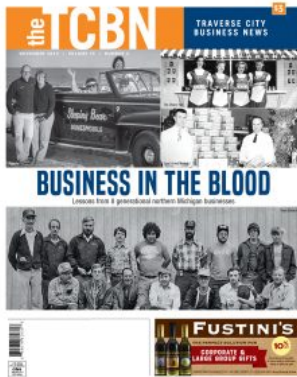


In Family-Owned Businesses, Issue 2019 November
 - By Ross Boissonneau

All In The Family: Area Businesses Continue To Thrive Through Generations



You can choose your friends and your employees, but you can't choose your family. Yet often the best employees you can choose are family. Several area businesses have been launched and passed down to the next generation. The following are profiles of a few local businesses who keep it all in the family.



Julie, Beth and Jeff outside the downtown TC store in 2015.

MINER'S NORTH JEWELERS

The beginning: Owner Jeff Guntzviller's parents Beth and Wayne Guntzviller opened Miner's North Jewelers as a rock and bead shop in 1975. It actually followed Miner's Den Jewelers in the Detroit area, which was started by Jeff's grandfather. Hence the name Miner's North, though the two stores are completely separate businesses. Originally it was located a few blocks east and on the opposite side of Front Street from where it is now, before moving to the 100 block of East Front. "I used to sit at the Big Boy (now Mackinaw Brewing Company) and color," said Jeff Guntzviller.

It was at that location the company expanded its lines to include gold, jewelry and repairs and hired the first non-family employees.

Has grown to become: The company now has 12 employees, two of whom were among the first employees hired outside the family. "They've been with us at least 32 years," he said.

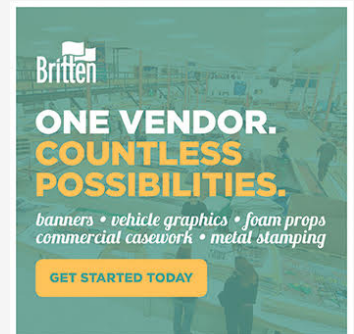
Jeff's mom is ostensibly retired, while his dad does repairs; sister Julie Plum is also a member of the staff. "It's morphed into a bigger business. A lot of it is diamond-related, like engagement rings," Jeff Guntzviller said, though a large portion of the business is still fashion jewelry-based.

He said business from locals is the company's bread and butter, but the increase in tourism has fueled the business' growth, which has led to another expansion. Miner's North is expanding to the space next door, formerly home to Raven's Child. The two sides will open into one another. He anticipates the new space to be finished and open sometime in spring 2020. "It's a big project," he said.

Things got really tough when: When Grand Traverse Mall opened in 1992, among its many tenants were both jewelry stores and department stores with jewelry departments. Downtown was struggling; it took a further hit with the flurry of activity on the south end of the city. "When the new mall went in, my parents were scared how desolate downtown was," Guntzviller said.

Key outsider: According to Jeff Guntzviller, a number of long-tenured employees have enabled the business to

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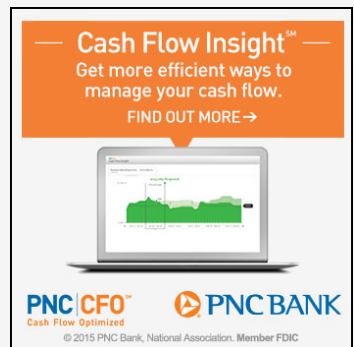



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Advice for that new family business: "The only constant in business is change, especially in retail. Retail is fast-moving. You have to be ready to reinvent; make changes quickly. In the jewelry industry you see stores close that haven't been willing to take risks," Guntzviller said.



Butch Broad (white shirt, front row) bought the business from Elmer Schaub in 1977.

construction, eventually overseeing a boulevard project on South Airport Road near Logan's Landing in Traverse City. One day Schaub drove by the project, stopped and went over to where Broad was waiting for traffic to clear.

