

Entrepreneur of the Month

Charlotte Scott

Home:	Crisfield, Maryland
Age:	58
Family:	Two sons, Matthew and Greg Cain
Education:	B.S., M.Ed, Administrative certification
Businesses:	Co-owner, The Crab Place and East Coast Consulting
Volunteer:	Help Our Children Foundation, Treasurer Crisfield Area Chamber of Commerce, Executive Committee Salisbury Area Chamber of Commerce, Member Holy Name of Jesus Catholic Church, Lector
Leadership:	Founder, The Business Navigation Forum Chairperson, The Business Alliance of Delmarva Leadership Maryland, Class of '02 United Way of the Lower Eastern Shore, Past President (two terms)
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Seafood and Entrepreneur Services on the Chesapeake Bay

On the eastern shore of the Chesapeake Bay, the small town of Crisfield, Maryland – population 2,800 – prides itself in being the Crab Capital of the World.

What better place to start a business selling local seafood to folks across the U.S.? Charlotte Scott and her sons agreed and opened The Crab Place in 1999.

As if co-owning a business wasn't enough to keep Scott busy in her hometown of 35 years, she also leads two entrepreneurial support organizations and serves on several other boards. And that's in addition to her full-time job running East Coast Consulting.

Scott wants to see a continued rebirth in business, tourism and community development in rural Maryland, and she's leading the cause.

"I'm trying to help create a good atmosphere for entrepreneurs here," she said. "And, having helped start a family business, I know how it feels to struggle. These people in our communities deserve to be embraced and supported."

Crabs and Consulting

Born and raised in West Virginia, Scott started her career as a middle school teacher, moved on to work for various federal programs in education, and was promoted to Coordinator of Career Education and Work Experience. In addition, for fourteen years she wrote grants for the school system on an as-assigned basis. This experience proved valuable in her future endeavors.

"But around 1998, I began to get restless," she said.

She took an early retirement to explore new possibilities. At around the same time, her son Greg had a concept for a two new businesses: selling local seafood and opening a computer store.

"Greg asked me to join him. I was honored, and we started on a business plan the next day," Scott said, adding that her sons studied economics and accounting in college, and they both worked in the seafood industry as youths.

Good things came in threes for Scott, as the two businesses co-started with her son were joined by her own business, a consulting firm specializing in professional writing, business consulting and small business development.

Scott now has a personal assistant as well as a team of 11 experts to work with East Coast Consulting on a project basis. The computer business rolled into The Crab Place, which she co-owns with two sons. Selling fresh seafood on the Internet has become a high-tech challenge, but one that paid off for her family. Orders are up 26%, sales revenue is up 29%, and currently profit is up 44% for the year. As a result, The Crab Place is looking to build a 5,000 square foot plant to handle its growth and operations.

If you're a seafood fan, a look at the Crab Place website is enough to make your mouth water. In addition to hard crabs, soft crabs, and just about anything else in the Maryland crab family, the Crab Place offers lobster tails, clams, oysters, scallops, crab legs, fresh fish and more – all shipped to your doorstep.

Crabs can even be shipped live for freshest results.

Scott and her family – joined by her sons and daughter-in-law – have taken advantage of local resources to start a successful business. Maryland, and especially the Chesapeake Bay, is known for its crab delicacies. The annual National Hard Crab Derby and Fair is even held in Crisfield, Scott's hometown.

How does one with a background in education enter the business world?

In addition to the fact that her sons are business-minded, Scott said, "I don't have any kind of business background. I just learn as I go. I think most people learn on a need-to-know basis. That's why you see so many older adults at community colleges. There's something specific they are now ready to learn or need to know."

With a Business Support System Lacking, Faith Rules

"We did not have much help along the way," Scott said, referring to the lack of entrepreneurial assistance available for her and her sons. "We've had a very difficult time in business.

Located 35 miles from the nearest Small Business Development Center, Scott said it was not convenient to get help there when the center was only open during business hours and not on weekends. Although she did seek help from the SBDC, she feels their location and hours are not accessible to most entrepreneurs in her area because of the distance and hours.

And getting bank loans was a major challenge.

"Banks are not receptive to risks," Scott said. "It takes a miracle to get a bank loan, and you usually get just enough money to fail. Once we got our original loan from our local, hometown bank, and then took off at a fast pace, our bank would not help us with another loan to manage the growth. In fact, they said they expected profits in the first year."

It was difficult to digest the lack of support from local banks, Scott said, which were leery of how fast the crab business was growing. Their first year, the Crab Place did about \$500,000 in sales. The second year they jumped to over \$1 million. But profits followed at a slower pace, and most banks shied away. The company had to find another bank to deal with and that was not a much better experience than the first. It has taken years to stabilize the company, and one has to wonder how they would have done if they could have gotten what they needed when they need it.

This experience is a large part of what drives Scott to help other entrepreneurs so that they won't have to face the same challenges. "Business is hard enough, without having the pressure and lack of support around you that you need from your local financial institutions," she said. The Crab Place is now profitable and is continuing to grow. But it's been a long, hard, and scary journey.

“There should be a better climate to help entrepreneurs,” Scott said. “There are resources out there, but it’s like a treasure hunt to try to find them.”

When asked how she made it without a strong business support system, Scott replied, “Faith.”

