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New-frontier soloists: Area mom-and-pop operations in digital age

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THE TRADITIONAL image of mom-and-pop businesses - those with no paid employees - is of small shops, insurance agencies, real-estate brokerages, beauty salons, janitorial services, and child day care.

But increasingly, such businesses are in fields that didn't exist a generation ago, such as Internet-shopping services and Web-page design, and some that were scarce until recent decades - nail salons, home health-care services, and computer systems designers.

One local business that fits the new mold is Born Again Vintage Clothing, an eBay store owned by Margie Sparks. The business began three years ago and allows Ms. Sparks to work and be with her two young daughters.

Orders are increasing, though she has had to get part-time jobs in the past. She's trying to build her inventory of vintage clothing and accessories.

"I go out and find it," she explained. "I go to estate sales and antique malls."

Some weeks she gets 50 orders, others weeks none, she said. She prints her own mailing labels and ships her merchandise through the postal service.



Margie Sparks scouts estate sales and antique malls for pieces to sell at Born Again Vintage Clothing, her store on eBay.

(THE BLADE/LORI KING)

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Jeff Mendelsohn established Liquid Mechanix Studio to design Web sites.

(THE BLADE/JEREMY WADSWORTH)

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Such businesses tend to be one of the backbones of the local economy, even though they don't have more than one job per business.

On this Labor Day weekend, such mom-and-pop businesses account for about 70 percent of all firms nationally and locally, according to a new report by the U.S. Census Bureau.

Still, metro Toledo lagged the nation in adding such businesses. It had an increase of just 2 percent in 2004, with 34,492 such firms in total that had revenue of nearly \$1.5 billion, the Census Bureau found.

Nationally, nearly 900,000 such businesses were created in 2004, based on tax returns filed with the Internal Revenue Service, the Census Bureau said.

The fastest-growing categories nationally were Internet service providers, nail salons, and electronic shopping and mail-order services. In metro Toledo, three of the five fastest-growing involved computers and the Internet.

"It is a great incubation ground of all businesses, since

they have to start somewhere," said Joseph Astrachan, director of the Cox Family Enterprise Center at Kennesaw State University in Georgia. Web-based businesses have relatively low start-up costs, he added.

Such owner-operated businesses nationally increased almost 5 percent to 19.5 million in 2004, with revenues of \$887 billion.

The gain was similar in Michigan - 5 percent to 611,000 and \$25.5 billion in revenues - but the jump lagged in Ohio, up 4 percent to 673,000 firms with \$27.6 billion in revenues

Julie Higby, of Sylvania, this year started SendOutCards.com, a service that prints and mails greeting cards for busy or forgetful clients.

The Australia native, a flight attendant for Northwest Airlines, has marketed her card-mailing business through networking groups, and it is catching on, she said.

"It saves time, it saves money, and it builds relationships," she added.

The company uses another firm to print the cards and mail them from Salt Lake City. It has no inventory: The cards are ordered online and printed on demand.

"So far it's part time, but it could very quickly become full time," Ms. Higby said. "It's a great business. I love it."

Electronic shopping and mail-order services grew 19 percent locally, surpassing the 13 percent gain nationally in 2004, the Census Bureau found.

Another growth sector in recent years is computer systems design, and by 2004 more than 400 non-employer firms were doing that sort of work in the Toledo area.

Among them is Jeff Mendelsohn, owner of Liquid Mechanix Studio LLC, who designs Web sites. The Toledoan has been working with computers for more than 15 years.

"I went to Davis College, read books, and taught myself, and I looked at what other people were doing," he said. He had part-time jobs until the business got going.

He acknowledged that the market is tough.

"There are so many people out there who can do it, it's tough to distinguish between good and bad Web sites," Mr. Mendelsohn said.

Olivia Holden, executive director of Assets Toledo, said downsizing by bigger businesses fuels entrepreneurial activity, especially for people over age 50, who have a lot of experience and knowledge.

"But they don't feel they could get a good job," she added.

Locally, the largest category of mom-and-pop businesses is landlords. The category ranks near the top nationally, too.

Metro Toledo had 2,290 such landlords in 2004, up 6 percent and with gross revenue of \$270 million, or an average of \$118,000 each.

"I guess the appeal is being in business for yourself," said Anna Mills, president of the Toledo Real Estate Investors Association and owner of Mills Run Properties, which includes a couple of dozen houses.

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