Entrepreneurs of the Month

Lickity Split Chocolate Studio, LLC

Where: Blanding, UT

Employees: 2 full-time, 5 part-time seasonal E-mail: lickitysplitchocolate@yahoo.com Website: www.lickitysplitchocolate.com

Phone: (435) 678-2626

This story is adapted from Youth Renewing the Countryside, a book to be published in the spring of 2008 that will feature young people across America working to revitalize rural areas. The author of this story, Nathalie Jordi, is a young person who traveled through numerous states to document youth renewing the countryside. The story is used by permission from Renewing the Countryside (see www.renewingthecountryside.org).

Youths Find Sweet Success in Chocolate Business

A 10-year-old wearing a goolish Halloween mask runs through the store, cape flapping. "This is Hubert, our VP of sales and marketing," says Lickity Split Chocolate's CEO, 16-year-old Andrew Dayish, of the young Grim Reaper.

"I am *not*. I'm a dead guy!" says Hubert before running off for another piece of cake. All of Lickity Split's owner-operators take their corporate titles, Halloween costumes, management duties and cake-eating equally in stride. These 15 children, ages 8 to 16, are managers of the tiny chocolate factory at the edge of Blanding, Utah. Together, they represent a boisterous mix of their rural community's Navajo, Mormon, Mexican and Anglo populations.

Blanding is located deep inside San Juan County—one of the nation's poorest and largest counties and the state's only county with a Native American majority. In an area where 30 percent of people live below the poverty line and less than one percent of businesses are Native-American owned, these enterprising kids have raised nearly \$30,000 in three years. A local writer nicknamed them the "White Mesa Wonkas."

Tired, cheerful Elaine Borgen sustains the project. Having moved to Blanding as a VISTA volunteer after 20 years in the corporate world, she remembers Andrew, Creedence Sampson, Tya Manygoats, Tiffany Billie and other Navajo neighbor kids knocking on her door to ask for ticket money for the movies.

"I can't lend you all money," she told them, "but come back tomorrow and we'll try to figure out a way for you to make your own money."

The next day's brainstorming session led to the germination of the company's flagship product, a chocolate lollipop decorated like a traditional Navajo basket. Over the next four months, the children and Elaine made prototypes, evolved their technologies, and assigned everyone a role: CEO, CFO, COO, president, vice-president and managers of the company's production, shipping and handling, computer, art, and sales and marketing departments.

Elaine also tutors the children four times a week, which includes chocolate-making on Fridays and Saturdays. Each chocolate-making day ends with a team meeting where they assess progress and discuss new schemes listed on their "Chocolate Idea Board." Older "employees" are paid by the hour and younger ones through a point system whose monetary value changes according to the company's profits (much like stock options). Some earn upwards of \$700 a year. Many use the money to help their parents with bills. As the children start turning 16, Elaine wants to help them set up IDAs, Individual Development Accounts similar to a 401(K) that are matched three to one by the state. Fifteen percent of the profits are re-invested for operations and maintenance. With the children registered as the company's official owners, it is listed as a majority-owned Native American business.

One Lickity Split spin-off already has started up on the Mountain Ute reservation south of Blanding, coordinated by its director of education, Kelda Rogers. The dream is to have similar franchises on reservations across the country and to increase volume so that they can sell their chocolate to such venues as the National Museum of the American Indian in Washington, D.C.

Getting out of poverty, Elaine Borgen argues, is a matter of first acquiring skills and then assets. She's seeing to it that the children are learning, from start to finish, what it takes to run a business: how to do the books, how to put a quality control system into place, how to cost and market their product. To get hired, students must exceed a 2.5 grade point average; to stay, they must maintain it. Currently, the average Lickity Split employee GPA is closer to 3.0, and Elaine has watched the children's grades go up as their leadership skills increase.

While the original Navajo basket chocolate lollipop (made with butter and cocoa butter) is still the most popular Lickity Split product, the children have expanded the line to include truffles; caramel apples presented in pretty origami boxes; hogan, teepee and Kokopelli-shaped chocolates; chocolate-dipped strawberries and pretzels; painted pottery and jewelry. They would like to open a retail space on Main Street and have been fundraising by hosting a "café" with live music and pint-sized waiters and waitresses serving desserts. Children from the Blanding and Mountain Ute branches of Lickity Split spend a few days together on an annual retreat, and last year, before they traveled to the Oregon Coast, a local medicine man performed a ceremony to ensure the children's safe return.

While she's quick to laud the kids as the movers and shakers behind Lickity Split, Elaine deserves much of the credit. She starts each morning with a breakfast open house so that the neighborhood kids can stop by for a healthy protein- and fruit-filled plate before school. Her other "day jobs" include teaching business courses at the local college, serving as the chairperson of the San Juan County VISTA volunteers, and leading her own VISTA project, the Legacy Community Development Corporation. LCDC pairs people in rural areas with business opportunities that allow them to work from home, such as call centers or a remote-site medical coding business.

She devotes many hours to Lickity Split beyond the weekend workdays, and often uses her own money to purchase needed supplies and materials. She recognizes that as a business the company is less than sustainable, leaning heavily upon her labor.

"Since the number of orders often exceeds the time the children are working to fill them, I end up making a lot of chocolate myself," she says. "But I believe the skills that the children are learning will allow them to start sustainable businesses of their own some day."

Their inspiring project has garnered attention, recognition and rewards. Through generous grants, each child was awarded a bicycle and a computer, even though most of them lack Internet connections and some have no electricity at home. Elaine was recently

named Small Business Associations Minority Champion of the Year, and the children have traveled to national conferences and been recognized by Utah's senators. Creedence and Andrew even got to meet President Bush.

The kids admit they enjoy their work—maybe too much.

One states in a businesslike manner, "Our waste is about 30 percent, which is higher than at other chocolate factories, but it's hard for us to keep our hands off the chocolate!"

Indeed, at least one pint-sized Wonka sporting a pastry chef's floppy hat had shards of white chocolate melting in her palms throughout the day. Elaine maintains that Lickity Split has more to do with education than chocolate, but the children disagree: "The best thing is definitely the chocolate."

"And the people!" another pipes up.

"This is real old-fashioned America," says Elaine. Blanding is a dry (no-alcohol), Mormon town, where the intoxicants of choice are methamphetamines and Listerine, set in a remote county the size of Rhode Island, Connecticut and Massachusetts, with only one inhabitant for every two of its desolate, rocky square miles.

So when 15 children get together every week to alchemize raw materials into what may look like chocolate, what they're doing is actually much more important.

The phone rings, and Tya Manygoats picks up.

"Hello, Lickity Split Chocolate," she says perkily. "What can I help you with today?"

For more information on...

- ... the Center for Rural Entrepreneurship, go to www.energizingentrepreneurs.org
- ... Lickity Split Chocolate, go to www.lickitysplitchocolate.com