

The Katherine's Catering Story....

How and why did I start a business? How did I name it? Who are our clients? Where did it start? Do I like to cook? How long have I been in business? How many employees do I have? How was Katherine's financed?

The first conversation...

I was young, open minded, and ready for my passions to unfold. The year was 1985. The month was June. I've always reached out socially, so when Tom Monaghan and one of his board members came for lunch at the Moveable Feast (my only other 'job' in 30 years!), I stopped over to say hello. Not that pizza had much to do with catering and fine dining, but Mr. Monaghan was a client, and I always enjoyed catering his parties. Under the chestnut tree on Liberty Street, I had a small conversation with a big outcome.

The next three months...

That small conversation outlined a business concept. Mr. Tom Monaghan was looking for someone to operate the food service at his new corporate headquarters, Domino's Farms.

There would be an executive dining room to design and operate, a cafeteria to manage, building tenants to service and hundreds- maybe thousands of corporate events to cater for the Domino's team. In addition, the building would be available to outside groups who wanted to rent space for events, fund raisers, weddings, or meetings. There would be an entire department dedicated to creating and executing 'community events' on the grounds; car shows, picnics, kite flying contests...you name it! Big dreams! Exciting dreams! That night, I dreamt about flying pizzas, stuffy grey haired executives, stainless steel exhaust systems and tromping through miles of corn fields to get to work. Did I really fit the description of someone who would operate a food service department at a large corporate pizza headquarters on a farm?

True to the empire he built, Tom Monaghan is a visionary. We met several times, and with his yellow legal pad in hand, he read from it, and described how he envisioned the relationship/partnership/business to take shape. There would be three partners: Katherine, Tom and a silent partner. We would each invest \$300.00 (that was all I had) to form a corporation that would manage the food service at Domino's Farms, and also develop an outside clientele. The company would have its own identity; a board of directors, a name, separate financing and bookkeeping. The company would be responsible for all of the food service in the building, including personal catering for Mr. Monaghan, then President/Owner of Domino's Pizza. The company would be free to hire, train and cultivate its own team of people. It was outlined that company's name should be personal, and it was suggested that perhaps Katie's Katering or Katherine's

Catering would work (we did end up using the name Katie's Kart- a traveling lunch cart that sold hundreds of sandwiches and homemade soups daily – to your desk!).

We met, I wrote, I absorbed, then I talked to the owners of The Moveable Feast (it was very difficult to leave these two wonderful women, Pat Pooley and Ricky Agranoff, my mentors). I consulted my family, a few friends, and we met again. I agreed to venture into this world of business ownership, and was grateful for the amazing opportunity to work with such great people.

On October 1, 1985, I was provided a desk, a phone. On October 15th, 1985 we completed our articles of incorporation, signed on the business loan of 125K provided by Mr. Monaghan and his organization, and got to work! I figured if others thought I could start a business and be successful, then I'd give it my best shot!

My first assignment....

Drummond Island? Executive team? A hunting weekend, and could I cook?
A month after I started the business (we did not actually have a logo yet, but we did have a name!), I flew on the corporate jet to one of Michigan's jewels, Drummond Island, I found myself surrounded by some of the nicest people (they were not stodgy grey haired executives- they were young, vibrant and energetic). Mr. Monaghan had just purchased a lodge, and he wanted me to come along, cook for the long weekend, and help set up the lodge kitchen for parties and meetings. It was the first of many trips north which I savored. Somehow, early on in this business, there was little difference between work life and personal life- it all seemed so natural. I could cook, relax, travel, meet people, explore, entertain, create, design and get paid for it? How cool is that??

Getting started.....

The checklists were massive: Design a logo, make budgets, set up a board of directors, hire staff, design a kitchen, purchase equipment, buy a typewriter (before computers!), write menus, set up vendor relationships, set up an office, create a bookkeeping system, double check the budget, write a mission statement, finish buy-sell agreements, move, move again (the building was still under construction when we moved in), conduct surveys, cook, hire a professional team (accounting, legal, insurance), set up a payroll system...and the list goes on. In the meantime, I discovered I was pregnant with my first child three weeks after I 'opened' my doors, so there were other considerations:

“How do I stay professional in the catering business as I start to show? Will I have any restrictions (catering is very physical!)? How will it affect my business? Will people trust me to deliver what I promise? Can I create and run a business *and* have children at the same time? Should I tell anyone, or keep it quiet?”

We managed, in the first year of business to do \$350,000 in sales. Our challenge was not to find clients, for they were everywhere, our challenge was to organize our operations to keep up with the work load, and to provide, with professionalism and style the array of services that were requested and expected. When we filed our tax returns for at the end of 1986, we showed a small profit. This was good news.

The people....

What do I love most about running a business? The people. The people I work with, the clients we serve, the vendors who partner with us, the community we live and work in and the camaraderie small business owners share. The 'people' investments in my life have been the most rewarding.