Never having met Broad prior to this, Schaub said, "Why don't you buy my excavation company?" Broad went home and told his family, "I think we should look at this." That was in 1977, and since then the company has continued to expand across northern Michigan. When Broad retired in 2009, his three children – Troy Broad, Todd Broad and Tonya Wildfong – purchased the business.

Has grown to become: From those humble beginnings, Team Elmer's today serves northern Michigan from 14 locations, providing heavy construction services (asphalt, excavation, concrete ready-mix supply, aggregate supply, trucking, as well as specialized services like cranes, rigging, piers and piling services) with more than 500 team members during peak season.

Things got really tough when: Transitioning to new owners during the 2009 recession. "If you can run it through the next five years, you'll be able to run it for as long as you want," was Butch Broad's parting advice to his three children. "Hard work, sacrifice, painful decisions, traveling farther for projects, and an amazing crew with a service mentality got us through a time when many of those in our industry were closing or moving out of state," said Wildfong.

Key outsiders: The crew. "Our success is due to every person that gets up early, braves the heat, cold, rain, ice, snow, grease, sand and supports behind the scenes with a service mentality and then stays late until the project is done. Every person that gets up at 2 a.m. with an emergency call about a broken sewer or water line to fix, the families that support them, and the teamwork that each person shows on every project," said Wildfong. "It's humbling to be a part of it."

Also, our staff chaplain Tom Shelder, an ordained minister and licensed family and marriage therapist. He replaced the employee assistance program that was being utilized by less than 4% of the company. Our crew members were not reaching out when they needed help. We knew multiple stories of struggles and felt someone who had an existing relationship, who knew our teammates, would be better equipped to serve them if a need arose. Our president, Troy Broad, reached out to him and asked if he would help. We are blessed Tom did.

Advice for that new family business: "We have more to learn and we're always looking for advice from others," said Wildfong. Among their suggestions based on experience:

- *Respectfully communicate.* You need to talk. Talk about goals, talk about expectations, talk about observations and how to problem-solve for them.
- *Plan for transition.* Transferring institutional knowledge is helpful when the person who's done it for 30-plus years walks out the door.
- *Build your bench.* You can't do it alone and will need help at some point. Develop those key positions and their support systems to keep operations running in case of an unexpected life event.



TOM'S FOOD MARKETS

The beginning: Founded by Tom Deering in 1946, it was Tom's son Dan who grew the company from two to seven markets. Dan Deering's daughters Christy Kuhnke and Jane



Dan Deering with his father Tom, who opened the store in 1946.

"Jane and I had the absolute honor and pleasure of working together with our father in Tom's corporate management since 2005," said Kuhnke. Their father passed away in March of this year.

Things got really tough when: "Over the past 10 years, we've seen quite a few new grocery store companies open in

the Traverse City area. As our community has become much more saturated with grocery shopping options, losing some market share is inevitable. Our seven Tom's Markets are now five," Kuhnke said. "Tough decisions, but we were happy to be able to reposition all the affected Tom's associates within our other markets so no one lost employment. And I'm happy to report that our remaining five markets are going strong!"

Key outsider: "We are fortunate to have so many bright key associates within our company," said Kuhnke.

At the top of Kuhnke's list are two other corporate directors: Aaron Berg, vice president and corporate director of information systems, and Jeff DeRushia, corporate director of operations. They have each been with Tom's for more than 30 years. "They truly understand our market niche and operating philosophy," said Kuhnke.

Advice for that new family business: Determine your defining niche with your business and stay focused on it.



Andrew and Christy Case with their children inside their restaurant/gift shop.

THE CHERRY HUT

The beginning: In 1922, James and Dorothy Kraker opened the original Cherry Hut on the north shore of Crystal Lake as an outlet for products from their orchard. That's when the smiling face dubbed Cherry Jerry debuted as a decorative cut into the pie crusts. The Krakers' daughter Althea managed the operation during World War II, and after the war married George Petritz. The two developed a frozen pie business from Dorothy Kraker's original recipe while operating the Cherry Hut, which was the basis for Pet-Ritz pies.

