

W Leading Women

SIX WOMEN FROM SOME OF THE LARGEST SUPPLIER AND DISTRIBUTOR FIRMS SHARE THEIR EXPERIENCES, VIEWS AND LESSONS LEARNED DURING THEIR MORE THAN 140 COLLECTIVE YEARS AS PRESIDENTS OF THEIR RESPECTIVE COMPANIES.

By Lisa Horn, CAS • Illustrations by Gretchen Demke



FORTY YEARS AGO, THE PROMOTIONAL PRODUCTS INDUSTRY, like most other fields, was a man's world. But look around today and you'll see just as many—and perhaps even more—women as men.

Female professionals represent all fields, from manufacturing and administrative to sales and management. And there are many women-owned companies. But as annual sales climb, the number of women in leadership positions drops—across the board.

Data from the study, “Examining the Cracks in the Ceiling: A Survey of Corporate Diversity Practices in the Calvert Social Index”, shows that 83 percent of the 636 companies comprising the Calvert Social Index have at least one woman or minority on their boards, but only 38 percent have a woman or minority among their five highest paid executives.

While these findings are not specific to the promotional products marketplace, they are similar to our industry. For promotional products companies with \$50-\$100 million in annual sales volume, there is one woman at the helm. In the \$20-\$50 million range, there are three. Numbers begin to climb with sales hitting between \$5 and \$20 million.

To learn more about what it's like to successfully run a large promotional products company, *PPB* spoke to six women leaders in the industry. How did these women get into leadership positions? What have they learned along the way? What's their advice for the next generation of women business owners entering the industry? Here's what they had to say.

Forward Thinking

DESPITE A RECESSION, JANET ADAMS, *president of Brooklyn Park, Minnesota-based supplier Halls & Company (UPIC: IDLINE), sees opportunity for growth in domestic manufacturing.*

Janet Adams, president of supplier Halls & Company, grew up in the promotional products industry. Her mother founded the company in 1971, running it out of the basement for five years until it was large enough for its own production facilities. She has worked in almost all departments, including customer service and manufacturing, which was beneficial in giving her a clear understanding of the business when she took over as president in 1991.

Her sister, Beverly Napurski, has been a part of the company since the 1980s, and her brother, Eric Johnson, MAS, joined the firm in 1993. At that time, there were 30 employees, and company



sales were nearly \$2 million. Today, there are 50 employees, and company sales have reached \$6 million.

While many people think they're crazy for working together and can't understand how they can put up with each other, Adams says she and her siblings have grown closer through the process. “It's been really nice working with the family, and being able to do it in a healthy way has been a great experience,” she says. “We don't step on each other's toes because we had clearly defined roles from the beginning. I handle operations and finance, my brother handles sales and my sister handles marketing. It's been a nice delineation for us, and there haven't been many turf wars.”

Hiring Smartly

Employee retention is always a key consideration for small businesses, as one person can make a significant difference—either good or bad. Since manufacturing jobs tend to be repetitive, Adams says she has had to find a way to make those positions more appealing. The solution was profit sharing. “Since we do profit sharing at the end of the year, employees often say they can take on some additional tasks because they would rather keep more of the money than split it between any new hires,” she says. “This is some motivation.”

Her strategy must be working. Most employees have been with the company at least five years, and many have been on staff for 10 to 15 years. “The longer people are around, the more proficient they are at tasks, so we don't always have to hire for growth,” she says. “We also invest in current technology so people don't have to

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—Janet Adams, president Halls & Company

work as hard to do the same thing. We try to reduce labor intensity as much as possible.”

Cultivating Growth

The economy is obviously of great concern to everyone, but this doesn't mean Adams isn't looking to grow the business—just the opposite. “We're trying to grow the business to the next level,” she says. “But there are many questions as to how we're going to do it, whether through acquisition or natural growth, and can we do it in the middle of a recession?”