Our first employee was a very special man. His name is Mario Hilton, and he is a legend in Ann Arbor. Many knew him from the Ann Arbor Town Club, some from church, some were his neighbors, and those who did not know him were easily drawn to him. I've never met anyone with a more genuine smile, a more gracious heart, or a stronger sense of service to others. Mario is the namesake for the Executive Dining Room we started and operated; MARIO'S.

From there, we hired chefs, servers, event planners, dishwashers (one of the most important jobs in food service), supervisors, bookkeepers, IT, porters, customer service representatives and administrative. Every individual who has worked at Katherine's has made a special difference. Some staff have stayed for many years, some just months, and several just a day! I always am very open about our industry; it is hard work, you may or may not be cut out for it, and that's okay! I believe in sharing information with our team; we operate an open book policy today. The financial numbers, short and long term decisions and future planning are discussed as a team. I also believe in considering what is best for the person, not just the company.

The creative stuff.....

We are lucky to be in a business that blends creativity with business. Imagine spending six months designing a corporate logo, and having a chance to develop an identity based on that logo? It went from Calla Lilies, to wheat sprays over checkered cloths, to a simple KC...(Katherine's Catering) to graphics of a knife, fork and spoon, to a art deco hand holding a serving tray...to the little girl pulling the wagon. What does that symbolize to us? Friendly, personal, fresh, compatible, movement, and approachable. It was also a logo that people remembered. We spent a day writing our mission statement as a team back in 1987, and we feel it still holds true today. Our vision was not written until 2006, and now in 2007 we are re-designing our logo to bring some color and pizzazz.. It just seems like the right time to re-evaluate who we are, where we want to go, and how we will get there. Working on our corporate image has helped us grow in many ways. Our new words are: **Fresh, Energetic, Sophisticated.** We want our logo design and every day style to reflect these words.

As for creativity in the catering world, there is no limit. Food can be served, presented, cooked, designed and grown in countless ways. When I have a chance to write a menu or create a new recipe, I'm in my element. All of our food is made from scratch (some say from the heart) . We talk about food all day; we taste, sample, imagine and rearrange flavors and ingredients. We are chemists, we are artists and we love food as a hobby and as profession.

Creativity also plays a big role in event planning. We have won several national awards for the best plated food presentation, and for our ability to blend a business purpose (honoring a big bank closing) with a theme (Monopoly- the game). We never cater the same event twice, and we are never in the same location twice, with the same people, or serving the same food. Sometimes I think it is really all up to the stars.... but it does come together! I segment the business into smaller parts, and when the parts join and converge, they work. If there is a glitch (a flat tire in the catering van, a wind storm that collapsed a tent, a staff person who lost their way, a building found locked, a flood that moved the party, a mix up that doubled the guest count, an invitation that stated the wrong time, a contract that was signed for the wrong day....) we draw on our creative skills and remember the last sentence of our mission statement: "Yes, we can do that for you!" . We figure it out.

Over the years...

There are so many exciting projects we've worked on. When people ask, what do you specialize in? I answer, "We'll do just about anything". At Domino's Farms we managed an executive dining room for 100 guests daily. This was exciting work! Every week we presented a different menu, usually from around the world. Since we served the same people and their guests every day, menu variety was important. We also operated a cafeteria for the 1,800 building tenants, called the EBA Club (Everything but Anchovies), and a café called the Prairie Café located in another phase of the headquarters. We hosted a Sunday Brunch in Mr. Monaghan's private office which was open to the public, and we catered hundreds of large events on and off campus. Katherine's Catering was heavily involved in the first Ann Arbor Summer Festival. We catered the UMS Ford Honors dinners, the UM Capital Campaign for 1,500 at the Track and Tennis Building, President's Tailgates, Museum Openings, Weddings and Fund-raisers. One of the largest events we catered was for 3,000 attendees at The Educom Conference hosted by U of M. This was a logistical challenge. In 2005, the Plumbers and Pipefitters celebrated their 25th anniversary in Ann Arbor, and we catered for 2,500 hungry folks at Washtenaw Community College. Our event history is highlighted in photos, menus, articles and client notes referencing the thousands of events we have been fortunate to cater, however they will never capture the fun we've really had. Katherine's caters everything from large and small events...always different, always special, and always important.

In 1995 we decided to leave the Domino's umbrella. In the early 1990's, I was able to exercise my buy out options, and became the sole stockholder. Mr. Monaghan supported our proposed move to another location, since we had outgrown our production space we

were renting, and because he was considering selling the pizza company. In January of 1996, we leased a 14,000 square foot building in a nice office park off Jackson road. Four months later (and many thousands of dollars of borrowed money later) we moved into our new headquarters on Metty Drive. I shared office space with my husband, Damian Farrell AIA, who owned and operated his own Architectural practice. We complimented each other's business beautifully, and continued to work under the same roof until he sold his business in 2002.