Leonard Case purchased the restaurant in 1959 after working there since 1946. His son Andrew Case began

overseeing the daily operations after graduating from college in 1999, and two years later Andrew Case's wife Christy began working there when not teaching. Andrew became a co-owner with his father Leonard and his mother Brenda in 2008, and when his father died in 2016, Andrew and Christy Case became the sole owners.

Has grown to become: The restaurant was moved to its present location on U.S. 31 in Beulah in 1935. From its humble beginnings as a roadside pie stand, it's become a full service restaurant serving lunch and dinner daily from May through mid-October. In the off season, it turns to a shipping business and gift shop that is open from November through April. "All of our jams and jellies are hand-poured at this facility and we also make and ship pies all year round," said Christy.

Things got really tough when: There are always challenges with owning your own business. The Cases say they have been fortunate to have several key employees that help keep things running smoothly from year to year.

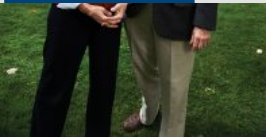
Key outsider: "Our front of the house manager Ryan Osborn has worked for us since his high school days. He wears several different hats and knows the business," she said. "We have also had consistency in the kitchen with our kitchen manager, Rick VanHammen, who has been with us for over 40 years."

Advice for that new family business: "Be prepared to work long days, nights, holidays, etc. You have to have a lot of passion for what you do and be very organized. We also feel that it's very important for the owner(s) to be actively involved in the daily operations of the business," said Christy.



CRYSTAL MOUNTAIN

The beginning: Crystal Mountain began in 1956 as Buck Hills Ski Area, a community ski hill project (the first rope tow was powered by a pickup truck engine). Among the founders were George and Althea Petritz (see Cherry Hut, above), who became the outright owners in 1981. Today it is owned by their daughter, Chris MacInnes and her husband Jim MacInnes, who moved



Chris and Jim MacInnes

Has grown to become: With a \$100-plus million investment in the resort in the past 30 years, it's safe to say Crystal Mountain has grown substantially since its founding. No more pickup truck tow ropes, for starters. The master plan design for a pedestrian-friendly community began with the construction of the Peak Fitness Center and indoor pool, followed by the Crystal Center conference space, Thistle Pub & Grill, the Pro Shop, a second golf course, 35 new ski runs, an outdoor water park, climbing wall and zip line, Crystal Coaster Alpine Slide, Crystal Spa, the Mountain Market and Rooftop Terrace Bar. Add to that residential real estate offerings and Michigan Legacy Art Park, all on approximately 1,500 acres.

Things got really tough: During the Great Recession, when the Michigan economy basically came to a halt. "Our business dipped precipitously, but we were committed to keeping our staff intact and employed," said Chris MacInnes.

Key outsiders: Independent directors with varied skill sets and experiences who serve on the board, in addition to key owners/operators. "We have had many great outside directors over the years, including Stafford Smith, Keith Charters, Wally Edwards, Bill Payne, John Rockwood, John Pelizzari, Sue Peters, Bill Rustem and many others who brought unique skill set to help benefit our organization," she said.

Advice for that new family business: "Be prepared to take the long view. Make sure you enjoy, respect and trust each other (personally and skill sets) and figure out who will travel in which lane. Use outside resources to help develop the framework: legal, financial, marketing, organizational. Have master plans (spatial, technology, human capital, marketing, etc.) Be patient, continually reinvest in the business and don't be greedy. Maintain a sense of humor, have fun (work hard/play hard), share the credit and own the screw-ups," Chris said.



McKeel, Louise, Tammy, Kim and Frank in their restored Dunesmobile.

HAGERTY

The beginning: Hagerty was founded in Traverse City in 1984 by Frank and Louise Hagerty. They owned a successful general lines insurance agency, which they eventually sold in the early 1980s. They also had a passion for vintage boats and classic cars, and when they couldn't find proper insurance coverage for their treasured wooden boats, they created their own, launching their revolutionary agreed value antique boat policy from their basement in 1984.

