Matt Wagner:

Welcome to the Main Street Business Insight Podcast. I'm your host, Matt Wagner, chief program officer at Main Street America, a nonprofit leading a collaborative movement dedicated to strengthening communities through place-based economic development, and community preservation. Each week, join me as I travel the country and take a deep dive into the personal journeys of downtown and neighborhood entrepreneurs. The stories that far too often go unnoticed and unheard. Whether you're a small business owner who wants to learn from your peers, or community leader looking to better support your local business base, Main Street Business Insights is here to provide you with the tools, strategies, and personal stories to help you and all of your Main Street businesses thrive. So subscribe now and tune in every Wednesday to get inspired by the individuals driving our communities forward.

Welcome everyone to another episode of the Main Street Business Insight Podcast. It's so good to be back after we took our August shutdown, as they commonly referred to it in Europe. And as we now swing into fall, we've got a great lineup of interviewees and topics to share with you. I'm especially excited to kick things off with what will be a theme touched on in several upcoming episodes, which revolves around business succession. I think as many of you are aware, 2024 has been labeled Peak 65, due to the fact that more than 4.1 million Americans will turn 65 this year, or have been as we're now into September. Which is the largest number of people to reach this milestone in a single year in US history. In fact, the average number of people turning 65 per day will be over 11,000 from 2024 to 2027, and that's up from 10,000 per day in the previous decade, which may not sound like a lot, but it's 10% more.

This is really relevant, I think, for small businesses and our main streets, of course. And the simple fact is, many of our small business owners fall within this age range, and thus are entering that stage in which succession or exit becomes an important consideration. So this may shock you, but 40% of small business owners are baby boomers, but it's estimated that less than a third of them have an exit plan for when they retire. So this is a really important topic and deserves an interwoven theme through many of our conversations today and forthcoming. So our guest today is Mindy Bergstrom. She's not on the retirement side, but found herself on the buying side of the equation when she purchased the long-standing Cook's Emporium in Ames, Iowa. We're going to cover that in more detail and along with a ton of amazing insights from this now serial entrepreneur, so enjoy and we'll see on the other side.

Welcome everyone to another episode of the Main Street Business Insight Podcast. Today's journey finds me in Ames, Iowa, home of the Iowa State Cyclones. And yes, I didn't mess that up everyone. It's not the Hawkeyes, we're here in cyclone country, but it's also the former home of famous alumnus, Michael Wagler, my friend, coordinator from Main Street Iowa and Main Street America board member. But more importantly, I know he doesn't want to hear that, but more importantly, it's home to our guest, Mindy Bergstrom, serial entrepreneur, owner of Cook's Emporium, Nooks & Nest, Z.D. Mercantile, and more recently the Recipe Event Center. So we are in for robust discussion today, so I'm really happy to have you here. Thanks so much for joining me, Mindy.

Mindy Bergstrom:

Yeah, no, thank you so much. I'm excited to be here. And what an honor, this is going to be a lot of fun.

Matt Wagner:

Cool. All right. So as many of you know that have listened or watched the podcast, we like to start with a journey. It's really an important component of the stories we want to tell that are far too often unheard and untold about the wonderful, amazing Main Street entrepreneurs and small business owners that we have. And so we're going to get this kickstarted with really learning about Mindy's journey. So I'm going to turn it over to her and talk a little bit about how did this all come to be.

Mindy Bergstrom:

Sure. So I think I was in the environment of entrepreneurship. My parents are super hardworking, they have good work ethic, and they were really my role models for just my entrepreneur spirit, I feel. So my dad had cancer right after my sister was born, and I'm the youngest of three. So my mom worked nights while my dad watched my sister and all that stuff. So that I think really changed the dynamic of what they wanted for their life. Because I mean, if anyone has cancer, you know it's a stressful time. So my dad worked for an electrical contractor at the time, they were super poor with the medical bills of just having a baby plus the now having cancer. So my dad actually told my mom, "I never want to be poor again." So he worked super, super hard to get to a really good spot. After he was done working for that one employer, he started his business, I think with $500, don't quote me-

Matt Wagner:

Wow.

Mindy Bergstrom:

... But he started his own electrical business and just really worked his way up to-

Matt Wagner:

That's bootstrapping, Mindy.

Mindy Bergstrom:

It's crazy.

Matt Wagner:

Wow.

Mindy Bergstrom:

I probably don't say it enough, but I'm super proud of my parents for-

Matt Wagner:

You should be.

Mindy Bergstrom:

... how much they've overcome and everything. So-

Matt Wagner:

[inaudible 00:06:14].

Mindy Bergstrom:

... he started a business, I think it was a couple years before I came to be. And so really growing up, my parents' business was my daycare. So I spent a lot of time at the electrical business and at the shop, I pretended to play business. Instead of playing Barbies, I pretended to play business, having my [inaudible 00:06:37].