Scott doesn’t push her strong faith on others, but she doesn’t hide it. Bible verses and faith-based language and images grace her business and volunteer brochures and websites.

She talks of her faith in God and being at peace with her decisions, like the one she made to join her son embarking on the crab and computer businesses.

“You have to have faith, do all you can, and trust that God will take care of the rest,” Scott added.

Faith pulled her family through those first years in business. Scott recalls a time when her sons stepped into her office late one night to tell her the crab business would not make it through Christmas. They suggested that they fold.

“I told them that they could out-vote me, but my vote was to stay,” Scott said. “In my heart I didn’t think we should leave. Ultimately I always listen to my heart and my spirit. And I’m never sorry I did.”

Faith and family have ultimately pulled Scott through, and now she has taken the reigns to build a better environment for other local entrepreneurs.

“Because we had such a hard time starting our businesses, I gained the heart and passion to help other people,” she said.

Inspired to Inspire Others

In addition to co-running the crab business and leading her consulting firm, Scott is also a major player in her community’s small business development circles.

“I wanted to create a place where new business leaders could inspire and encourage each other, solve problems and make referrals,” Scott said.

In July 2004, Scott founded the Business Navigation Forum (BNF), a loose-knit group of entrepreneurs and aspiring entrepreneurs who meet twice monthly for discussions, guest speakers, resource sharing and support.

“We want to lay the foundation to build relationships and trust,” Scott said.

The BNF is diverse in both businesses represented as well as race and ethnicity.

The membership of more than 50 people includes a publisher, mortgage lender, chef, assisted living director, construction business owner, mentoring organization founder, real estate broker, and bed-and-breakfast owner, among many others.

“The group is also about 40 to 60 percent African Americans, as well as various nationalities,” Scott said. “Although these percentages are reflective of our region, few - if any - other organizations have the diversity we have. Personally, I think that is where our strength and power lie – being inclusive and working together.”

Described in a brochure as a “multi-racial, multi-ethnic forum to help entrepreneurs start and grow businesses,” the BNF’s mission is “to come together in a spirit of unity as a multi-racial, multi-ethnic group of entrepreneurs who operate in faith and who contribute to the success of each member’s business as well as each member’s charitable and social justice endeavors for the good of the entire Delmarva community.” (*See the BNF core values below.*)

Each meeting includes a potluck, networking time, group discussions and/or guest speakers and time for fellowship.

BNF is one of the seven entrepreneur-led groups that are part of Scott’s other major cause: The Business Alliance of Delmarva.

Established in 2005, this group is a three-state cooperative dedicated to supporting small business on the Delmarva Peninsula. The Alliance is working to establish and support networking groups at multiple locations.

A focus of the Alliance is their SWOT teams that assist businesses facing problems or crises.

The Alliance is also creating an angel network of investors by pairing entrepreneurs with regional investors with a desire to help local businesses.

“The other advantage of the Alliance is that we can go in as a cooperative for reduced rates, in health insurance, for example,” Scott added. “Our motto seems to be, ‘Let us band together and let us be heard.’”

With a majority of time spent on consulting, Scott still manages to have her hands in the crab business as well as her many volunteer efforts.

Scott said her variety of experiences – from education to business – comes full circle when she sees her former students in town.

“I see all that potential and talent in my students. Some are underemployed and some are unemployed,” she said. “Or, they go elsewhere to find jobs. This talent needs to have a place to grow locally. They need a climate with more support for small business.”

Scott, in her personal and community endeavors, offers that support. She added, “I’m doing things that are meaningful to me. I’m having the time of my life.”

-By Lisa Bauer, 10/05

The Core Values and Beliefs of the Business Navigation Forum:

1. We believe vision, faith and relationships built on trust are the foundation for fulfilling our purpose and prospering individually and as a group.
2. We believe we can learn from each other and that we gain strength, wisdom and emotional support from staying connected to each other.
3. We are people of many faiths who worship and serve the same God. We respect people of all faiths and encourage each person to live his or her faith to the fullest.
4. We believe there is more opportunity on Delmarva than there has ever been, and that all people must be assured of the fullness of opportunity and a legitimate share in the material benefits and advantages that opportunity provides.
5. We believe in the power of unity and that by working together, especially people of different races and ethnic groups, we can help each other accomplish our individual and common purposes.
6. We believe in the value of hard work and that hard work builds character. We believe joy and self-worth come from knowing you worked, sacrificed and earned what you have.
7. We believe that God blesses a life of integrity. We believe that means being honest, keeping your word, being trustworthy, being responsible and acting according to sound moral principles in both our business and personal life.
8. We believe that God is a God of abundance and that we do not have to fear the success of others. In fact, we believe we should want for others what we want for ourselves and that what is for us IS FOR US and no one else can have what God has for each of us.

9. We believe in the value of giving. We believe that as we are able, we have a responsibility to give back in terms of time, treasure and talent.
10. We believe we can make a difference in the world and improve the quality of life by helping each other and working together toward common goals.

For more information on...

- ... the Center for Rural Entrepreneurship, go to www.ruraleship.org
- ... the Crab Place, go to www.crabplace.com
- ... East Coast Consulting, go to www.eastcoast-consulting.com
- ... the Business Alliance of Delmarva, go to www.thebusinessalliance.net