



Entrepreneur of the Month **Beth Strube, President of Funshine Express, Inc.**

Home:	Dickinson, North Dakota
Age:	39
Family:	Married to Ernie, 3 children
Education:	M.S. Education, University of Wisconsin, 1989 B.S. Business Administration, North Dakota State University, 1986
Business:	Funshine Express, Inc.
Primary service:	Designing, writing, manufacturing and distributing curriculum for preschoolers
Mission:	To provide teachers and children with developmentally appropriate educational materials, according to standards outlined by the National Association for the Education of Young Children, as well as current trends in the early childhood field.
Employees:	14
Annual Sales:	\$1 million
E-mail:	funshine@funshineexpress.com
Website:	www.funshineexpress.com
Phone:	1-800-340-8103

A Ride on the Funshine Express

By Lisa Bauer

One minute she's editing a preschool lesson on animal ABC's. The next reading the *Wall Street Journal*. Beth Strube's business serves small children and their caretakers, but running a business grossing \$1 million in sales annually is not child's play.

Strube is President of Funshine Express, Inc., which originates and distributes preschool curriculum. From downtown Dickinson, N.D., she manages 14 employees and serves a customer base of 3,000 to 4,000 – a stark change from her start in 1995 with 2 employees, 30 customers and a copy machine in her basement.

For Strube, it all began with a desire to challenge herself.

After receiving a bachelor's degree in business in 1986 and a master's in education in 1989, Strube operated a licensed daycare from 1992 to 1995, moving back to Dickinson in 1994. Prior to her relocation in Dickinson, she lived in three states, giving her a solid background in early childcare trends.

Back in Dickinson, Strube continued her daycare but felt the need for a change, in addition to the need for better educational materials for children in her care.

"I never felt like I was just a babysitter," she said.

Eight months pregnant and armed with an idea, Strube approached her mother Patricia Ehlis, a certified elementary school teacher, to help develop and distribute curriculum for preschool children. Strube designed the monthly kits for preschool teachers and childcare providers to use with kids ages 2-5.

Shortly after the birth of her third child, Strube and her mother shipped 30 kits, including short lessons, activities and craft ideas. All the customers re-ordered.

“Our first kits were unbelievably unprofessional,” Strube said, adding that their copy machine left unsightly streaks on papers. “But the content was there.”

Using a paper cutter, heat sealer, computer and the copy machine, the two women developed and shipped 50 to 70 kits each month in 1995. Strube knew she was on to something. She quit the daycare business and got on the Funshine Express fulltime.

In 2000, Funshine Express shipped about 1,500 kits per month. Ninety-eight percent of which left the state of North Dakota.

The kits, similar in concept to lesson plans, include everything from patterns and craft supplies to math and early literacy exercises. Strube’s goal is to stay on top of educational trends and current research in the early childhood.

Initially, the business required a minimal investment – just \$300 each from her and her mother. But neither Strube nor her mother took a salary. Funshine Express continued to be a family affair as Strube’s mother left and her sister, Lisa Kessel, joined the business in late-1995. A former account executive, Kessel became a partner in 2000 before leaving to be with her family. She still provides consulting service for Strube.

Strube said, “There are benefits and drawbacks to working with family, but for me there are more benefits.”

Civic Support Serves Expansion

As her business grew, so did Strube’s need for outside assistance and support. She found that in the business people of Dickinson and in a regional economic development program.

“We’re a small business, and it’s always been important to reach out to various communities,” Strube said.

Funshine Express outgrew Strube’s home, and in 1997 the business relocated to the top floor of a building in downtown Dickinson. Her landlord, owner of a computer store occupying the first floor, provided encouragement and low rent.

“I found quickly that in Dickinson, the business leaders all support each other,” Strube added.

In the spring of 2000, Strube made a second move to her own building with a community block grant from the Roosevelt Custer Regional Council. (see sidebar/link) Early-on, the Council helped Strube with grants for half of the cost of a copy machine and market research, allowing Strube to experiment with direct mail and targeting markets such as nannies, children’s hospitals and Head Start programs. For her new building, the Council provided a low-cost loan, starting at 2 percent.

“(The Council) was very interested in our business because we’ve created jobs and brought dollars into the area from outside,” Strube said.

Strube’s business also benefited from the Dickinson Manufacturer’s Roundtable, a group of local business leaders that meets monthly to share stories and struggles. Members of the Roundtable have given her business advice, shared personnel plans and led her to yet another invaluable resource: the Manufacturers Business Program in Bismarck, N.D. Consultants from the program visited Funshine Express and advised her on “lean manufacturing” and staff training. And the cost? “A pittance,” Strube said.

“The Roundtable is full of incredible mentors for me,” Strube said. “It’s a very unique business atmosphere in Dickinson that allows for this noncompetitive sharing.”

Even as Strube first embarked on the business idea, the Roundtable participants became a source of support: “Being eight months pregnant, it was difficult for many people to take me seriously, but these men did.”

Skilled Staff Boosts Business

In the beginning, Strube and her family did everything from drawing illustrations for curriculum to stapling packets. Eventually, Strube added 14 employees to her “family,” which allowed her to delegate responsibility and spend more time on the business end. Although she still edits all curriculum, she now employs experts such as a graphic artist, curriculum writer, business manager and bookkeeper.

“One of the most enjoyable things about my job is providing opportunities for education and enrichment for my staff,” Strube said, adding that she offers competitive salaries and benefit packages. “This in turn gives us great staff retention with little turnover.”

Strube takes pride in her staff’s knowledge of products and their customer service know-how, and she feels lucky because finding strong talent in small rural areas is challenging.

“A disadvantage we have faced is a limited labor pool, especially for skilled and professional positions,” she added. But Strube strives to find and keep good people.

Staff helps her free up time to spend thinking strategically, with consultation from her sister, Lisa Kessel.

Kessel began helping to market Funshine Express with simple flyers distributed to regional childcare associations and newsletters. Strube and Kessel have found over the years that direct mail brochures distributed to licensed childcare providers and centers in selected states provide the most measurable type of response.

In 1996, Funshine Express mailed 2,000 flyers. With help from talented staff, the business shipped 170,000 brochures in the summer of 2001.

Risky Business, High Rewards

When asked what motivates her, Strube replies, “I just love what I do.”

And her audience loves her products. In 1998, Strube’s business received the Director’s Choice Curriculum Award from *Early Childhood News* magazine. Strube attributes customer satisfaction to products that are of high quality, medium-range cost, and easy to use.

But beyond enjoyment, Strube is a risk-taker. She grew up with a strong business role model in her father, a farmer/rancher, who would sit down with Strube and go over financial plans.

Her husband Ernie, a banker, has also provided encouragement.

“Women are not always as comfortable taking risks,” she added. “So my dad and Ernie were critical inspirations for me.”

For Strube, risk-taking is peppered with caution, involving research and sensible business decisions, but, she added, “You can’t be afraid to fall on your face.” She’s confident, but admits that on more than one occasion she has wondered whether the business would succeed.

“There are still times when I wake up thinking, ‘Where are we going with this?’” she said.

In the future, Strube said the business will re-design their website and institute online ordering, as well as consider a Board of Directors. Strube said she’s also currently looking at different ways to diversify, all of which would involve taking a chance.

“Risk-taking can be scary,” Strube said. “But after awhile it’s intoxicating.”