



Case Studies



24-7 BrightStar Healthcare

Several years ago, Shelly Sun and her husband JD were surprised to learn how difficult it was to find quality professionals to help care for their grandmother who was living with cancer. The inspiration for their company, BrightStar Healthcare, which provides medical and non-medical care to private clients, hospitals, and medical institutions, stems from that experience and wanting to help others during personal healthcare crises.

Though successful, BrightStar Healthcare quickly reached a point where Shelly and JD recognized the need for outside counsel and resources in order to continue to grow. They immersed themselves in CEC services and programs such as the ATHENAPowerLink® program, which, Shelly Sun says, "was amazing," not just for what she learned, but for the connections she made, including a franchise consultant who eventually became BrightStar's first franchisee. A CEC introduction to National City Bank and the Illinois Department of Commerce and Economic Opportunity helped her secure financing to launch the franchising side of BrightStar's business.

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BrightStar also received a matching grant that allowed the company to hire a consultant to develop a strategic plan to franchise the business nationwide. Today, BrightStar is thriving "With the CEC's help, we saved more than a year in development time," says Sun.

Neuros Audio

Neuros founder Joe Born says he founded his company to stand for three things: openness, community, and innovation. Those words similarly describe the sort of assistance provided to Neuros Audio by the CEC, which helped fuel the Chicago-based open-source portable media device company's growth through what Born calls "crucial introductions to the investment community."

The CEC helped Neuros Audio develop financial documents for meetings with commercial banks and for raising private equity. The CEC also introduced Neuros Audio to the New Venture and Small Enterprise Lab at the University of Chicago's Graduate School of Business, which completed an in-depth competitive market analysis for the company to use as a key component of its business plan and discussions with investors. The analysis report helped to prepare and secure meetings for Neuros Audio with angel investors.

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With the CEC's assistance, Neuros Audio presented at the CEC's Venture Forum in 2004 and at the 2005 Midwest Venture Summit (sponsored by the Illinois Venture Capital Association). Most importantly, the CEC helped Neuros Audio in its most recent investment round closing with more than \$800,000 in equity and privately placed debt raised. "The CEC has helped position us for future investment rounds and for the future in general," says Born.

Cleversafe

Chris Gladwin had already created and managed a series of successful technology companies, including MusicNow, which was acquired by Circuit City and was recently sold to AOL. And yet when he founded Cleversafe, a secure and reliable software-based means to store data, the seasoned, successful entrepreneur sought counsel from the CEC because of its resources within the Chicagoland community.

The CEC began by helping Gladwin with market research and product testing. Cleversafe then presented at the CEC's Venture Forum, allowing Gladwin to meet a group of investors at once. As investment offers started to roll in, the CEC was, says Gladwin, "uniquely helpful" in providing background on the investors so he could evaluate and compare offers. The CEC also provided Gladwin with some key introductions to potential resellers and customers that helped the new company establish references. As a result, a \$100 million Internet hosting service is now planning to license Cleversafe's software.

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Lastly, the CEC also connected Cleversafe to the Illinois Institute of Technology, which led to incubator space for the company and the hiring of 17 employees who are current and former IIT students. Gladwin says "working with the CEC quickened the pace of the formation and development of our company by helping to accelerate critical elements of the business."

Firm58

In a new class of applications called Trading Operations Management, Chicago-based Firm58 replaced the convoluted traditional middle and back office systems for securities trading operations with a single integrated solution. Founder Sam Mele, who came to the CEC as he was raising capital for the launch of the business, wanted targeted introductions to individuals who could provide market validation for the company's technology.

As a starter, the CEC helped introduce Firm58 to the Chicagoland investment community and prepared the company for the 2005 Midwest Venture Summit (sponsored by the Illinois Venture Capital Association). It also helped facilitate meetings between Mele and Mesirow Financial on the Chicago Mercantile Exchange, increasing the company's profile in the business community. In addition, the CEC helped Firm58 to refine its funding presentation, provided a matching grant used to engage a professional marketing organization, and helped in the selection of attorneys.

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Today, Firm58 has eight employees and is poised for continued growth. "In short, the CEC has been critical to establishing the initial footprint of our company," says Mele.

Flowerpetal.com

To make his company a viable alternative for consumers looking for a more personal touch when shopping online for flowers, Flowerpetal.com founder Brian Crummy sought counsel from the CEC to help him differentiate his company from larger players such as FTD and 1-800-flowers. The CEC awarded Crummy a matching grant to help develop strategies, which allowed Flowerpetal.com to distinguish itself from the competition.

In addition, through the CEC Crummy was able to take advantage of the legal services of Northwestern University Law School's prestigious Small Business Opportunity Center, which led a trademark application on Flowerpetal.com's behalf.

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Flowerpetal.com has blossomed to not only include three full-time staff, but a full-time temporary position filled by a refugee from Hurricane Katrina, helping the new company live up to its motto. "I like to say that 'flowers change everything,'" says Crummy. "In the case of my growing business, it might be said that the CEC helped me change everything for Flowerpetal.com."

City Escape Garden Center

When Connie Rivera decided to open a year-round garden center on the West Side of Chicago, she met with the CEC to help her define a financing strategy and capitalization structure to accomplish her vision of the City Escape Garden Center. While Rivera was a long-time, successful executive, she was also a first-time entrepreneur, who knew to turn to the CEC early on to help scale and grow her business.

Among the ways the CEC assisted Rivera in establishing and growing City Escape was by navigating the city, state and private resources available to help her achieve her fundraising objectives. The CEC also helped to package and syndicate financing required to fund that growth, and provided her with a matching grant to develop a communications and marketing plan.

