

Florida Trend

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Growing a Successful Business

The Bagel Factory: Cream Cheese and Customer Service

Founded: 1995

Location: Fort Myers

Annual Revenues: \$900,000

Employees: 17

Concept: Mark and Tara Lukasik decided to quit their jobs in Little Rock, Ark., and move to Florida to start a bagel shop. With his background in insurance and hers in public relations, they didn't feel comfortable jumping in without experience. So the Lukasiks paid the owners of a Little Rock bagel store \$50,000 for their recipes and some training. They headed to their old hometown of Fort Myers on Memorial Day weekend in 1995 to get started.

Location, location, location: Once in Fort Myers, the Lukasiks studied traffic patterns during different times of the day, especially along the artery where 65,000 commuters came into the city from neighboring Cape Coral. They studied the demographics of the largely seasonal population and determined where and when the locals were likely to eat year-round. They picked out a half-mile stretch of road where they wanted to locate, partially because of its proximity to three different high schools and a cluster of medical offices. Then Mark Lukasik found a 3,000-sq.-ft. spot in a strip shopping center and called the real estate company.

First big break: Eight months after they opened, the local newspaper rated The Bagel Factory No.1 in a feature story on the best bagels in southwest Florida. The article still hangs in the restaurant today. "Word of mouth is the best advertising," Tara Lukasik says.

Stretching their dollars: The Lukasiks enlisted a family member to help them gut the store before hiring contractors to turn it into a restaurant. They allocated no money for advertising, instead relying on their community involvement to help get the word out. Plus they made personal sacrifices.

"We're not extravagant people," Mark Lukasik, 47, says. "We bit the bullet and moved back into town into a modest rental home. We lived quite frugally and worked extremely hard. Everybody had to get paid before we did. I've seen places open up and people think they can take off and go to the beach and go buy a new car on the business checking account."

The Lukasiks say they haven't taken a long vacation in years but finally bought a boat this year so they can take days off with their two young girls and his adult daughter.

Customer service: The Lukasiks have tried to build a "Cheers" type atmosphere at the shop and also get involved in the community. "Most of our staff knows the majority of the regulars by name and what they want," says Mark Lukasik. Employees pull out bagels for certain customers and have them bagged and waiting under the counter when people walk in.

The Bagel Factory conducts tours for grade-school children and nursing home residents. "We bring the kids into the store to show them where the bagels sleep in the walk-in cooler," he says. "So when parents ask, 'Where do you want to go?' the kids say, 'I want to go to The Bagel Factory and see the bagel man!'"



Bagels are big business on both the retail and wholesale level

for entrepreneurs Mark and Tara Lukasik.

The shop doesn't sell day-old bagels, so at the end of the day the Lukasiks donate unsold products to soup kitchens, fire and police and community fund-raisers.

Biggest lesson: The couple once walked into the shop at 5 a.m. and discovered two employees hadn't showed up to start baking three hours earlier. Now Mark Lukasik receives a call on his cell phone at 2 a.m. every day from a baker. "If he doesn't get a call, 30 minutes later the alarm goes off and he's like a fireman," Tara Lukasik says. "He's dressed and out the door."

Biggest news this year: The Lukasiks are trying to buy a piece of property in the same neighborhood so they can construct their own building.

Who helped them: In the planning stages, the Lukasiks met with the local Small Business Development Center at Florida Gulf Coast University. With its help, the Lukasiks received a \$100,000 loan backed by the U.S. Small Business Administration after writing a business plan. They say their experience studying with the other bagel shop in Arkansas proved to the bank how serious the Lukasiks were and probably helped them get the loan.

Where are they: Today The Bagel Factory bakes between 2,000 and 5,000 bagels a day, not only supplying its retail customers but also selling wholesale to hospitals, restaurants and other businesses. This December the business celebrates its 10th year. "We had a good feeling from the day we opened," Mark Lukasik says. "That really sounds corny. We've always told people the business has made money since Day One."

Advice for other entrepreneurs: "Have a strong commitment to work and be in it for the long haul. Don't expect an immediate reward," Mark Lukasik says. Also, treat your employees with respect. The Lukasiks philosophy is to train employees and congratulate them when they leave for their next challenge in life.