Although she may not have the answers to these questions yet, she thinks now is an excellent time to begin manufacturing in the U.S. “The country needs more manufacturing,” she says. “In a recession, people are not going to buy millions of items; they're going to buy thousands. With the price of oil, there is real opportunity for more suppliers to manufacture domestically and competitively without importing everything from China. There is a real opportunity that we haven't had in years.”

A Family Affair

PHYLLIS HOHENWALD, CEO OF OAKDALE, *Minnesota-based distributor Spartan Promotional Group Inc. (UPIC: SPAR0001), began the company as a way to supplement the family income. Now it supports more than 60 families.*

It was 1966. Phyllis and Al Hohenwald were raising three small children on his undersized police department salary. It was diffi-

Phyllis Hohenwald



“We have always called our team the Spartan Family and treated each other as such.”

—Phyllis Hohenwald, CEO
Spartan Promotional Group Inc.

cult to make ends meet, so the couple needed a way to supplement their income. An acquaintance sold promotional products, and Phyllis was intrigued. After borrowing \$500 from their parents, she set up her office with an old wooden desk, her grandfather's portable typewriter and an old file cabinet—all in the basement laundry room. “Al's first order was for 250 wooden pencils from Souvenir, and we thought we were on top of the world,” Hohenwald recalls.

Most companies in the promotional products industry start small, and Spartan Promotional Group is no exception. The Hohenwalds knew very little about the industry, so they learned by the seat of their pants. But the couple had a firm vision and knew they wanted to slowly and successfully build a company upon the values of honesty and integrity.

As the business started to grow, they converted the garage into office space. And when that became too small, the couple bought an old mom-and-pop ice cream store and renovated it with the help of friends and family.

Today, Spartan is a \$19 million company headquartered in a 25,000-square-foot corporate office that contains a complete graphics department and warehouse facility in addition to silk screening, embroidery and engraving machinery. There are two satellite offices as well in Tempe, Arizona, and Newton, Iowa. The employee count is up to 60, several of whom have been with the firm since the early days—including one 92-year-old.

Hohenwald says staff longevity has kept the business going throughout the years, noting that her first employee recently retired and many sales reps have been with the company for more than 20 years. And with her three sons and two daughter-in-laws active in the business, it continues to be a family affair.

But the feeling of family extends well beyond her husband and children. “We have always called our team the Spartan Family and treated each other as such,” Hohenwald says. “This is a big part of our success.”

Finding Balance

While the company operates like a well-oiled machine today, it hasn't always been this way. “I was totally stressed out trying to do everything when the business was in my home,” Hohenwald says. “It was easy to go get a little office work done once the children went to bed. I found myself working around the clock. I wasn't helping my children, and I was hurting my health by doing so. It was difficult to balance my professional and personal lives until we

moved the business out of the home and I worked a 9-to-5 job. But it is essential you find that balance in order to nourish yourself.”

Hohenwald admits part of this imbalance came from not delegating some of the necessary tasks. “As women, we often find delegating a big challenge because we think we can do everything without involving other people,” she says. “But you can’t let this happen. You have to give someone else part of the work or you’ll never make it. I’ve learned to delegate to professionals in my office I know will follow through on what I need done. I can’t do everything myself, not with this size of company.”

Looking To The Future

After 42 years, Hohenwald says she still loves this business and wouldn’t have done anything differently. While this industry has no age limits, she says at 73 the time is coming for her to join AI in retirement. “It’s going to be time for me to smell the roses down the road,” she says. “But I have such passion about what I do. This is such an interesting industry; I don’t know why anyone would want to do anything else.”