Matt Wagner:

You really got started in an early age, Mindy. That's great.

Mindy Bergstrom:

Yeah, I spun around on office chairs, I emptied garbages, I cleaned out work trucks. And this is all at a super young age of just always being around a business setting. I mean, even when I was old enough to be professional, I guess I was answering the phones and all of that. So yeah, I guess just growing up in that environment, that's just what you always see and what you're used to. So yeah. But my first fake business that I really started-

Matt Wagner:

You didn't even do that in air quotes.

Mindy Bergstrom:

Fake business.

Matt Wagner:

Yeah, fake business.

Mindy Bergstrom:

I mean, it was called Mindy's Cafe o te. It was a really cool breakfast place in my family's kitchen. I created a menu with crayon and there was a chicken on it, and I still have it, my mom has it. So my mom ate a lot of omelets growing up. I had supported my enthusiasm and my customer service of having Mindy's Cafe o te. I was a very odd kid. I think she's probably like, "What is wrong with this girl?" But she was just always really supportive of my randomness.

My first real business, I guess started when I was 18. I was off to college. I started Project Mint, which was, I designed websites for small businesses and nonprofits who still had 1990s looking websites, just because as a small business owner, you don't have a lot of money to spend on the digital world and advertising. So for my experience, I went and redesigned websites for all these companies and nonprofits. So fun fact, I did actually win my very first court case at 19. Yeah. One of my clients did not pay for their invoice. I have my script here. My dad told me that I did the effort, I delivered to the scope. I deserve to be paid for that. So he's like, "Take them to small business claims court."

Matt Wagner:

That is wild.

Mindy Bergstrom:

And I did and I won, and oh man, I was so nervous how I'm prepared today. I was so prepared for being in front of a judge and I had all of my invoices, my email reminders, all that kind of stuff, and yeah.

Matt Wagner:

Somehow none of this surprises me.

Mindy Bergstrom:

Well, it was an easy win because they were a no show, so I won.

Matt Wagner:

But we don't have to share part. We'll edit that part out. There was like 10 people in... Yeah. They had their attorneys and... Okay.

Mindy Bergstrom:

Yeah. I wore a suit. It was really professional and great. But yeah, so that was kind of a learning very early on too, is that it's not personal, it's business. And then since then, I've had a 13-year career in project management. I worked in Minneapolis at different ad agencies, and I worked my way up to director of project management, which was my career goal. And then, yeah, that's kind of the story.

Matt Wagner:

And here we are.

Mindy Bergstrom:

And here we are now.

Matt Wagner:

So one of the things that's really been interesting to us over the last couple of years, and even more importantly as we entered 2024, which some of you may know, it's been labeled what they call, Peak 65 year, which according to ARP, we're going to have 10,000 baby boomers retiring each and every day throughout the year and actually through 2027. And so if you think about the amount of transition happening within all parts of the country, whether it's employment, but especially our small business world and especially our Main Streets, that's quite concerning.

And so we've been really interesting in understanding the art form of business transition. How does it happen? Who are the buyers? What are the sellers going through? And it was one of the fascinating things in our pre-discussion about how you came from directing projects to business ownership. Obviously, it was in your childhood for sure, in the fake business, but you were on the flip side of the equation, and that you were going about looking to buy a business, and that's where Cook's Emporium comes into play. And I'm wondering if you could tell us a little bit about that experience? It's one thing to fall in love with a business, it's another to buy it. And I think there's a lot of people that would be really interested to understand what that pathway was. Where were the decision points? What did you analyze? How did you understand the business? Could you talk a little bit about that?

Mindy Bergstrom:

Sure. So my husband is from Ames, so we would come down all the time to visit his parents. And the first time we came down, he brought me to Cook's Emporium. His family has shopped at the store for 30 years. It's their go-to place to always buy gifts for his mom. And so his dad always took him there. So the first time he brought me there, I actually said, "Oh my gosh, if this place goes for sale, we should buy it." Just randomly, just saying, because it's a cute store and a cute downtown, and it was just very special. And I've always wanted to own my own storefront, but living in the Twin Cities, it's very expensive to just randomly start up a business.

Matt Wagner:

So it kind of seemed like out of touch?

Mindy Bergstrom:

Yeah, it was just always a dream. So five years later, after the first time visiting, Patrick called the owner of Cook's Emporium and-

Matt Wagner:

Patrick's your husband, Mindy?

Mindy Bergstrom:

Patrick's my husband, sorry. Yep. Called just out of the blue and just asked what her exit strategy was. She was in her late 70s, early 80s, and she was ready to retire. So yeah, she just said she's happy to entertain a conversation. So a couple of weeks later, we went down, visited with her, kind of talked about timing. She wanted to finish a full fiscal year before handing off the business. So I think, I mean, it just kind of happened so fast, I guess.

