likely to see more women. According to a recent study by the National Foundation for Women Business Owners and Cognetics

da. "As I look back, I think it was helpful being a woman. I had a chance to be heard, (and) men were polite and gave me a listen."

Of course, she says, the company wouldn't have grown if it didn't satisfy a need. "In the produce business, you live or die by how you serve your customer. Your sex doesn't matter."

BARBARA JAFFE

A natural knack for business

Barbara Jaffe founded Barbara's Bakery in San Francisco when she was 17. She branched out of her one-woman, storefront bakery by producing healthy baked goods for other Bay area bakeries and health food stores. By the mid-'80s, it was a \$7 million business with national distribution of more than 100 items, including healthy natural crackers, snack chips, cookies and cereals, before it was sold to Weetabix.



Barbara Jaffe,
Newmarket Foods

After taking some time off, Jaffe and partner Tom Mierzwinsky launched Newmarket Foods in Petaluma, Calif. (*Food Business*, March 8, 1993). Jaffe decided there was a gap in the market for healthy versions of traditionally high-fat foods, such as puddings and ice cream toppings, and that's where Newmarket is finding its niche.

With Newmarket Foods, Jaffe enjoys the advantage of knowing the industry, who the players are, and having the capital to support her venture. Not only is capital critical, she says, but so is knowing your own strengths and weaknesses. If necessary, have someone who can balance your skills, she says. Jaffe describes herself as "a flaky artist food developer," and looks to her partner for marketing and sales expertise.

"In the food industry, the bottom line is do you have a product that's going to sell, and they don't care what your sex is—people are going to be tasting the food," Jaffe says.

MARY ANNE JACKSON

Her own success story

Mary Anne Jackson, president and founder of My Own Meals, Deerfield,

Mary Anne
Jackson,
My Own Meals



Ill., decided to build her own business after becoming a corporate casualty. In 1986, after eight years with Beatrice, Jackson found herself out of a job after a leveraged buyout. Because she had a young daughter, she decided that rather than go back to the ladder, she'd start her own business.

The idea for the new company came from Jackson's weekly routine of preparing meals for her daughter. Other mothers were asking her for her recipes, and it wasn't long before she noticed the gap in the marketplace for children's meals. By the end of 1989, My Own Meals had sales of more than \$1 million.

But that's when heavy hitters like Tyson, ConAgra and Hormel stepped into the children's meal arena. Not only did the larger companies come with deeper pockets, but they also played by different rules. Jackson would walk into grocery stores to find her products had been removed from the shelves—by someone other than an employee of the store.

She started losing shelf space and money. By late 1990, when things were at an all-time low, the U.S. Army came to the rescue—literally—with a request for shelf-stable kosher meals it could provide for soldiers being sent to the Middle East for Operation Desert Storm.

Jackson saw an opportunity for the meals for the civilian kosher market as well: With different packaging, business people could conveniently carry the shelf-stable entrees to work, or throw them in their suitcase for travel. She associated the My Own Meals with the well-known Streit's kosher brand, and came up with a winning combination.

While 1992 sales were still at about \$1 million, Jackson is optimistic about sales potential for the new kosher items, available in children's and adult meals.

BEVERLY SECKINGER & LEE BUFORD

Taking a bite of the specialty market

Beverly Seckinger and Lee Buford, partners in Seckinger-Lee, Atlanta, market gourmet biscuits and cookies. Neither woman knew much about the food industry when they started their venture in 1985, but as former recruiters,

they knew who to go to to ask questions.

They feel the food industry is especially receptive to entrepreneurs, and they've tried to be there for others as well. But, warns Beverly Seckinger, "Be careful about what you share...If you spend the time and money to develop something, you want to protect it."

Seckinger should know. When she and Buford founded their business, there wasn't another cheese biscuit on the market like theirs. Now, she says, there are about 20. "The competition will always take a segment of the market."

JOANNE GOLDWATER, PEGGY GOLDWATER CLAY & CAROLYN ROSS

From salad dressings to salsas

Joanne Goldwater, Peggy Goldwater Clay and Carolyn Ross head up Goldwater's Foods of Arizona, Scottsdale, Ariz., makers of specialty salsas and barbecue sauce.

Back in the 1970s, when Peggy Goldwater Clay and then-partner Jane Wedmore were building their Peggy Jane's salad dressing line, it was a "seat of the pants" operation. It was also a successful business, which the women eventually sold to Knott's Berry Farm.

Goldwater's, founded in 1990, isn't a seat of pants operation, but a well-organized business that runs according to a predetermined business plan. The industry is a tougher nut to crack today, says Clay, because it's tough for a small company to get a foot in the door, and slotting fees can be prohibitive.



Peggy Goldwater Clay, Joanne Goldwater,
and Carolyn Ross, Goldwater's Foods

"When we first started out, there were probably six or seven other women-owned businesses [at the National Association for the Specialty Food Trade shows]. Now there are hundreds," she says. A recent NASFT survey indicates that more than 60 percent of its 1,400 member companies are owned by a woman or have a woman as a partner.

Carolyn Ross was a successful realtor when she and her mother and aunt started the business plan for Goldwater's. Ross says she's found a lot of support from a circle of friends within the food industry. "We'll sit and talk about distributors and problems. We refer each other to brokers and distributors. Those relationships are very valuable." ■