

Starfish and Coffee

With a background in journalism, art and retail, Bethany Homrighaus had developed skills early in life that would later become an integral part of her entrepreneurial success. Bethany had worked in the retail industry since she was 16 years old where she learned both the discipline of hard work and the importance of good customer service. Later as a journalist, Ms. Homrighaus developed the patience and aptitude necessary to be both a great researcher and writer-skills that come into play when promoting your business, replying to customer questions or concerns and communicating your vision to investors and other important resources.

Although originally from northeast Ohio, Bethany also lived in Washington DC for a period of her adult life where she eventually worked at a bead store from 2005 to 2009. During this time, she became inspired to design her own jewelry using some of the unique and unusual beads that she sold. The combination of her growing interest in unique jewelry and her natural creative abilities eventually lead her to create a jewelry line of her own called Beethings Studio Jewelry.

Later in 2009, Bethany moved back to Ohio and by 2010, she started participating in as many as 50 to 75 various art and trade shows where she could promote and sell her jewelry line. However, her entrepreneurial spirit pushed her to want to take things to the next level so she began searching for locations to start her own brick-and-mortar business. Although Bethany considered many areas throughout northeast Ohio to start her business, Painesville became more and more desirable. Bethany was becoming increasingly acquainted with Painesville's sense of community. She first consigned her jewelry in 2009 at a local art gallery and gift shop in Painesville called Art Infusion. Bethany was slowly introduced to various contacts within Painesville's Economic Development arena. She later joined the Painesville Farmers Market and became part of the Committee for Painesville's Art in the Park.



Bethany Homrighaus is shown here standing in front of her jewelry case.

By the summer of 2016, a building on Main Street in Painesville became available and both her and her husband, Austin Homrighaus, knew right away that this was the building to start her new business. Since Bethany had already decided she wanted to sell coffee and tea at her shop in addition to retail, Bethany felt sure about the location especially considering it was already set up with a bar/counter area and seating. However, before moving forward, Bethany required both start-up assistance as well as basic information on commercial lending since the building itself, which had a 2nd floor residential apartment and an unfinished third floor, was also for sale. She just had to decide whether to lease or consider buying the building.

Jim Gray, a SBDC Business Advisor at Lakeland and Angela Clements Cattell, a SBDC Business Assistant also at Lakeland, met with Bethany on August 29, 2016 in person. They first discussed creating an LLC for her business and where to find the business forms on the Ohio Secretary of State Website. Both Bethany and her husband were running their businesses as sole proprietors, but wanted to become an LLC. Although they had the option of forming one LLC and having all of their businesses listed as dbas under that one LLC, they needed to understand if that was the best route to take or if it was better to just have separate LLCs. Angela later referred her question to one of the many CPAs with which the

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SBDC works to get more clarification on advantages and disadvantages and presented her findings to Bethany.

Jim, Angela and Bethany then addressed other items such as an occupancy permit, vendor's license, food permits, and other start-up requirements. They also discussed start-up and operating costs in more detail. In addition, Jim, Angela and Bethany examined hours of operation and different streams of income including jewelry making classes.

Regarding marketing, Jim and Angela advised on the importance of networking in addition to social media. They talked about joining various small business groups including the Merchants Association and the local Chamber of Commerce and attending entrepreneurial networking meetings. Jim, Angela and Bethany also discussed the significance of exterior signage for people walking or driving by as it takes an average of seven times (marketing rule of seven) for someone to pass by and notice a new business before taking action and becoming a customer.

In addition, Jim and Angela reviewed Bethany's market research and who her customers would be. She wanted to attract Lake Erie College students as part of her market by having Wi-Fi and having other items such as incense, candles and greeting cards. Jim Gray gave her a contact name from the college to get her started.



Shown here is the dining area of Starfish and Coffee where customers can enjoy delicious pour over coffee, tea and locally made bakery.

Jim, Angela and Bethany then discussed the lease and information she still needed to get from the current building owners including utilities, property taxes, and insurance should her and her husband decide to buy the building or do a lease to own. They advised Bethany about items that might need to be further clarified including who provides the maintenance on the interior should there be a plumbing, electrical or heating/cooling issue. They also discussed renovations and what they specifically would be allowed to do since it was not listed in the lease. Angela also suggested she may want to consult a commercial real estate or business attorney to review the lease and to understand what happens if the building is sold while they are leasing since the current owners are in the market to sell.

