

Women overcome obstacles to build million-dollar firms

By Ann Meyer

Special to the Tribune

On her way to hitting the million-dollar mark in annual revenue, Chicago chiropractor Amelia Case confronted one setback after another.

"I'm a magnet for obstacles," said Case, founder of Universal Health Institute, which treats pain without drugs or surgery. She has been beset by lack of capital, a broken lease, employee theft, incompetent bookkeeping and lots of disappointment, she said.

But through passion and perseverance, Case's business achieved annual sales of \$1.2 million in 2006, putting it among just 3 percent of female-owned businesses that have \$1 million or more in annual sales, experts say. Now, she hopes to open up several new locations.

Rarely do entrepreneurs hit it big without encountering challenges, but women often have more to overcome than men, experts say. A chief obstacle is their own mind-set, because many women don't think about building a million-dollar business, said Nell Merlino, chief executive of Count Me In for Women's Economic Independence, a New York-based not-for-profit dedicated to increasing women's access to capital.

The group launched the Make Mine A \$Million Business program two years ago in conjunction with Open from American Express, a small-business arm of the financial services company, to encourage more female entrepreneurs to grow their businesses.

"All of the people who have gotten to a million [dollars in revenue] have a team around them that works," Merlino said.

Case, who employs 17 full- and



Photo for the Tribune by Anthony Robert La Penna
Chiropractor Amelia Chase (center) and physical therapist Chad McIntire work with patient Dorothy Koreltz of Chicago.

part-time workers, is well versed in hiring, and firing, she said. More than 500 people have worked for her since she started the business in 1990. Twice, she fired the entire staff.

Along the way, she changed her hiring approach and ramped up her screening process.

"As soon as I changed, the company had a whole new feel," she said. "I decided I'm going to find that person who really deserves a great job and give it to that person."

Case has determined that her business works better with a few highly capable employees rather than a large number of less-qualified workers.

"Every employee is a key employee when you're a small-business owner," she said.

Like Case, most women who launch businesses do so without formal business training, experts say.

"My biggest challenge was confidence," said Renee Wood, founder of The Comfort Co., a

Geneva-based online retailer of sympathy gifts and a Make Mine A \$Million Business award recipient.

Wood, who previously was a social worker, started the company after creating a pendant to give her sister-in-law when the woman's father died. She started making them for others, then launched her business (www.thecomfortcompany.net), which sells about 270 different sympathy gifts.

More important than hitting any particular sales goal, Wood said, is maintaining balance in her life. "I would have hit the million-dollar mark three years ago" if it weren't for rearing four children while building the company, she said.

But Wood has no regrets. Her family is her priority, "so everything has to work around that," she said.

Lack of capital was another obstacle to growth, said Wood, who started her business from her home computer.

"I was very debt averse," she

said. "I was afraid to buy the equipment, the digital camera, the shipping system, the computer systems—everything I needed to properly run the business."

As a result, the company limped along, and Wood didn't take a salary for her first two years, she said.

Now that she has expanded her office space and hired a part-time worker, the company is on track for \$700,000 in sales this year, up from \$560,000 in 2006, Wood said. Still, she has yet to use outside capital, she said.

Case needed a loan to open her business but underestimated how difficult it would be to get one. After finishing chiropractic medical school, she wrote up a business plan and headed to the bank.

"The guy laughed at me and said, 'You've got to do a better job than this,'" she recalled. "I was totally naive."

Forty-seven banks later, Case finally obtained two loans for a total of \$150,000. She opened her doors without a single paying customer. When the first calls came in for appointments, she scheduled them all for around 5 p.m. to create a feeling of energy.

"We'd be empty all day, then have this rush of one or three patients," she said. "Within three months, we were paying our overhead."

But learning how to run the business took years, Case said. She overpaid her workers, giving herself a salary of just \$24,000 for four years, she said.

"In the beginning it was all for the patients and nothing for the business," she said.

Then, in 1995, she changed the name of the business from Case Chiropractic and Associates to Universal Health Institute, and

with the change came a new approach.

"It started shifting my attitude" toward building the company, she said.

But a string of unfortunate hires slowed down the business' growth. One employee found a hidden set of checks and embezzled more than \$30,000, she said. Only after the company's checks bounced and a loan was called in did Case figure out the problem. She started asking harder questions and checking references, credit and criminal backgrounds more thoroughly.

"Now I hire slowly and fire quickly," she said.

On the advice of her business coach, Ginny McGarrity, Case went after better workers by paying about double the \$30,000 a year she had been offering.

"The worst thing you want is the best opportunity and no way to execute it because you are talent constrained," said McGarrity, a vice president at consultancy Kensington International.

It took more than a decade before Case paid herself \$80,000, she said.

"I was working like a maniac, but I had basically no savings," she said.

She went back to her business plan and reworked it to include an expansion to multiple locations. Then she applied for and won a Make Mine A \$Million Business award, granting her assistance in the form of loans, mentors and marketing help. It also introduced her to a network of other female entrepreneurs.

Case's expansion plans will provide a route for promotions and a way for her to earn a bigger paycheck. Despite the obstacles, Case said, her practice is busier than ever, and she never lost her passion for the work.