



SUCCESS STORY #608:

MOBILE CUPCAKE BUSINESS ENJOYS SWEET SUCCESS

**Small Business Development Center
hosted by Santa Monica City College**

Sugar Babies Cupcakery • Los Angeles, CA

Sugar Babies Cupcakery

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For more information or to sign up
for a free consulting session,
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call (310) 434-3566.



Los Angeles Regional Network



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BEFORE:

Rachel Crystal and her sister Cassandra Workman had no business experience when they got the idea for their mobile cupcake business, Sugar Babies Cupcakery. But the sweet treats Workman loved to bake were such a hit with friends and family, the sisters knew customers would love them, too. In a nod to the health-conscious Southern California market, they decided to focus on *miniature* cupcakes. In March 2010, seeking help getting a loan to open a bakery, the sisters visited the Small Business Development Center hosted by Santa Monica College.

BEST ADVICE:

Classes in QuickBooks, business plan writing, and applying for business loans as well as one-on-one counseling with Business Advisor Ron Sardisco taught the sisters how to manage their finances, develop a business plan and submit loan applications to banks.

LESSONS LEARNED:

- **Find your focus.** "We went in with a rough idea and just pieces of a business plan," Crystal recalls. "Ron coached us, gave us feedback and helped us focus in on what we wanted the company to look like."
- **Go step by step.** "I didn't know the steps [to startup]," says Crystal. "Now that we have a business plan, do we get our permits? Do we try to get loans? What's next? The SBDC pointed us in the right direction."
- **Have a backup plan.** When their loan applications were rejected, the sisters didn't give up. Having gained new confidence in their business abilities by working with the SBDC, they modified their concept to a mobile cupcake truck, and bootstrapped startup with \$30,000 of their own funds.
- **Manage your money.** "I still refer to my notes from the QuickBooks class I took," says Crystal, who handles Sugar Babies' bookkeeping. "I learned that keeping accurate records is vital because it allows you to determine your cost factors and profitability at any given time, [so] you can direct the expansion or contraction of your business."

AFTER:

Since Sugar Babies hit the road in October 2010, the company has been featured in the *Los Angeles Times*, *People* online and *L.A. Magazine*. The business has been so profitable that in July 2011, the sisters realized their original dream by opening a storefront location. They're using social media, Groupon and Yelp!, and advertising in local newspapers to generate attention for the store. Long-term plans include opening a second storefront and expanding their product line.

"The [SBDC] was a great help to us and to our business," says Crystal, who plans to return to the SBDC as Sugar Babies grows. "They expose you to many options that will help bring your business to life."