Has grown to become: In 1991, the entire Hagerty family became involved with the business when they decided to expand to specialty insurance for collector cars. Frank and Louise were joined by their three children: Kim Hagerty, Tammy Hagerty and McKeel Hagerty. As the family grew the business, Hagerty became known as an insurance agency that encouraged driving, with a dedication to service, car culture and an approach that stood out in a traditionally stodgy market. Hagerty has evolved into an automotive lifestyle brand focused on a love of cars and driving – far beyond its insurance offerings. It is now a membership organization that operates in 50 states with additional offices in Canada, the U.K. and Germany, with 1.4 million members globally. The company currently employs 1,200 people, with 800 employees based at its global headquarters in Traverse City.

Things got really tough when: "When we really started scaling the business we still wanted to maintain this family feeling in a small town," said McKeel, who now serves as CEO. "Most people think growth is just about buildings. But it isn't. Everything gets bigger ... things like IT systems and supporting vendors, not just buildings."

Hagerty said the company's response to this challenge has been to focus on its workplace culture, from educational opportunities like Hagerty University and employee car restoration programs to pay and benefits and internal focus on taking care of one another.

Key outsider: "There hasn't been just one person. The family made the decision starting back in the 1990s to start preparing the business for more professional management," said McKeel. "Since then we have had an incredible string of super strong and talented outside executives from many familiar businesses such as Progressive, MGM Resorts, Starbucks, and Hearst, who have helped us grow to where we are today."

Advice for that new family business: "It is important to remember that families and businesses have two different value sets: Family is about love and you love people equally; business is about performance," he said. "You have to be able to separate your care for each other as a family from your priorities for the business. My advice is to be really clear on what your family values are and what your business values are so that both can flourish."



Michael, Ron and Ryan Ascione in the back row.

NORTHLAND FOODS

The beginning: Owner Michael Ascione's father and grandfather had owned a store in Detroit before moving north and opening a bar on Manistee Lake north of Kalkaska. That was followed by the decision to open Northland Foods in 1972.

Has grown to become: The grocery business has evolved from basic foods to a panoply of items, and Northland Foods has grown along with it. Ascione bought an existing store in Kingsley in 1996 and remodeled it, tripling its size. He added

a gas station to the east end of the store in 2009, then moved it to a separate site on the same property last year. That space is now being remodeled in part for the store and for a Papa John's Pizza.

Things got really tough when: "Things are always tough," said Ascione. "Competition is huge." The competition got even tougher when Meijer opened its new store on M-72 east of Kalkaska. The other challenge he names is one shared by nearly every business these days: Getting enough help. "We all share that problem," he said.

Key outsider: Ascione pointed to a number of long-time employees as keys to the company's continued success. "We have one who worked in Detroit for my father and grandfather," he said.



Mid-American Title Co. opened in 1988 in TC.

MID-AMERICAN TITLE COMPANY

The beginning: Mid-American Title Company began in 1988. Fifth-generation residents Dale and Charlene Hunt had both been Realtors, and upon Charlene's return to the area from Chicago, they decided to pool their real estate backgrounds in a title insurance and closing company. Mid-American Title Company was formed and opened its doors in Traverse City on Boardman Avenue in October 1988.

Has grown to become: Mid-American Title Company grew from its small offices to larger offices in the same building

and then again to half that building, increasing from a two-person office to a staff of 17 in just seven years. Along the way, both families had one or more of their children working in the business from after-school jobs to in-between jobs en route to their own careers. Eventually some of them decided to enter the business, and today three are working full-time at the company. Other family connections included two other brothers of Dale and Charlene's who were title examiners for the company and a sister who continues to work part-time. Today, Brandon Hunt is the president and CFO, Marc Hunt heads the title department and Kristin Hunt manages the Traverse City closing department. Dale and Charlene are still active part-time in consulting and acquisition. Today the main office is at 424 E. Front Street, with offices in Beulah and Sault Ste. Marie as well. It employs 20 people.

