

upstarts

Crazy for Cookies

The founders of Marcelita's Cookies love baking, business and each other

Juan Ramirez is the kind of person who won't leave any detail unchecked. He drove his wife and business partner, Marcie, a little nutty by measuring each cookie they baked with a ruler. He approached perfect strangers in coffee shops to ask how they liked his company's logo and packaging. And every time he makes a decision, Ramirez is sure all possibilities have been exhausted.

That's according to Uri Camarena, the couple's mentor at the Metropolitan Economic Development Association, which helps members of ethnic minorities to establish and grow their businesses. Since August 2007, Camarena has been working with Juan and Marcie Ramirez to plan and launch their online gift company, Marcelita's Cookies. The company combines Marcie's baking prowess and Juan's business acumen to produce and market upscale Hispanic cookies to corporations and others as gifts.

Married just five years, Juan and Marcie didn't start out thinking they'd own a business. A St. Paul native and telecommunications worker, Marcie loves entertaining and frequently wows guests with her culinary skills. Juan, who came from Veracruz, Mexico to the University of Minnesota for an MBA in 1974, spent his career selling computer systems and networks for IBM and GE.

But when friends started asking if they could buy Marcie's cookies, the couple began to rethink their future. Juan was retired from the computer business and had started a consulting firm to help grow businesses in the Hispanic market.

"That was my initial experience with becoming an entrepreneur," he says. He didn't know much about the cookie



Marcie and Juan Ramirez, Marcelita's Cookies

"Cookies are not brain surgery. However, there are a lot of pieces to the puzzle." —JUAN RAMIREZ

business though, so his first stop was the James J. Hill Reference Library in St. Paul, to research the food industry. He and Marcie refinanced their house and spent a year on market research, recipe and packaging development, Web site and real estate selection. Through MEDA, they received guidance from General Mills, and hired a food stylist who has worked with that corporation as well as with Schwan's and Kraft, to work on their advertising photos. They officially launched the company in April 2007, and they bake to order from a commercial kitchen in Chaska, shipping within 24 to 48 hours.

Baking is the easy part, according to Marcie. "We have that down to a science. I go to my corner and he goes to his corner," she says. "The packaging takes longer. But that's what makes them so unique."

The cookies combine oatmeal, walnuts, butterscotch and white chocolate, with a drizzle of milk or dark chocolate and what they call "a pinch of our secret Mexican ingredients" inspired by Juan's mother in Mexico. The couple packs each cookie individually in a plastic sleeve, then tucks them into boxes emblazoned with the silhouette of a Veracruz dancer in a full skirt, set against background of lace. The sides of the

BIZBRIEFING

Marcelita's Cookies

Headquarters: Minneapolis

Inception: April 2008

Revenue: Forecasting \$100,000 within the first 12 months

Funding: Self

Employees: 2, plus part-time as needed

Description of company:

Hispanic gourmet cookie manufacturer and distributor

Website: www.marcelitascookies.com

Management team

Juan and Marcie Ramirez

boxes are printed with the image of Mexican floral tiles in rich purple, red and orange. Juan describes the packaging as “Hispanic elegant.”

Designing and selecting the packaging proved the most difficult and time-consuming. The couple wanted it to look upscale, yet it had to be sturdy enough to protect the precious contents. They chose to wrap each cookie individually so each recipient could nibble away or save some for later.

“I tell people that cookies are not brain surgery,” says Juan. “However, there are a lot pieces to the puzzle.”

Marcelita’s Cookies has shipped thousands of cookies across the U.S. by targeting corporate clients. The company sells one-time orders and sets up corporate gift-giving programs, delivering cookies on a schedule to valued clients and friends. To drum up business, they gave out samples and sold individual cookies from a booth at the Republican National Convention in September. In October, Juan traveled to Mexico where he targeted Mexican companies that do business in the United States.

Their next step is to add coffee. The couple

contracted with a coffee roaster for a blend of Mexican and Brazilian beans they plan to pack inside the boxes of 12 cookies. The cookie-and-coffee combination will sell for \$47.99. Cookies alone are priced at \$29.99 for 12 and \$47.99 for 24, plus shipping.

In an economic downturn, Juan Ramirez hopes that corporations will look for less expensive gifts—especially consumables like cookies—to reward their loyal clients.

“It’s a difficult economic time to come in, but I think they have a real value proposition for anyone they want to do business with,” says Camarena of Marcelita’s Cookies business prospects. “I have used the cookies to send thank-you notes and the response is just tremendous. The cookies are just delicious and the experience of just receiving them is very, very special.”

Says Marcie, “We haven’t met anyone yet who doesn’t like a cookie.” **MB**

Nancy Crotti is a regular contributor to *MinnesotaBusiness Magazine*.

Industry facts

Corporate gifts of food represented about one-third or \$2.5 billion of the overall corporate gift market in 2007.

One out of three consumers purchased a specialty food gift during the winter holiday season, with assortments, nuts and salty snacks the topping the list.

Brick-and-mortar retailers make up 47 percent of food gift sales. Online and direct marketers make up 32 percent, and independents, franchises and distributorships constitute 21 percent.

Source: *Packaged Facts’ 2007* report “Food Gifting in the U.S.”



www.marcelitascookies.com
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