Shining Star

AFTER A TWIST OF FATE PROPELLED *Carol Constantino, president of Amsterdam, New York-based supplier Noteworthy Company (UPIC: NWORTHY), into leading the company, she cultivated her passion for the industry into business success.*

Carol Constantino didn’t plan on being president of Noteworthy Company; that was her husband Tom’s job. But things suddenly changed in 1989 when he was diagnosed with a rare form of cancer and subsequently passed away. Prior to his death, Tom gave Carol an intense year of on-the-job training. “He cleared off the corner of his desk, and there I sat and listened to the way he handled his customers, his employees and got a feel for his techniques,” she says. “But he also told me that he knew I would not do things the same way he did them, and this was okay. He gave me permission to be myself and fulfill my own goals.”

Naturally, it was difficult at first for Constantino to deal not only with her new role as president but also the unfortunate role of being a widow. But as time passed, she found her passion for the industry coming to life. “I like looking at the big picture, and I get to paint with a big brush,” she says. “But the best part is being allowed to be as creative as I want to be.”

This creativity has led to expanding the company through acquiring a presentation folder business, a crystal award company and an acrylic award firm. But she cautions that acquisitions must be done for the right reasons and you must find the ones that work with your current business. “Acquisitions can work for a variety of reasons,” she says. “It could be the presses you obtain or the decorating process the company has perfected. Sometimes it’s a seasonal business that boosts sales during your traditionally slower times. And it could be the customer list the business has.”

While Constantino is passionate about the line expansions, her first love is the plastic bag division of the company. “There’s

nothing more rewarding than taking resin pellets no bigger than the head of a pin and watching them melt down in the process for extrusion, printed and converted into a bag to do anything we want it to do. I love it. It’s cool.”

So it makes sense that she has continued investing in the technology and machinery to print more colors and now more sophisticated imagery via digital means. “When buying a new machine, however, you must be very forward thinking in your investment. Since machines last 60 or 70 years, they must fulfill dreams not only for today but also for years to come,” she says.



Carol Constantino

Keeping Her Eyes Open

Constantino says it is important for her to look outside of the promotional products industry for upcoming trends. When she goes on vacation, for example, she pays attention to swimsuit colors because they are indicative of the hottest colors at retail, which will trickle down into our industry. “I’m half Armenian, and there is an Armenian phrase my mother and grandmother used to say that translates to, ‘Open your eyes and always be on the lookout; be aware of everything around you,’” she says. “I get inspiration every time I go on vacation, visit an art gallery or attend a craft fair because I keep my eyes open and see things not normally found in my own backyard.”

Being passionate and having fun with what she’s doing have been keys to Constantino’s success. If you have passion to be a business owner, she says to pursue it. But you also must recognize

your limitations. You don't have to do it all. "Tom used to say, 'Reach for the stars and you will get a little stardust,'" she says. "You don't always need to be the star, but getting a little stardust along the way is what allows you to grow. And that's a good thing."

From The Ground Up

JAN NATHANSON, OWNER/PRESIDENT of Nashville, Tennessee-based distributor *Imagination Branding* (UPIC: IMAG0019), alongside business partner *Becky Link*, formed *Imagination Branding* and learned building a business is much harder than you think.

It was 1985, and Jan Nathanson was working for a nursing call-system company when she realized the people making real money in business were in sales. She knew she would be good at selling but was unsure what products would suit her best. She wasn't interested in pharmaceutical sales, and selling copiers was out.

It was a promotional product—a plastic bag with the nursing call-system logo on it, in fact—that brought her into the industry. She found the distributor's name in the bag gusset, called him and said she wanted to work for him—even though she wasn't quite sure what he did.

She eventually worked for two distributorships, and while she found success, she wanted something more. So in 1989, she partnered with Becky Link to form *Imagination Branding*.

Jan Nathanson



Nathanson concentrated on sales and marketing, while Link specialized in finance.

Creating A Culture

Nathanson says the company has been built for the salesperson, including all the tools, training, policies and procedures in place to cultivate success. "I wanted to provide all of the tools for my salespeople that I never had in the beginning," she says. "We also have policies and procedures in place that were the result of problems. The only good thing that can ever come out of a mistake is that we figure out if it was something we could've controlled and done differently, and in which case we need to do it differently next time."