They then talked about the costs associated with owning the building as well as additional income streams such as rental income for the apartment on the 2nd floor and a potential studio on the 3rd floor which would require renovations. Jim Gray offered to send Bethany a list of commercial bankers to explain the process and the qualifications required in more detail. After careful consideration, Bethany and her husband, Austin, soon decided to move forward with leasing the first floor of the building.

By Friday, October 14, Bethany Homrighaus had realized her dream of starting her new business, Starfish and Coffee, and opened her doors to the public. As a new start up business, Bethany created a full time job for herself. She eventually plans on hiring part time help, but for now has her family volunteering to assist in some of the day to day operations.

As stated within Starfish and Coffee's website, the shop has "an eclectic hometown mix of artisan and world-sourced jewelry from Bethany's Beethings Studio Jewelry collection, as well as crystals, incense, global accessories and home décor, essential oil sprays, hand-pressed buttons and greeting cards featuring images taken all over Northeast Ohio." The café offers "locally blended organic teas by Old

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Familiar Ways (Fairport), fragrant pour-over coffee from Heartwood Roasteries (Burton), and baked goods from The Baker's Rack (Perry), and Vegan treats by Sublime Shop (Painesville)".

Bethany's husband, Austin, has moved his successful business of five years from Chesterland to Painesville, and now uses the back space of the unit to operate his business, Lake Erie Acupuncture.

Angela stopped by Starfish and Coffee in November of 2016 to check on Bethany's progress. At that time Bethany required bookkeeping assistance so Angela suggested having Karen Hadden, a part-time business advisor for the SBDC at Lakeland, meet with her to review and answer questions. Karen Hadden met with Bethany in January 2017 and reviewed Bethany's current inventory tracking system. She was also concerned about properly allocating Sales Tax to each of her companies. Karen discussed with Bethany various reports available from POS software that would indicate sales transactions by each company. They also discussed other accounting items and answered Bethany's questions.

According to Bethany, Karen was able to easily clarify her concerns regarding sales tax. Bethany explained, "She was extremely nice and easy to understand."

Both Jim and Angela continued to periodically check on Bethany regarding Starfish and Coffee to offer any additional assistance she required. As explained by Bethany, "The main thing I received from Jim and Angela was confidence in moving forward with my new business. I know I can still go back for advice anytime. They are easy to reach."

As of March of 2017, Starfish and Coffee is doing very well. Jim Gray stopped at the shop on March 23, 2017 to check on Bethany and her business. The customer base had certainly grown. Bethany also added signage to the store front which she pointed out as helping to increase customers coming into the shop even further. Starfish and Coffee draws a diverse clientele including a steady group of students from Lake Erie College. Bethany also promotes the shop with many workshops in the evening and live music on weekends. She continues to expand her outreach and involvement with the Downtown Painesville Organization and the City of Painesville. Her husband's Acupuncture business, now located in the back half of the unit as of January 2017, is very steady as well and helps to increase traffic and sales for Starfish and Coffee even more. Bethany projects sales that will give her ample profits within the first year unlike most start-ups who may take two to three years before experiencing any return on their investment.

Bethany's advice to other entrepreneurs when starting a business is: "Do as much as you can yourself to save money. Be resourceful and don't invest in useless things for your business. Continue to talk to other successful entrepreneurs in the area. Look for mentors and advisors like those from the Small Business Development Center. Above all, be flexible."

The Small Business Development Center at Lakeland is a great resource whose business advisors emphasize market analysis and overall business planning that will continue to change as your business grows making it important to periodically revise your plan either monthly or at least yearly. Bethany Homrighaus truly understands the amount of research and planning it takes when starting and managing a business, and her hard work has paid off through the success of Starfish and Coffee.

This Success Story was written by Angela Clements Cattell



Beethings Studio Jewelry and other fine handcrafted items can be found at the front of the shop. To find out more about Starfish and Coffee, go to starfishandcoffeeshop.com