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Miller Canfield's Pam Enslen Photo © Tony Dugal



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## Informal Networking to Formal Partnerships

By David Davis

one Kalamazoo entrepreneurs may have found a promised land of greater independence, greater creative control, and increased revenue while providing their clients with lower costs and more comprehensive, efficient services by gently crossing the line between business friendships into new formal partnerships.

Taking years of experience in their fields, self-employed business consultants, ad men, art designers, and marketing specialists are trusting strong connections with their peers in complementary businesses to increase their bottom line.

"It's really nice to have people around you whose judgment you respect," said Jan Underhill, art designer for her own firm J.R. Underhill Communications and founding partner of coCreatives, a new marketing and public relations firm brought together through local networking.

Underhill has worked for her own creative production shop since 1980, and has experience in visual design and graphic design with a strong background in print media and web design.

At her New Year's Eve party this year, Underhill struck up a conversation with long time business associate Gerry Hoffmann, an Addy and Silver Microphone Award winning copywriter with his own company, Hoffmann creative, Inc. The two had previously referred work for each other, Underhill sending clients who needed copy written to Hoffmann and Hoffmann steering clients to Underhill for art design. They decided to form coCreatives and brought in marketing and public relations specialist Beth Johnson, and Judy Panse for marketing and media communications.

While most startup companies require infusions of large amounts of capital for hiring staff and leasing office space, coCreatives, who's principals have all been in business for themselves, was formed with very little start-up money, only enough to create a logo and letterhead, register with the Downtown Development Authority, open a bank account, and jump-start their website.

"As individuals, it would be very high-risk to build a company from the ground up," said Hoffmann. "Forming coCreatives is low-risk because each partner takes responsibility and helps carry the load."



Members of the coCreatives Interactive Advertising Agency gather along the new Jack Coombs Trailway, overlooking the Kalamazoo River in Kalamazoo. From left, Jan Underhill, Art Director; Elizabeth Johnson, Marketing & Public Relations Specialist; Judy Panse, Strategic Marketing & Media Communications; and Gerry Hoffmann, Copy Director. CoCreatives is producing materials for the Kalamazoo River Valley Trailway capital campaign.

The partners of coCreatives use Underhill's studio off of Nichols Road to brainstorm ideas, another added benefit of working in a team environment instead of alone, said Hoffmann. CoCreatives has no company car or office space, reductions in overhead with savings that can be passed on to their clients.

"In advertising, the client never comes to the ad agency office anyway, except if the agency wants to show off," said Hoffmann, who's worked in the industry locally and nationally since the early 1980's. "That doesn't really help the client. We're working on the client's image, not our own. Some clients want the agency with the big name, but they pay extra for that."

CoCreatives' loose framework gives the company greater flexibility, said Hoffmann, an advantageous trait for the firm's goal of integrating fluidly with their clients.

"We can work in-house with our clients and with their staff to be more interactive," Hoffmann said. "If they want to, our clients

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#### Chamber Names Steward Sandstrom as its New President and CEO

The Kalamazoo Regional Chamber of Commerce has named Steward Sandstrom, CCE as its new President

and CEO. Sandstrom, who currently serves as the President and CEO of the Dubuque Area Chamber of Commerce in Iowa, will officially start on July 31, 2006.

"We are very excited to welcome Steward into the community as our new Chamber President and CEO," says Mike Seelye, the Chamber's Governing Council Chairman and Search Committee

Chair. "Steward brings a wealth of Chamber experience and a high level of professionalism. He is a proven coalition builder and is highly regarded amongst his peers through-

out the nation."

Sandstrom has over 17 years of chamber management experience. His first Chamber

job was in Bismarck, North Dakota. From there he went on to run chambers in West Allis, WI, Petoskey, MI, and most recently in Dubuque.

He has earned the Certified Chamber Executive designation, a highly regarded accomplishment amongst chamber professionals. Sandstrom is one of 455 Chamber executives in the nation over the

past 28 years to have earned this recognition. He holds a Bachelor of Science degree in Management from the University of North Dakota.

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can be more involved in the creative process instead of waiting until the job is done to see the product."

"Clients don't like to pay big bucks to be dictated to," Underhill said. "Clients want us to work with them. That is where the inspiration for our name came from."

CoCreatives recently landed their first client, the Kalamazoo River Valley Trail Way Campaign. The new company's task is to generate excitement about a proposed system of walking and bike trails connecting disperse regions of Kalamazoo County and to help the campaign raise \$8 million by the end of the year.

Jan Underhill, who previously created brochures for the organizers of the Trail Way in 1999 and led the Campaign to choose coCreatives, will take the leadership role in the agency for the account. That pattern of leadership will be reflected in all of the new agency's dealings. Whoever brings in the account will take the lead with the client.

With four partners in equal standing, decision making for the coCreatives team will bypass the traditional vertical hierarchy present in larger to mid-size firms in favor of decision by consensus.

"In a large company, you have to wait until a decision is made by someone on top," said Hoffmann. "With us, everyone has a voice and we don't move until we have a consensus. If one person disagrees with the rest of us we take the time to find out why."

Underhill says that because of these arrangements, trust between the partners, developed over years of experience working with each other, was the key factor to the formation of coCreatives.

"CoCreatives came together organically," she said. "If we had to look for other people, I don't think it would have worked. We want to be a good match or we could drive each other nuts. Everybody here is pretty secure. There are no major "hotshots" with delusions of grandeur. We want to keep our egos out of this and be real."

