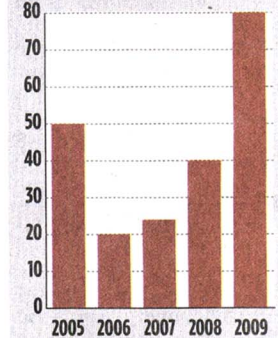




Small-business advisers see uptick in start-ups, 2005-2009



SOURCE: Small Business and Technology Development Centers for counties of Allegan, Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, Kent, Muskegon, Ottawa, St. Joseph, and Van Buren

GAZETTE NEWS SERVICE GRAPHIC

On his own: Mike Tilley, 52, is owner and president of Mr. Handyman, a Kalamazoo franchise that does home fix-it jobs. He was laid off from appliance maker Whirlpool Corp. after 23 years.

GAZETTE/MARK BUGNASKI

MID-LIFE MANAGEMENT

MANY WHO LOST JOBS IN RECESSION NOW WORK FOR THEMSELVES

BY JOHN PERNEY
SPECIAL TO THE GAZETTE

KALAMAZOO — When patching drywall or laying new tile makes that home to-do list a bit too long, some people make the call to hire a handyman.

Mike Tilley is ready to help after accepting the call to start his own business last fall — not long after his longtime employer made a call of its own.

A Whirlpool Corp. downsizing last June cost Tilley, 52, his job as director of engineering, after 23 years with the Benton Harbor appliance giant. His severance package included outplacement services with Right Management in Kalamazoo, and the experience proved to be an eye-opener.

“I went through that whole (job-search) process, and it was very slow. One thing I heard from Right was that the job market has really changed,” Tilley said, citing the average time spent in a job now is 3½ years. “Basically, I worked for two companies my whole career. I said to myself, ‘Do I really want to look for a job in my late 50s?’”

As the nation’s unemployment rate hit 10 percent last fall for the first time since 1983, thousands of other loyal, longtime workers like Tilley — blue- and white-collar alike — have been asking the same question. Even before the latest recession, the Small Business Administration reported the number of self-employed people ages 55 to 64 climbed 52 percent from 2000 to 2007, totaling more than 5 million.

For Tilley, who enjoyed doing home projects as a way to relax from his Whirlpool work, that meant launching Mr. Handyman of Kalamazoo-St. Joseph. After deciding by late summer that entrepreneurship was his next move, the Coloma resident opted for the franchise route. In October, he teamed up with Ann Arbor-based Service Brands International, owner of the Molly Maid service in addition

THEY SAID IT

Advice from the front

What they say about starting a business mid-career:

“Basically, I worked for two companies my whole career. I said to myself, ‘Do I really want to look for a job in my late 50s?’”
— Mark Tilley, owner of a Mr. Handyman franchise

“My story has been different because we have a track record in our type of work.”

— Vikram Shah, who worked in the packaging business and now owns his own packaging company, Tri Pac

“I think, eventually, I would’ve started my own company anyway, and this (layoff) just precipitated it.”

— Loretta Cipkus Dubray, owner of Global Clinical Connections

to Mr. Handyman.

“Managing and leading people was always something I enjoyed doing and was something I had a lot of experience at,” said Tilley, who oversees the four-employee operation that includes two service technicians and his wife, Cathy, the marketing director. “I’m familiar with the type of work we do, and I have a little more control over my own future.”

Control is a recurring theme Tamara Davis hears about in her role

as regional director of the Michigan Small Business Technology and Development Center.

“With the economic downturn, people are looking for alternatives,” Davis said. “And we welcome that. We want them to come here.”

The SBTDC, funded by the U.S. Small Business Administration and the Michigan Economic Development Corp., works with would-be entrepreneurs in all phases of start-

SEE OWNERS, F2

OWNERS MANY OLDER WORKERS BECOMING THEIR OWN BOSSES

CONTINUED FROM F1

ing and growing a business, including whether the choice is indeed the right one.

"People think we just help them write business plans. It's much more in-depth than that," said Davis, adding that she has seen an overall increase in interest, not just among older workers. "Opening a small business is risky. We want them to understand all the pitfalls before they make decisions and spend money."

Loretta Cipkus Dubray is well aware of the hurdles, because she's cleared them. After a 21-year career at The Upjohn Co., Pharmacia Corp. and Pfizer Inc., her job was among 750 layoffs in 2006. She said she took it as well as one could.

"It's not that they didn't need us, it was just a business decision," she said. "I think eventually I would've started my own company anyway, and this just precipitated it."

Dubray, a Portage resident in her early 50s, quickly realized she needed experience in running a business. She got her chance to oversee a staff and budgets with Alta Resources in Kalamazoo, and after about 2½ years was ready to strike out on her own, opening Global Clinical Connections in October 2008. The nine-employee Kalamazoo firm, which provides clinical supply-chain management for biotech and pharmaceutical company drug trials, quickly reached six figures in revenue, but Dubray knows success didn't just happen.

"You definitely have to have a certain kind of makeup to do this," she said from an airport en route to Washington, D.C., for a U.S. Chamber of Commerce presentation on government contracts for women-owned businesses.

"It's fun to be working on your own, but be humble enough to appreciate that you don't know everything," she said. "If you're going to be employing people,



GAZETTE NEWS SERVICE/EMILY ZOLADZ

Recycling work: Mark Ruhland, 49, who lost his job as a maintenance supervisor when General Motors closed a Grand Rapids stamping plant last year, started Filta Environmental Kitchen Solutions. He filters cooking oil at restaurants so it can be reused. Here, he filters the oil in the deep fryer at McFadden's Restaurant & Saloon in Grand Rapids.

you need to be thinking about revenue and payroll and taxes. There are serious things that you have to worry about."

Vikram Shah would add experience to that list. He put in nearly three decades at Accra Pac in Elkhart, Ind., seeing the contract manufacturer and packager expand its operations from 5,000 square feet to a million square feet.

But Shah wasn't offered a job after Kik Custom Products, based in the Toronto area, acquired Accra Pac in 2005.

After a year and a half in Virginia, Shah, 60, returned to Kalamazoo and started his own packaging company, Tri Pac, in Vandalia.

"My story has been different because we have a track record in our type of work," Shah said. "A lot of customers right now

are having problems with their existing packagers, and we have a lot of credentials in this industry. So we were very lucky."

Just 10 months in, thanks to an all-important first contract (Shah won't identify the client), Tri Pac has eclipsed \$1 million in revenue. With additional bank financing now in place, Shah is expecting continued growth through 2010. Expansion into an adjacent building is possible down the road. The 15-employee work force will grow to around 40 during the peak May-December season.

It's been slow sailing so far for Tilley's Mr. Handyman. He's focusing on branding work throughout his Southwest Michigan territory that includes all of Kalamazoo County, actively canvassing neighborhoods in preparation for what he hopes

will be a busy spring season.

Along the way, Tilley has had family to look to, not just for support but to see how entrepreneurship is done. His father still works as the Canadian equivalent of a CPA at 79; his twin brother successfully started his own business in the Toronto area; a good friend runs six Tim Hortons coffee shops.

"I receive a lot of encouragement," said Tilley, adding that believing in himself and the willingness to learn have been the two most important factors in getting to this point. "It's a huge leap, there's a lot of risk here. I've got a substantial amount of money on the line. But six months I've been at this now, and (Whirlpool) really is in the rearview mirror. I can't think of being in a better place."