Creating a culture where employees are kind to clients, suppliers and each other was also paramount. "Women make great salespeople, although with this comes all things female—high drama, PMS and cattiness," she says. "As a manager, you can decide to overlook these things because it is hard to stay firm, but it can destroy your company. We have made the commitment to handling people correctly, even though it is harder to run the company this way."

Learning Lessons

One of the key lessons Nathanson learned is that regardless of how good a salesperson you may be, you can never know what it's really like to run a business unless you've done it. "It was so easy to criticize as I did from the outside looking in," she says. "Until you have to make the call on the money rolling out, you have no right to judge in that way. I came to realize how difficult running a business is, and I have since gone back to both of my former employers and apologized for my arrogance and thinking I knew what I was doing."

While Nathanson and Link struck out on their own looking for greener pastures, it was never about the money. "We wanted to do things differently than we'd seen at other distributorships," she says. "Even today, I still look for the next thing we need to do to be a better distributor to our clients and a better company for our salespeople."

Currently the company has more than 45 employees with a corporate office in Nashville, a sales office in Kansas City, Nathanson based in Dallas and additional home offices scattered throughout the U.S. Nathanson says she wants to continue

"Prospecting is like shaving. You must do a little every day; otherwise, you become a bum."

—Jan Nathanson, owner/president
Imagination Branding

growing the company slowly by hiring people who understand the culture and genuinely want to work to be successful. "Success is attainable, but you have to work hard," she says. "Don't underestimate how long it will take and how hard it will be. A lot of people get into this business thinking they can make a lot of money. While the money will come, you need to allow two to three years to make it happen."

With today's economy, it may take even longer. Now is the time when even the most successful salespeople need to be scrambling again. "It's easy to become complacent when you have a solid book of business," she says. "When you're a salesperson writing big volume, it's easy to think you don't have time to prospect. But prospecting is like shaving. You must do a little every day; otherwise, you become a bum."

The Strength Of Relationships

VIRGINIA SEMROW, CAS, PRESIDENT of Woodstock, Illinois-based supplier American Ad Bag Co. (UPIC: ADBAG), has found success through forging strong relationships within the promotional products industry and her local community.

Thirty-year industry veteran Virginia Semrow, CAS, formed American Ad Bag in 1992 with one press and two employees. Today, the company has more than 100 employees and production facilities in Illinois and Arizona that feature 32 flexographic presses, 20 screen printing presses and 10 hot stamping presses.

While she would like to say the company's phenomenal growth was part of a big master plan, success has really come from being loyal to distributors, listening to their needs and fulfilling marketplace requests. In fact, many of the most successful products were developed specifically for distributors. "Much of our product development has come from initial distributor inquiries," Semrow says. "This gives us a sense of what the marketplace wants, and we can introduce products accordingly."

Banking On Success

Proper financing is always a concern for small businesses, and Semrow made the decision early on to develop a strong relationship with the local bank. "The bank has been as important in contributing to our growth and development as our employees," she says. "Without them, there are so many things I wouldn't have been able to do. Their faith and trust in me has enabled the company to continue to grow and develop. I am able to get advice, and I usually get a line of credit."

She cautions, however, that a line of credit is not an excuse to make decisions you can't afford. "Even if you have funding available, you cannot overspend or buy things you don't need and expect to be successful," she says.

Making A Difference

Semrow gains satisfaction from having people who want to come to work and knowing that she has created a company that



Virginia Semrow, CAS

can provide opportunity for them. "The best part of owning the company is knowing that I can contribute to other people's lives by providing the opportunity for them to have a good paying job and be part of the community," she says. "I am very involved in the community, and this is important to me."

Semrow has, in fact, been quite involved in the community, serving on the City Council, Chamber of Commerce, Economic Development Committee and Rotary Club in Woodstock, Illinois. "Getting involved in the community like this, I have built a network of people I can ask for help when I need to learn something new, figure out a problem or resolve an issue at work," she says. "And they know I'm more than happy to help them as well. I enjoy helping people. That's what I'm all about."

