

Humble Beginnings

“If at first you do succeed, try not to look astonished!”

— AUTHOR UNKNOWN

So there I was in my bathroom at three o'clock in the morning, captivated by the idea of a home party company selling food. The more I thought about it, the more excited I became. Yes, I hate to cook. And yes, I'm not wild about home parties. But *this* would be a party I would dig attending. It would revolve around two of my favorite pastimes — talking and eating! And the food would be easy to prepare, so hating to cook was actually an advantage.

My excitement grew throughout that night and into the next day. Intuition told me that this could actually work. When I saw Joani the following morning, I shared my idea. She listened quietly while I babbled on and on. When I paused for breath she calmly yet enthusiastically said, “I would invest in that.”

That was the encouragement I needed. And it wasn't about the money. It was about her belief in the idea. Joani was someone I respected. I admired her instinct, vision and business savvy, plus she had a great common-sense approach to life.

In the nights that followed, while dipping Reindeer Chips, we brainstormed how we could roll this out operationally. I did a limited amount of research on home parties, including on Creative Memories, who was headquartered 60 miles away in St. Cloud. They sold scrapbook photo albums through home classes and were willing to mentor me. And I was willing to learn.

Developing a five-year business plan was consuming and painstaking. I was continually modifying and rewriting and modifying again. Upon completion, we created an S-corp with 70 percent ownership by me and 30 percent by Joani. With Joani's \$10,000 investment, my \$6,000 cash injection and a \$20,000 loan through Bremer Bank and the Small Business Administration, Tastefully Simple was born.

In addition to Joani's cash investment, she contributed Tastefully Simple's “headquarters”: a wooden out-building with a concrete floor and no running

water. Lovingly referred to as The Shed, this was located next to Joani's home on Wild West Lane in Alexandria.

To say that we "bootstrapped" is an overstatement. We were downright cheap! A rent-free building, no investment in equipment or office furniture—I packed orders on a pool table—and no employees but me. And I was an *unpaid* employee, not taking a salary for three years. I was the first and only salesperson, aka "consultant," so my income was derived solely from my commissions. The primary financial risk was the cost of my inventory and printed materials, consisting of catalogs, invitations, order forms and business cards. Now I just had to get out there and sell.

I hosted my first Tastefully Simple taste-testing party on the evening of June 15, 1995. Until April 1998, I ran Tastefully Simple during the day and conducted parties at night and on weekends.

Three months after my first party, I hired Dolly Frost to help me with bookkeeping, taking orders, packing orders and other administrative tasks. And each day for over a year, through rain or snow or dark of night, Dolly and I would run back and forth to Joani's house to use the bathroom or get water for coffee.

We moved up in the world one year later. I hired Joey Peterson and we invested in running water, complete with a bathroom. We still had some minor inconveniences, like needing to unplug the refrigerator each time we turned on the bathroom light. But we got over it.

I didn't want to spend money if I didn't absolutely have to, so we monitored our expenditures very closely. I wouldn't buy a copy machine, so we'd drive a mile into town whenever we needed to make copies. We did eventually purchase a fax machine, but I didn't want to pay for a second telephone line so we unplugged the telephone to connect the fax. Today I can safely say that we were jumping over dollars to save pennies.

I know. You're shaking your head in disbelief at my idiocy. I'm with you. I wasn't the sharpest tool in the shed! One could argue that these decisions were short-sighted business moves. On the other hand, one could also say, "What's to argue about? It worked."