Key outsiders: Two individuals made a substantial contribution to the company: Robert Haberling from the banking industry and Ed Petty from the real estate side, who retired from their respective industries before joining Mid-American Title.

"Bob and Ed brought extreme professionalism to the company along with their knowledge and reputations," said Brandon Hunt. "Bob Haberling was with Mid-American Title Company for nearly six years until he retired again, and Ed is still with our company, still out seeing clients, at the age of 94. We would be most fortunate if Ed continues to be with Mid-American Title Company until he retires again."

Things got really tough when: When the recession hit in 2008, home sales dropped dramatically. "Cutting where we could allowed us to not only survive when other similar smaller agencies could not, but also retain all of our staff without having to lay off anyone," he said.

Advice for that new family business: Brandon Hunt offers two suggestions: If you have an idea, go for it. Two, find the divide between business and personal. If you treat everything from 8 a.m.-5 p.m. as business, and not let the personal portion spill over into work hours, or business into personal hours, things run smoothly. "At any family gatherings or events we have one rule: No business talk," he said.



The Veliquettes have been co-farming with the Gregorys since the '70s.

The beginning: Fifty years ago Gene, Dean and Norman Veliquette put a down payment on a cherry farm in Suttons Bay. Soon after, their fraternity brother Bob Gregory joined them in the operation and Bob's brother Don followed right behind.

Has grown to become: Today the families have grown Cherry Ke and Cherry Bay Orchards into one of the largest vertically integrated tart cherry farming operations in the country. In addition to growing cherries, the families pit and process cherries at Great Lakes Packing in Kewadin and Triple D Orchards in Empire. They also produce dried

cherries, cherry juice, cherry concentrate and nutraceutical powder in Williamsburg at the Shoreline Fruit operation, which is now the largest tart cherry marketer in North America.

Many of siblings and descendants are active in the multi-faceted operation. Siblings Jon Veliquette and Trudy Veliquette Cullimore are at Great Lakes Packing and Neva Veliquette is at Cherry Ke. Dean's sons Bruce and Nels, along with Gene's son Tyler, operate Cherry Ke. Don's daughter and son-in-law Emily and Mark Miezio lead the Cherry Bay Orchards team. The operations grow cherries in Leelanau, Antrim and Grand Traverse Counties and VanBuren and Cass counties in southern Michigan. At cherry harvest time, the vertically integrated businesses employ over 600 people.

Key outsider: Non-family members have made pivotal contributions at every stage, with John Somnavilla a recent example. He brought a broad range of experience, leadership skills, and a food industry network of personal acquaintances to his CEO position at Shoreline Fruit, qualities not readily available among family members of the owners.

Things got really tough when: The operations have survived several crises, big and small. In the 60s, they included the end of Mexican migrant labor and the prohibition against draining process water into rivers and lakes. The former was addressed by the Veliquette brothers utilizing greater mechanization, the latter with on-farm processing as a place for wastewater.

Other challenges were letting go of cherished parts of the farms which accounting showed were unprofitable (good-bye dairy cows and corn and hay acreage), reining in borrowing and spending when a good year made the partners feel infallible, and the betrayal of a trusted employee. With farming, weather is always a challenge, and things got really tough when the cherry crop completely failed twice in a decade, and when those crop failures accelerated the demise of cherries as a dessert ingredient and food manufacturers no longer wanted them.

Advice for that new family business: Family businesses are susceptible to all the problems that unravel families. Family rank and authority commonly intertwine and frequently interfere with business decisions. Business itself adds stress and unforgiving realities. An exit strategy for each partner is a counter-intuitive idea when going into business, but a good one might save the business. For those who successfully share the space, failures, and successes of building a family or business name, there can also be a great satisfaction.



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