

# BUSINESS

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K.A. Turner/Business Editor

E-mail: kturner@mobileregister.com Phone: 219-5644



**K. A. Turner**  
Business  
Editor

## Start-up takes creativity as well as dough



Barkley Shreve was prompted by her sisters.

Susan Thompson found her inspiration in a magazine article.

Together, the two Mobile women have put Mamie's Famous Cheese Wafers in retail outlets from Pensacola to New Orleans. But unlike the recipe for their dough — four basic ingredients, not counting the spices — their path to a successful small business start-up has been anything but simple.

There were legal issues, accounting needs, insurance decisions and health department regulations. They had to choose equipment, find a commercial kitchen and develop a banking relationship. They needed packaging, boxes, tubing, labels, fasteners and business forms. A time-tested recipe needed large-scale adjustments. And there was that little matter of finding pounds and pounds of the right cheese.

"To be honest," Shreve said last week, "it was very daunting."

More distribution, marketing, sales and mass-production hurdles remain. But just months after holding their initial sampling session — part of a holiday season promotion by kitchen and restaurant store Mobile Fixture — Shreve and Thompson have seen their Spring Hill Kitchens LLC venture climb nearly halfway toward break-even.

The story starts with cheese wafers, an appetizer and party food that is a favorite within Shreve's extended family. It was Mamie's recipe — Mamie being what Shreve's children call her mother, Mary Byrd. For years, Shreve said, "one of my sisters has been saying, 'Wouldn't it be cool to always have a roll of cheese wafer dough in the freezer? And I wonder if we could sell it?'"

The sisters never launched the project. But last May, as Shreve and Thompson were eating cheese wafers at a party, "I told her my idea," Shreve said. Thompson called a few days later with a straightforward proposition: Let's do it.

"I was at a point in my life that I wanted a change," Thompson said. "I'm not a risk-taker. I'd never longed to own my own business." But she had read a magazine article about two friends who launched what is now a successful boutique product — Lotus Chips — and decided "they sounded like us. They were real, normal people who had a good product."

Shreve and Thompson said they quickly began a "kitchen-table business," dividing topics that needed to be researched, then getting back together to formulate plans. By November, Thompson was ready to quit her job as a paralegal and Shreve had decided to take a break from graduate school. By mid-December, their product was ready for retail — a 14-ounce roll of frozen, ready-to-bake dough that is at least 35 percent cheddar cheese by weight. When sliced thin and baked in a 350-degree oven for 12 to 15 minutes, the wafers are crispy and the aroma is, according to the women, downright festive.

That scent is a lot of what they count on to sell Mamie's Famous Cheese Wafers these days. With a limited start-up budget, they do little or no advertising, and depend on sampling to attract vendors and customers.

People already in the food business have helped them stretch resources and solve problems, they said. One example: The women thought that they would need an extruder to

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# Business halfway to breaking even

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load finished dough into freezer-ready packaging. But at \$30,000, that machine would have cost about twice what they have sunk into the venture thus far. Jackie Greer (Greer's Food Tiger) suggested a sausage stuffer and got the women an appointment with Hall-Namie meat packaging in Chickasaw. After a morning at Hall-Namie looking at how the stuffer worked, Shreve and Thompson were directed to a Jackson, Miss., equipment vendor. The women loaded up an ice chest with batches of dough and rolled west. By the time they headed home to Mobile, they had that packing problem solved.

Creative problem-solving is among the keys for people who would transform an idea into a successful start-up, said Lynn Stacey, executive director of the Center for Entrepreneurial Excellence in Mobile. "They need to get help early," he said, noting that Mobile has a network of service providers — his agency, the Small Business Development Center, the Mobile Area Chamber and the Women's Business Center among them — offering much to the entrepreneur.

It is tough to acquire a reliable count on the number of start-up businesses in Mobile during any given year, he said. "Most companies in a start-up mode don't buy business licenses or incorporate ... There are an awful lot of people in that early test mode that never launch."

Stacey will hazard a guess

that the number of local people who at least explore a business idea is upward of a thousand. Each one, he said, would face considerable odds just to get where Spring Hill Kitchens is today.

"There are some old (government) stats that give a new product about one chance in a hundred of making it into a profitable situation," he said. "There's about 10 percent chance of getting into the marketplace. When you start talking about selling in viable commercial quantities with sustainable margins, that's even more difficult.

"Another stat is recapture of capital," he continued. "About 20 percent of the companies that launch reach a point of recovering their capital; then the numbers of companies that reach successful, long-term profitability begin to fall off from there.

"I would consider that a successful venture if you recapture your capital and can apply it to another venture."

Spring Hill Kitchens LLC is almost halfway there. And at least one of its retailers predicts continued success. "They're selling real well, even though the price point is pretty high for our little market," said Adair Hagood, owner of Shop Easy on Old Shell Road in Mobile. (The partners set wholesale prices — \$63 for a 12-tube case — but don't control retail price points, which are \$6.99 in most Mobile outlets, but as high as \$7.99 in New Orleans.)

"I think they'll do real well," Hagood said. "They'll have to go



Susan Thompson, left, and Barkley Shreve are founding owners of Spring Hill Kitchens LLC, which makes Mamie's Famous Cheese Wafers. The two are shown at Mobile Fixture on the day they first offered samples of their product.

out a little farther than Mobile to sell enough to make it work." But, "I think it's got a lot of potential."

The women now make about 100 cases of product every two to three weeks. They have 20 retail outlets and are negotiating with a regional grocery chain. They're increasingly active in the New Orleans market, where Shreve's sister Elizabeth Favret offers a place to stay and a kitchen to bake in. Birmingham is a logical next target because Shreve's sister Catherine Morton can provide a base of operation there.

The sisters have a vested interest. They are the ones, after all, who first wanted to be able to keep a roll of cheese wafer dough in the freezer.

(For more information on Spring Hill Kitchens LLC, call 251-656-0811. Readers may write K.A. Turner at the Mobile Register, P.O. Box 2488, Mobile, AL 36652-2488, call her at 219-5644 or e-mail [ktturner@mobileregister.com](mailto:ktturner@mobileregister.com))