

Akron Woman Turns Lunch Bags Into Bread and Butter

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We caught up again with Kristi Thomas, who four years ago, was a stay-at-home mom trying to help her daughter feel good about starting first grade.

Today, Thomas juggles business appointments. Fame is knocking. In the coming months, the founder of Lunchology LLC will appear in People and Family Circle magazines. Thomas has received an offer to appear on the Reality Television Show: Wife Swap. And the Akron businesswoman answers hundreds of e-mails a day, many from well-wishers and new retailers.

Lunchology prints inspirational messages on paper lunch bags for elementary school children.

In 2004, the company had a single display at West Point Market. Last week, Thomas closed deals with Wooster-based Buehler's Foods Inc. and Austin, Texas-based Whole Foods Market Inc., rising to 1540 the number of stores across the country that now sell the bags. The number is sure to rise. Lunchology is negotiating with Minneapolis-based Target Corp. A contract with the giant discount chain would multiply the number of stores several times over, Thomas said. "We're trying to keep up with demand, and at the same time reach out to people who have never heard of us," said Thomas, who will turn 40 this month. "It's a lot of work. It's hard some times to slow down." The business's 2005 revenue was about \$65,000, which allowed the company to take its first profit. Five months into this year, Lunchology has already tripled its 2005 revenue with sales of about \$180,000.

Thomas has benefited from the advice of the Service Corps of Retired Executives. At SCORE's suggestion, she has hired three new

employees and is looking to bring in a personal assistant. The company soon outgrew their home-basement headquarters and then its area at Weaver Industries and now has moved into a bigger space, its own Home Corporate Headquarters at Canal Place last week.

Thomas said she wouldn't sell the company for less than \$10 million. All this began almost by accident four years ago.

Thomas' daughter Madison was starting first grade at Our Lady of the Elms Elementary School in Akron. To calm her daughter's nerves and make her less homesick, Thomas drew funny pictures and wrote inspirational messages on the 6-year-old's lunch bags. Then came the phenomenon that inspired Thomas: Madison's classmates wanted the artsy lunch bags, too. The classmates fished them out of the garbage and used them as trading cards. Eventually, the teacher set up a list to determine which student would receive a bag each day. Thomas, who has degrees in education and art from the University of Akron, saw potential. After researching the idea with her husband, Chris, a voice and data engineer, Thomas realized she had a big idea. The Thomas' risked their nest egg of about \$150,000 to buy printers, computers and a patent. They pushed aside plans to build a house.

Thomas drove herself hard in Lunchology's first two years, skimping on sleep and recreation. ``It was exhausting me," Thomas said. Then came a business trip to New York City with Chris. After a day of work, the couple treated some customers to a Broadway show. During the program, Thomas became dizzy. She fell out of her seat. A doctor told her she had an epileptic seizure, and that her nonstop work lifestyle was a serious health risk.

She needed help. That's when she approached SCORE. Counselors Martin Oppenheimer and Kathryn Hunter told Thomas she had to hire employees and delegate responsibilities to them. ``We convinced her she was jeopardizing her health and her family," Oppenheimer said. ``It became a 24-hour endeavor, and it was becoming harmful to her and everybody associated with her." Heeding SCORE's advice, Lunchology moved out of the family's basement in early 2005.

Thomas brought on six part-time employees to design and print the bags. Thomas has met with Oppenheimer and Hunter for eight formal sessions that lasted between two and three hours. Thomas also calls her mentors frequently at their offices and homes. The counselors have helped Thomas set a retail price for her product and adopt a marketing plan.

Then Thomas sought additional help from Ladies Who Launch (www.LadiesWhoLaunch.com) -- a Cleveland- and New York City-based organization that helps and encourages female entrepreneurs. Ladies Who Launch helped Thomas find the proper balance between being a mother and a businesswoman. Ladies Who Launch also brought Lunchology more business opportunities through networking. Thomas also serves as a Leader in the Organization, teaching Incubators in the Akron Area. "I adore Kristi," said Victoria Colligan, the Cleveland co-founder of Ladies Who Launch. "She is basically the quintessential representative of the Ladies Who Launch network."

The help from both groups rescued Thomas' personal life. More sleep and less stress have improved Thomas' health. "The minute I asked SCORE and Ladies Who Launch for help, things got better," Thomas said.

Even so, Thomas said her life is still hectic. She receives about 200-300 e-mails per day from people who are inspired by her story or who want to do business with Lunchology in one way or another. A producer at ABC Television sent an e-mail inviting the family to participate in the reality show "Wife Swap" because she met the qualifications of being a "successful businesswoman" and "dedicated mom." Thomas declined. A week away from the business would cause too much stress. "It's really flattering, but it's easy to get diverted in the flattery," Thomas said.

National recognition is on the way, however with the fall profiles in People magazine and Family Circle. SCORE warned Thomas that Lunchology's outstanding growth could skyrocket further after the articles appear. "Once those articles hit, we have to have

everything in place," Thomas said. ``The last thing you want is to tell a retailer `No.' "

"A Success Story:" SCORE, Ladies Who Launch and Thomas agree that Lunchology's growth is a result of SCORE's counseling. Without SCORE, ``I would still be in West Point Market. And that's it," Thomas said. Lunchology already is one of SCORE's greatest successes, Oppenheimer said. ``I think ultimately this will be a multimillion, if not billion-dollar business," Oppenheimer said. ``And I think it will last for a long time." That's the kind of success local business leaders are seeking from entrepreneurs to help bolster the economy and create jobs.

``We have directed her, kept her focused on her business and encouraged her to set up her headquarters within the Akron area," Oppenheimer said. ``Both Kathryn (Hunter) and I believe this is a lucrative prospect for the Akron area."

How much Lunchology can grow is at least partly up to Kristi Thomas, entrepreneurial and hard working by nature: 1st selling Pet-Rocks from her drive-way as a 5 year old kid, later the 1st to graduate from college in her family, then from Graduate School with Dual Masters, producing a LuNcHoLOgy Live Stage Cooking Show with her daughter Madison, hopes to launch a TV Show and write a book, the list is long. "Even so," Now, however, she said, "My health comes first."

``Do I think it can be done faster? Sure," Thomas said. ``Am I willing to do it faster? No."

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