

Ky. women-owned firms on the rise



Written by

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After being a TV and commercial actress in Hollywood for five years, Kat McEntee started her own company to corral talent for others.

Some encouragement from friends and family inspired McEntee in 2006 to open the Katalyst talent agency.

The Edgewood-based firm represents both local and national actors and models of all ages for commercial, film, TV and print advertising. Fueled by steady growth, the firm last summer expanded into new offices in Edgewood, more than tripling its previous space.

Katalyst is among the women-owned business in Kentucky that have grown at a faster rate by both sheer number of companies and sales than those in the neighboring states of Ohio and Indiana.

Kentucky's diverse economy, multiple support groups that offer women entrepreneurs tips on everything from landing financing to attracting customers, the flexibility to better control work and

family life and job uncertainty caused by the unstable economy in recent years are among factors fueling the surge.

Between 2002 and 2007, more than 9,200 women-owned businesses popped up in Kentucky to reach a total of 86,429 female-owned firms, according to the 2007 Survey of Business Owners by the U. S. Census Bureau. The data is the latest available from the Census.

Becky Naugle, state director of the Kentucky Small Business Development Center in Lexington, said the growth is dynamic because it sets the foundation for helping families and businesses survive in today's economy.

"Kentucky's economic growth would have been slower and lower if it were not for the growth of the businesses during that five-year period," she said.

McEntee said her business now represents 750 talent individuals for 400 clients nationally, including Procter & Gamble,

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Kroger, Frisch's, movie studios and other businesses.

Though she never thought she would become an entrepreneur, McEntee launched her firm and borrowed about \$250,000 from friends and family over the years to help it grow after they encouraged her to pursue the venture.

McEntee, who makes money by charging commissions to talent and clients, plans to repay the money over the next three to five years.

"I could not have done it otherwise because it's difficult to get funding from traditional sources such as banks," McEntee said

McEntee said getting financing to expand her firm as among its biggest challenges.

"If I had another \$50,000, I could easily double my business in a year," she said. "But the banks are being really tight with credit now even though we've grown steadily and remain profitable in this tough economy."

Still, McEntee, 42, said bringing more film, TV and commercial work to the region makes it all worth it.

"We want to be a catalyst for economic growth in the area," she said.

The number of firms owned by females in Kentucky in 2007 grew 12 percent from 77,159 in 2002, according to the Census.

The five-year growth in Kentucky was

smaller than the 20 percent growth rate that year of the 7.8 million female-owned firms for all of the U.S., but about equal to the 12.4 percent growth rate for all Kentucky firms.

Sales for Kentucky women-owned firms were nearly \$12.4 billion in 2007, up 31 percent from \$9.45 billion in 2002.

In Ohio, there were 249,114 businesses owned by females in 2007, up 8.3 percent from 229,972 in 2002. Those businesses had sales of nearly \$41 billion in 2007, up 27 percent from \$32.3 billion five years earlier.

In Indiana, the number of female-owned firms totaled 129,621 in 2007, up 9 percent from 118,857 in 2002. Sales for those firms totaled nearly \$20.7 billion in 2007, up 26.2 percent from 2002.

Naugle, state director of the Kentucky Small Business Development Center in Lexington, said the 12 percent rise of women-owned businesses in Kentucky exceeded the

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state's population growth between 2002 and 2007, suggesting a genuine rise in female owned businesses.

Kentucky's population rose 0.5 percent to 4.2 million in 2007 from five years earlier, the Census Bureau figures show.

Naugle points to many reasons for the growth. She said Kentucky has a diverse economy and a good business climate that bodes well for women business in several sectors, particularly in retail, professional services and healthcare.

Naugle said Kentucky has several support groups for women entrepreneurship, including state chapters of the National Association of Women Business Owners, the Professional Women's Forum and many women business roundtables.

"Those groups offer women businesses support services that include networking and relationship building to help women business owners get the customers they need to build revenue," she said.

Naugle said the growth of the small business and their rising sales is good for the economy.

"It helps create jobs, bring new revenue into the state and generate wealth for business owners and employers," she said.

Debbie Simpson, president of Multi-Craft Inc., a Newport-based marketing support services firm, said the unstable economy in recent years also could have fueled the rise in women-owned businesses. She said

instead of being unemployed or working in a job they are over-qualified for, many women have decided to start their own businesses.

Simpson is a board member of the Northern Kentucky Chamber of Commerce and helped start its Women's Initiative program last year.

"Many women have gravitated to self employment for many reasons, including they can better manage work-life balance," Simpson said.

Shilpa Dias, owner of Acupuncture & Holistic Health LLC in Crestview Hills, decided to start her own business because, as a wife and mother, it gives her flexibility to set her own work schedule and use her education to help improve patients' quality of life. Her firm mainly provides acupuncture services to everyone from pre-teens to senior citizens to overcome health problems ranging from seasonal allergies to pain problems.

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Dias, 41, also provides cosmetic and fertility acupuncture to help people with natural face lifts and conception issues.

Her business has grown steadily since it first opened at a small office in 2006 in Crescent Springs. In 2009, Dias moved her firm to a new location along Thomas More Parkway, more than quadrupling her space.

"I am fulfilled and encouraged being a woman entrepreneur because my acupuncture practice brings excellent results to my patients and I am able to care for my family," Dias said.

Targeting men and women interested in the Pilates method of exercise, Angela Melzer and Gayle Lehman opened the Pilates ConneXion in February 2007 in Edgewood.

Melzer said the firm's niche is providing clients highly personalized services in a small boutique studio. The firm has conquered initial challenges that included opening during a weak economy and not having an established client base.

Still, the studio has managed to grow. Melzer said it now has seven instructors versus two when it opened and offers 34 classes per week, more than double when it started. On average, the classes run about \$15 per session per individual.

"We've been able to grow because people realize the importance of good health regardless of economic conditions," Melzer said.

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