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City Escape is now one of a number of chic home and lifestyle shops on the beautiful Garfield Park Conservatory Campus, considered the nation's largest public garden under glass, on Chicago's West Side. "Thanks to the CEC, City Escape has been able to expand from a seasonal operation to a successful year-round business," says Rivera.



Fieldglass

As a senior executive at an application-outsourcing firm, Jai Shekhawat experienced first-hand how difficult it was for buyers of its services to communicate effectively with a large supplier base. If there was a better way of building a service-procurement application, Shekhawat would figure it out. And with the founding of his company, Fieldglass, and support of the CEC, he did. Today Fieldglass creates customized service-procurement solutions that help companies across every industry reduce costs, improve efficiencies, ensure compliance and ultimately, outperform their competition.

The challenge for Fieldglass when it approached the CEC, however, was managing the accelerated growth of its own sales organization as it expanded its offerings. "We were very good at product development," said Shekhawat, "but needed to capitalize on this to become world class on the selling side, as well."

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The CEC, working with a consultancy specializing in the implementation of sales and marketing strategies for technology organizations, analyzed Fieldglass' direct and indirect sales strategies to determine whether Fieldglass salespeople were selling in the most effective way. An analysis containing strategic and short-term sales tactics and of what the firm's sales organization was doing right and what it needed to do to improve, was presented to Fieldglass management in a half-day workshop. Fieldglass is also one of the CEC's premier clients participating in the Business Bridge program, which has resulted in targeted introductions to local Fortune 1000 firms.

"The CEC applied a lot of energy and effort toward helping us with strategic advice, connections and networking," said Shekhawat. "I don't think there's any other business organization in Chicago that's as dedicated to helping the entrepreneur as much as the Chicagoland Entrepreneurial Center."

Zorch

Nicole Loftus had a great idea: take the century-old \$16 billion dollar promotional products industry and flip it on its head by offering a service called Zorch that connects organizations directly with manufacturers to create promotional products faster, more accurately and at lower cost.

To turn her idea into a realistic business, Loftus turned to the CEC, which together with the Women's Business Development Center, helped her secure the company's first round of financing through the CEC Bank Academy program.

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The start-up capital helped the company to develop a technology platform and provided the operational capital necessary to create and execute a sales campaign. As Zorch began to move out of its start-up phase, the CEC began working with it on strategic introductions to potential clients through the Business Bridge program. With the assistance of the CEC, Zorch secured two major contracts with Chicago-based Fortune 100 companies. Zorch was also a recipient of the CEC Entrepreneurship Center Grant Award program to have an outside consultant revamp the company's business plan and develop a private-placement memorandum to support Zorch's efforts in raising equity capital. Loftus is participating in the ATHENA PowerLink® program, as well, which helped the company significantly improve its operational efficiency and financial controls.

"Without the CEC's corporate contacts, Zorch would get lost among the many suppliers bidding for business," says Loftus. "In addition to client contacts, the CEC is invaluable on the financing front, too."

Maddie Powers

One doesn't usually associate the rough-and-tumble of hockey with high fashion, but that didn't stop hockey fan and entrepreneur Jay Moore from noticing a woman at a game who had fixed her broken backpack by using a colorful book as a makeshift liner to keep its contents from spilling out. With that image in mind he designed what has since become the must-have bag for fans of fashion from coast to coast. The "book-purse," as it became known, also became the inspiration behind the founding of Maddie Powers, Moore's firm that designs and manufactures his collection of purses covered in authentic 1940s and 1950s pulp novels.

Initial success led Moore to seek counsel from the CEC to develop capitalization structures and financial models to prepare the company for a fundraising effort. The CEC helped Moore identify potential angel investors and debt financing options, which led to Maddie Powers receiving its first significant angel investment and debt financing for the company. As the company saw demand grow, the CEC continued to work with it for another round of financing that would be predominantly debt-based capital to support the rollout of new product lines. The CEC also worked with Moore to ensure that financing would be in place to allow for growth and for the company to maintain its brand image as it expanded its offerings to include flasks, cigarette cases, and messenger bags.

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Today Maddie Powers is diversified with three product lines and is available in over 200 boutiques and at a national retailer, a high-profile placement the CEC helped broker.

"I started all of this because I had a good idea and I thought my style of products would make people happy," says Moore. " My goal is to stay in Chicago and, with the CEC's counsel, continue to make products Chicago can be proud of."

Entertain with Ease!SM

It's not every day that an entrepreneur can combine business and pleasure into a successful, moneymaking enterprise. Enter Jodi Rosen Ablin, who through her love of entertaining and business acumen created Entertain with Ease!, the first direct selling company to work with consultants from across the nation to host fun "home parties" that showcase its carefully selected products and provide customers with product sampling and entertaining suggestions.

Ablin was one of the first applicants for the CEC Entrepreneurship Center Grant Award Program and among the first round of recipients. Entertain with Ease! used the matching grant award to engage a firm to rollout its national sales campaign, develop its 2005 product catalog, and expand its sales force more rapidly by encouraging new consultants to come on board, all of which directly impacted its revenues due to the breadth and depth of products that now can be showcased and sold.

"With the CEC as a valuable partner, we're confident in our ability to achieve significant and sustainable growth in this sector."

Additionally, through the Bank Academy program, the CEC reviewed Entertain with Ease!'s financial position to determine its potential for accessing debt financing for operating and expansion capital. This analysis led to introductions to a local bank and eventually to Entertain with Ease! securing a line of credit.

With the assistance of the CEC, Ablin was introduced to other successful businesses and resources vital to a growing company, including public relations firms to help Entertain with Ease! develop a marketing campaign.

"With the CEC as a valuable partner," says Ablin, "we're confident in our ability to achieve significant and sustainable growth in this sector."