

HEART OF THE HEARTH

Remember the taste of your grandmother's favorite cake? And how much you treasured spending time with her in her warm, fragrant kitchen, sharing something fresh from the oven, baked with love? Susan Sarich does, and the values she learned from both of her grandmothers about baking, work and life followed her from Chicago to California, where she founded SusieCakes home-style bake shops.

Since 2006, Susan has opened five SusieCakes bakeries, four in Southern California and the newest, in Northern California, which opened earlier this year. She strives to ensure that every cake, cookie, pie and pudding she sells is made with the same care and concern about quality that her grandmothers showed when baking for their families, who lived just across the alley from each other.

“When I came home from school they would have something every day. It was my time to have with my grandmas—a ritual that has helped me become what I am today,” Susan said at the SusieCakes in Calabasas. She learned life lessons from her grandmothers while they were cooking dinner, she said, talking with them about the day and often sharing a piece of pound cake or bundt cake.

Her grandmothers always put family first in that era, perhaps never fulfilling their own dreams or potential, Susan said. That awareness helped fuel her drive to make SusieCakes a tribute to her grandmothers, Mildred and Madeline.

Susan is committed to providing women career advancement and growth opportunities. She also set SusieCakes' operating hours to make sure that her 100 employees have family and personal time. The stores are open from 10 a.m. to 7 p.m., Monday through Saturday only, and closed on holidays.

When moms come in to one of the bakeries with their children after school to have a cupcake and reconnect, the way she did with her grandmothers, Susan said, she knows she's come full circle.

LEARNING THE BUSINESS Susan, 40, started on her path toward SusieCakes by paying her dues in the food and beverage industry. After graduating from Cornell University's School of Hotel Administration, she worked for Hyatt Hotels Corp. in Chicago in restaurant management, room service and catering. Eventually, she

took a “leap of faith” and accepted the position of special events manager at House of Blues, opening in her home town.

“It was a difficult shift to go to a start-up,” she said. “It was a big challenge to bring clients with me.”

Following her desire to learn from the best, she transitioned to Lettuce Entertain You Enterprises’ highly rated Everest, a “fancy pants, French Alsatian” restaurant, as she called it, for a year. “I wanted to work for the best people I can work for and learn what I can from the best in the industry,” she said.

She got a taste of the entrepreneurial life soon after as she took on consulting for small restaurants. In the summer of 2001, Susan and her life and business partner, Houston Striggow, bought a restaurant that had a pastry kitchen in Portland, Ore., and launched Zinc Bistrot. But the venture was not without pain.

“Entrepreneurs are huge risk-takers,” she said. “People thought I had lost my head.” And, after Sept. 11 happened and business slowed, she faced what she called “the most challenging time of my life,” finding herself in debt and forced to lay off employees. While still working in the Portland restaurant on weekends, she worked in San Francisco during the week as director of catering for Ian Schragger’s Clift House, “really just to pay the bills,” she said. The couple sold Zinc in 2004. Susan said running Zinc showed her the value of building relationships. “It taught me to never take for granted a single person who walks through your doors,” she said, adding that now, “We say hello and make them feel valued.”

OVERCOMING OBSTACLES After selling Zinc, Susan knew it was time to do what she loved - “desserts from scratch..” But to make it happen, she had to overcome what she called her single biggest obstacle as an entrepreneur, despite having a business plan: “No one would loan me money.” Susan read a quote from a yellowed newspaper clip that she said motivates her: *“To those who need encouragement, remember this: Beware of quitting too soon. Dr. Seuss’ first children’s book was rejected by 23 publishers. The 24th publisher sold 6 million copies.”*

Finally, someone whom she and Houston had done a business favor for, who owed them money, agreed to put up his house for collateral so they could get a loan to open the first shop. “That’s when I said there is karma in the world,” she laughed.

“It’s a rough road you have to go down to be an entrepreneur. There were days when I said, ‘I can’t do this.’” But her mother and Houston kept her going, she said, with emotional as well as financial support.

At one point, Houston even sold his car to help fund Susan’s dream, and her parents contributed as well. Susan opened the first SusieCakes in the Brentwood neighborhood of Los Angeles and Houston became the chief financial officer.

The location along the fashionable shopping streets attracted her, she said, because she saw parents out with their children and people walking dogs. She wanted her bakery to be part of that community of small businesses, where area residents can stroll from their homes to the numerous restaurants, boutiques, coffee shops and even to the cleaners.

“I was hell-bent on opening there,” she said. “The market needed it.”

Not only did she want to start her business in Brentwood. That is where she and Houston now live.

Susan has since opened her bakeries in Manhattan Beach and Newport Beach as well as Calabasas. She would like to have one more shop in Southern California, and hopes that the recently opened SusieCakes in Greenbrae, in Marin County, will be the first of five in Northern California. When she reaches her goal of 10 locations, she said, she will evaluate whether the business should expand nationally.

All of her stores have weathered the recession, she said, and her year-over-year comparable sales are up. “Life celebrations still happen. What is the common denominator? A cake!”

And what cakes—and cookies, cupcakes, bars and whoopie pies—they are. SusieCakes’ award-winning red velvet cupcakes with thick cream cheese frosting are top-selling items, as is the old-fashioned chocolate layer cake and the vanilla one, too. Many of the recipes of her core “all-American” menu items were her grandmothers’, although some had to be “tweaked” because of the quantities baked at each store, she said.

KEYS TO HER SUCCESS

The keys to SusieCakes’ success, says its founder, are the quality of

the product and customer service. Customers can watch the culinary staff baking in the kitchen through a window as wide as the store so they can see that the items are fresh-baked. On one spring morning, a row of “Susie’s Famous Southern Red Velvet” layer cakes were lined up, waiting to be frosted.

And when it comes to quality, the customer gets the last word. “We call every single person back to see how their orders were,” Susan said. “One to two hours of a managers’ day is follow-up. I believe that’s the key to a customer for life.”

At the Calabasas store, mothers who came in with their children were warmly greeted by the staff . One little boy walked back and forth in front of the long display case, clearly taken by the rows of colorful cupcakes and tall cakes, thinking hard about what to choose. The sweet-smelling bakery felt cheery and inviting, a place where mom and her youngster could sit at a table and talk about their day, just as Susan had done with her grandmothers back in Chicago.

Even the retro-style, mint green featured in the SusieCakes business logo and in the decor of the shops reflects the influence of a grandmother. That was the color of one of Grandma Mildred’s Pyrex bowls.

The entrepreneur described her management style as part of her growth model. “I want to grow, and I also want to give women the opportunity to have careers,” Susan said.

Becca Coffman, SusieCakes’ operations support manager, started part time behind the counter three years ago and now all of the general managers report to her. Susan said of all of her employees, “I want them to be here for a long time.”

Susan said she tries to be at each store one day a week, and always takes Sunday off “to recharge.” For Susan and Houston, that lets them enjoy an overnight trip to San Diego, Santa Barbara or Napa, or to dine out, a favorite pastime when they aren’t at their home in Brentwood with Felix, their bichon frise. The busy business owner also volunteers for the Junior League of Los Angeles.

Susan often returns to the theme that SusieCakes honors her Midwestern grandmothers. No doubt, Mildred and Madeline would be proud of the success their granddaughter has found on her own terms.