

# HAWAII SBDC SUCCESS STORY - O'AHU CENTER



## Hokulani

Having grown up in a third-generation family food business, having managed a large retail establishment for 10 years, and being blessed with a strong dose of entrepreneurial DNA, Marie Lau had a vision to create a business which would allow her to put into practice many of the ideas she had not yet been able to realize. The only problem was that she was not sure what type of business would best suit her talents.

That's when she contacted Joe Burns, director of the Hawai'i SBDC O'ahu Center. Over the course of many months, they explored and researched different concepts, such as a boutique for baby products, a restaurant, and a used goods consignment shop, among others. But none of these ideas resonated with Marie.

Through a fortuitous referral from an existing client, Joe learned that the owners of Hokulani Bakery wanted to sell their well-established business to pursue other interests, and so he brought them together with Marie. This was a good match, since the owners wanted to see the company continue, and not disappoint their loyal customers; while the opportunity for Marie to take over an existing food retail business gave her the platform to unleash her creative and entrepreneurial instincts.

Negotiations lasted several months, often at the SBDC office and facilitated by Joe. Due diligence included analyzing the company's financial statements, examining the performance of each of the locations, reviewing of all the leases, and compiling a list of assets, among other tasks. Gradually the terms of a purchase agreement emerged, including the challenging valuation of the company's intellectual property.

With help from an SBA loan from Central Pacific Bank, and the blessing of the attorneys, the sale closed on January 1, 2016. After learning the current operations, Marie has focused on revamping existing products, and introducing new ones. She has closed an underperforming location, and worked on engaging and improving her workforce. Although she has been at the helm only a short time, Marie has been able to implement some of her ideas, such as developing a financial management system, revamping product packaging and upgrading the company website. She also has begun to sell selected products through Nordstrom at Ala Moana Center.

"Joe, I can't thank you enough and the Hawai'i SBDC for all the support not just for the present but also the past. I am forever grateful. Thank you again for always being a great guide through this whole journey."