In 2000, we started a small business within Katherine's Catering, called Personal Chef. The business concept was to prepare and distribute ready to eat entrees, soups, salads, breads and condiments to grocery stores. Our goal was to go national. During the two years that we operated that arm of the business, we generated over 2 million in sales, and were selling products in over 50 regional grocery stores. The ups and downs of a huge undertaking such as this were vast, and in 2002 we decided to pare back to our core business, off premise catering. There remains a part of me that wants to start Personal Chef again, to pick up where we left off, and to 'go all the way'. It had so much potential! One of the major factors in our decision to stop producing included the challenges of working under the USDA. We were classified as a meat packing company, which came with innumerable complexities and rules. For instance, we could only produce when their inspector was present, based on an eight hour shift, and only on weekdays. Because of these restrictions, we were pushed to keep up with growing orders and delivery deadlines. For example, over long holidays and weekends we were not able to produce products, and our shelves were empty. Our stores needed product to sell and we could not provide! By the end of the first year, we were producing and selling over 1,000 entrees per day. In addition, we were at a crossroads regarding our production space, our processing equipment, our delivery vehicles and our financing requirements to continue servicing our growing client base. Perhaps if my life had been different then, I might have 'retracted' 'reorganized' 'rearranged' the Personal Chef Business model. Instead, we closed production.

Other areas of outreach have included providing personal chef services to a family (daily), obtaining several exclusive catering relationships with facilities and banquet halls, private consulting, partnering with non-profit organizations to raise funds, public speaking and teaching. We believe in putting ourselves 'out in the world', and volunteering our services whenever we can. When we learn, we have more to contribute.

Up Close and Personal...

It is interesting to have a business named after your own name. The other day my dishwasher asked me (he is Spanish speaking) if my name was Catering or Katherine- and noted that they really sound alike with a Spanish accent. I'd never thought of that. How do I feel when people refer to Katherine's? Is it me or is it a business? Or is it me in a business filled with so many other people who share my vision, my passions, my hard work ethic, my standards, and my desire to care for others? It is probably a combination of both. How do I train our team? By example; by showing, participating,

and teaching. We talk about the Katherine's Style of business. It is the way we answer the phone, the way we respond to our clients, the way we adapt our style to that of our clients and the way we provide the complete package of services. The Katherine's Style is the combination of the amazing individuals who work...together.

I've been lucky that my personal and professional lives co-exist and support each other. We are raising three wonderful children...Amaron, Jonathan and Brian, and they have all worked at Katherine's at some point over the years. I'm also fortunate to have an amazing husband, Damian, who listens, advises; pops champagne bottles (when the need arises), encourages, sympathizes and stands by my side, always. My parents, Martha and Jim Hilboldt live in Kalamazoo, and they are TOTAL supporters of Katherine's Catering. When my brother Thomas was married to a beautiful Thai woman, Katherine's catered the wedding. It was the high point of my career. We prepared a lavish Thai feast of colorful and traditional dishes from Thailand. The dining tables were draped with beautiful golden silk linens finished with white orchids and Katherine's gracious service team took gracious care of the guests- our dear family and life long friends.

Integrity and honesty are key words in my life and in the business. We are honest if we make a mistake, and we will do everything we can to remedy it. Our focus is on doing the best we can do. I continue to thrive on the entrepreneurial challenges of a start up business, and I see Katherine's as evolutionary. We are always starting something new. My goal is to enjoy the process, and for those who work in the company to follow.

Highlights and insights.....

...it's better *not* to know the challenges you will face in business, and therefore you have nothing to fear. I started this business without a moment of trepidation. When I look back to when I started Katherine's, I recall my fearlessness (or maybe naiveté), and hope to keep some of that 'can do' spirit alive *always*.

...How lucky I was to obtain financing the first time (from Mr. Monaghan, 5 years @ 10% interest) and how difficult it was to obtain financing the two times as we expanded (7 banks, and only 2 offers resplendent with contingencies)

...The amazing number of people we have catered to over the years, and how many significant celebrations we have been part of.

...The hard working people who have worked at Katherine's over the years, and the impact we have had on the industry locally. We have trained many event planners, servers and chefs, and I'm proud of the success they have had both at Katherine's and in their next jobs. Watching others succeed in the hospitality business has been a big motivator.

Thank you...

I am forever grateful to everyone who has supported me with expert advice and a helping hand. When needed extra staff for a large event or on a busy day, friends, family, brothers, sisters, aunts, uncles and parents participate. When I call a fellow business owner about a marketing idea or a wine selection, they offer candid helpful feedback. I've worked with coaches, accountants, attorneys, family members, clients, employees and competitors. They have all been helpful and honest. I've resourced caterers and event planners, chefs and servers from around the country. We have so much in common.

If you discover what you love to do, do it professionally. I have always loved to cook, to entertain and to take care of others. Now celebrating over 30 years in the catering business, I *still* love what I do. I keep learning, improving, changing, experimenting and working on the areas I'm not as strong in. That's teamwork at its best.

Katherine Hilboldt Farrell
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