This spirit of helping people extends out from her community and into the promotional products industry. While she initially knew nothing about the industry, she quickly learned how much she enjoyed the people. "They are sincere, hard-working and committed," she says. "Distributors have a much harder job than mine; I don't know how they do it. I have great respect for them. It's the people that make this job so much fun. That's why I love this industry."

Show Stopper

ELIZABETH TATE, CHAIRMAN/CEO of Memphis, Tennessee-based distributor Signet Inc. (UPIC: SIGNET), left the world of television for promotional products—and became one of Memphis' top 10 businesswomen in the process.

Elizabeth Tate



Elizabeth Tate was one of the first females in the country to sell television time. And while TV was a male-oriented business in the 1970s, she never really considered gender a factor in occupation. Her concern, however, was the sales environment. “If you started making too much money, they would cut commissions or add more salespeople,” she says.

Although making a substantial salary, she found her interest wandering to her stepfather’s promotional products business. “I would go over on my lunch hour to look at catalogs and make bank deposits,” she says. “I became very interested in business; I saw great opportunity.”

When her stepfather passed away in 1979, she purchased the business from his estate. The company, named Ad House at the time, was set up in an old house in midtown Memphis. For the first several months, there was little to no business. But Tate says the harder she worked the luckier she got. Soon she was in the running to produce a company store for a large corporation. “But we couldn’t go in there with the name Ad House,” she says.

With help from an agency, she changed the company name to Signet. “A signet is a symbol, and our business is all about symbols,” she says. “A signet symbolizes a person’s work, and the name seemed right.”

Building An Organizational Team

Tate was drawn to this fun and creative side of the business, which aligns with her strengths of sales and merchandising. And while she’s good at operations, she leaves most of that to her hus-

“This is a fun industry, and I wouldn’t do it if I didn’t enjoy coming to work every day.”

—Elizabeth Tate, chairman/CEO
Signet Inc.

band, David. Overall, she says, her best asset is that she has the ability to pick good, capable people. “I have found that you have to do what you do best, and hire people to do the other things,” Tate says. “If you surround yourself with good and capable people, it’s a lot easier to delegate.”

Tate has carefully built Signet’s workforce on the values of integrity, innovation and service. With annual sales at \$12 million, the company has 45 employees, five of whom are salespeople. Tate says she has intentionally kept the sales staff small. “I would rather add more sales support people and have the salespeople be very happy making lots of money,” she says.

Throughout the years, Tate has expanded Signet’s staff to include two full-time graphic artists and a website designer, plus a full purchasing and merchandising team. And she has recently restructured the customer service department. “At one time we had a general customer service department, but I found that you don’t get the personal touch with this setup,” she says. “Now we have teams dedicated to accounts, and everyone on the team knows what is going on with their designated customers. When a customer calls, he or she doesn’t have to spend a lot of time explaining what is needed.”

Continuing To Grow

Signet continues to be one of the largest distributors in the Tennessee Valley, which has landed Tate on Memphis Woman’s Top 10 Women in Business list three times. But like most people, Tate feels the economy is challenging her business right now. And while sales are down slightly, she says business picked up in the fourth quarter of 2008. “When times were good, we ran fairly lean and kept our profits so we could get through times that weren’t as good,” she says.

Tate sees future growth for both her company and the overall promotional products industry coming from custom catalog programs because companies need control over their logos and merchandise. While she won’t divulge which perspective companies are on her goal list, she says there are some big company stores she would like to go after and get. But overall, she’s happy doing what she’s doing. “This is a fun industry,” she says, “and I wouldn’t do it if I didn’t enjoy coming to work every day.” 

Lisa Horn, CAS, former editor of PPB, is an Irving, Texas-based freelance journalist.