Steve Dobbs, regional director for the Michigan Small Business and Technology Development Center at Kalamazoo College, said formal partnerships evolving from business friendships is not a new phe-

nomenon, it's just good business.

"It's a great thing," he said. "I see crossnetworking and cross pollination happening in the non-profit sector, consulting, the packaging industry, and in life sciences over at the Southwest Michigan Innovation Center. When the economy is slow, people look for new ways to create business and try new things. When the economy is flush people are less worried."

Dobbs said formal partnerships success will depend on what the company is selling, their business model, and whether or not the marketplace determines their higher integration of services is valuable. If the partners receive a large portion of their business from the partnership, the arrangement will continue, said Dobbs. If the partners receive less business then expected, some partners may move on.

As for the decision making process of the new partnerships like coCreatives, Dobbs said it is still not known whether the lateral leadership structure will be a strength or a weakness.

"The jury is still out on that one," Dobbs

There are pitfalls for the emerging partnerships, said Dobbs, the biggest being partners having less control over the final outcome for their projects. Larger firms tend to have greater quality control because it is easier to manage a group of employees rather than partners. If one partner does a lousy job, said Dobbs, each partner takes a hit.

Other obstacles facing new partnerships according to Dobbs include making sure each partner has a satisfactory work load, prioritizing independent business work with work for the partnership, and creating brand identity trust in the marketplace.

Independent management and operations consultant Carole Morgan, of the Lynn Morgan Group, Inc. is also involved in business agreements with companies and individuals who provide complimentary services, although less formal than incorporation.

Retired after 27 years as vice president of service operations for a major company, Morgan is an operationalist who teaches companies how to reduce overhead, increase productivity, and boost their bottom line.

Since the inception of her independent consulting business in April 2004, Morgan has been engaged in swapping services and referrals with complimentary companies in the Kalamazoo area. Morgan credits the Kalamazoo Regional Chamber of Commerce with giving her access to the business community.

"Networking is born of the Chamber's after-hours," she said.

At a Chamber function, Morgan met Kelly Duggan, an image and communications consultant with her own company Style Solutions Image Management and Consulting. Duggan specializes in teaching business people how to boost their first impressions and business communications through appropriate fashion, business protocol, and behavior mannerisms such as eye contact, and handshakes.

The two refer each other clients who may need their specialized services, and have formed a network of professionals, including a commercial design specialist, who increase their businesses value by offering trusted avenues for clients in need of business consultation.

"We bring diverse areas and marry them into each other," Duggan said. "I've lined myself up with people of integrity."

Asked if she would ever feel pressure to refer a client to a business consultant they may not have a need for, Morgan stated it was not in her heart to engage in bad business.

"I have to look at the client's success as my success," she said. "I have to be sold on the consultant before I refer somebody or else it does a disservice to both parties."

Dr. David Burnie, associate dean of Western Michigan University's Hayworth College of Business, said informal business partnerships in business consulting offer companies affordable alternatives to large corporations and hiring specialized staff.

"For some companies, this type of consulting is too costly to do in-house for services they may only need one or two times," Burnie said. "Partnered consultants are a less expensive variable for them to improve their knowledge base and their services give them a tremendous opportunity to improve themselves."

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"It's a true honor and privilege to be asked to come to Kalamazoo," says Sandstrom. "I'm excited at the prospect of serving such an outstanding community through one of the most respected chambers in the country. Mike Seelye and I share the same top priority – growth for the community and our members through strong partnerships with a very diverse group of stakeholders – so my first order of business will be to 'hit the streets' meeting with lots and lots of people."

Some of Sandstrom's past accomplishments include creating the West Allis Chamber's first government affairs program and launching that Chamber's first website – which was the first in the state. Through his leadership the Petoskey Chamber earned state awards for its workforce programming and led the effort to build, and put into process, enough affordable housing units in that community to fulfill 50 percent of the market need.

In Dubuque Sandstrom negotiated a contract with the city and three private partners to market that region as the premier destination on the Mississippi River. He also led the Chamber to establish a comprehensive workforce recruitment and retention program, and built roads and added air service for the region. Additionally, under his leadership the number of people the Dubuque Chamber's CVB welcomes to the community annually has reached 60,000 meeting and conference delegates and 1.5 million visitors.

The Dubuque Area Chamber of Commerce has 1,055 member businesses and also houses the area's Convention and Visitors Bureau. It serves a population of roughly 150,000 people. The Dubuque Chamber's top priorities are Connectivity, Regionalized Tourism, Riverfront Development, Small Business Programming and Workforce.

Sandstrom will fill the role previously held by John T. Long III, who left the Kalamazoo Regional Chamber's President and CEO position this past January to take over as President and CEO of the St. Petersburg Area Chamber of Commerce in Florida.

Over the past five months David P. Sanford has served as the Chamber's interim President and CEO. Sanford is a former president of Richard-Allan Scientific, and after that served as General Manager of Gordo Enterprises Inc., a local sports gear and apparel wholesaler and retailer. He has served as a Chamber Board and Governing Council member over the past three years. He is past Chairman of the Chamber's Public Policy Committee and of its Regional Council.

With more than 3,200 member firms, the Kalamazoo Regional Chamber of Commerce is the largest private business association in the region. Its members advocate for a positive economic environment and to maintain and enhance a great quality of life in southwest Michigan 

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