Matt Wagner:

From your thinking, did she have a plan or it was just that you were proactive and reaching out and saying, "Hey, I'm interested." And then the wheels started turning for her about, "Oh, okay, maybe I can sell this?"

Mindy Bergstrom:

Yeah. I feel like she felt like she had an obligation to keep the store just because it's been in the community for so long, it's such a staple downtown Ames. So I don't think she really had an exit strategy. I think it was just a perfect match that we randomly contacted her at that time. I didn't know Patrick was doing this, by the way.

Matt Wagner:

Okay. This is all behind the scenes.

Mindy Bergstrom:

This is behind the scenes. I had a few stressful weeks with a crazy project I was working on, and he called her out of the blue. I got home one day from work, literally had my coat, backpack, everything on, and he's just like, "Hey, want to buy a kitchen store?"

Matt Wagner:

"Of course."

Mindy Bergstrom:

Like, "Oh, okay." So we talked about it, but yeah, it wasn't anything he discussed with me previously, but he just remembered five years prior I was like, "Wow, this place is amazing."

Matt Wagner:

Did you take a look at, ask for financials? Did you have an accountant look things over? What was that process like to know, "Okay, what are we getting ourselves into? How do we evaluate or value the business?"

Mindy Bergstrom:

Yep. That was one thing. We were able to look at financials. You can tell she was very tired of running the business, especially being in 70s, 80s. So yeah, we looked at her financials. It was actually not doing so great the last couple of years. So I think timing-wise just really worked out on helping her out with that. We were able to run the numbers, and she's just an amazing person too, so she was easy to work with. We were able to work out a good retirement plan for her, what the purchase price of the building was, what we agreed on. We looked at the inventory that she currently had in stock, and we just wanted to make sure it was fair and that she was going to be in a good position. And the big thing was too, she didn't want a lump sum of money because of all the taxes that would have to be accrued with it. So-

Matt Wagner:

So she would add capital gains on the front end.

Mindy Bergstrom:

Yeah. So it was kind of like a payment process throughout a couple of years to at least slim it out a little bit. But we did rely on a lawyer, one of our friends and business owners in Ames. We talked with him about the acquisition process, making sure we had contracts in place. So everything at least, was legit and good to go. But yeah, it was just financially, we had a lot of money saved up just from working really hard in the Twin Cities too, and it was just a crazy win that we decided to do. And so yeah, February, 2018 is when we signed the paperwork.

I kind of made the mistake of letting my employer know that I might buy this kitchen store, but it's going to be a couple of months just because she wants to finish her fiscal year. And so he found my replacement, which is the person I replaced actually, and got her all trained in, and then I kind of wasn't needed anymore. So I called Marg and just said, "Hey, do you need some holiday help?" So she was like, sure. And that timeframe of me being an employee, to me owning it was so valuable. Because I got to work alongside her, how she ran the business. I got to understand the process, because I've never ran or I've never even been a manager at a retail store. So it was very, very great to be able to just work with her and figure things out. My first day though, working as just an employee was Small Business Saturday.

Matt Wagner:

Oh my goodness. Wow.

Mindy Bergstrom:

So I Literally just-

Matt Wagner:

That had to be intense,

Mindy Bergstrom:

... jumped in. I didn't know the POS system. I didn't know... I only knew the store from me just walking around as a customer.

Matt Wagner:

Sure, you were a customer.

Mindy Bergstrom:

But yeah, first day, Small Business Saturday.

Matt Wagner:

There's a lot to unpack there in terms of I think what a really good learning lessons. One is maybe if you are doing some sort of acquisition, can you build in as part of the acquisition some time to spend with the owner? I mean, I think that's really brilliant to understand all the sort nuances of the business that as a customer falling in love with the store that you're just never going to see unless you're doing it firsthand. So I think having that baton, a time period for the baton toss.

The other thing that I think is really interesting is the financing component to it, which obviously business acquisition can be difficult to finance, but I think people look at it as, I need to take on a loan to buy it outright, versus the understanding for many that their business is their retirement, and so kind of approaching it as almost like an annuity where they're getting it over time, which is then saving them on the tax side. So I think just thinking through different acquisition strategies, so I'm really glad that you mentioned how you approach the financing. That was really a win-win for both the buyer and seller.

Mindy Bergstrom:

It really was. Yeah. Because then she had a steady income for all those months, because we paid monthly, and she had that I think for two and a half, three years, I can't remember.

Matt Wagner:

And maybe a lump sum or something on the back end.

Mindy Bergstrom:

And a lump sum at the end. Yeah. And we had a down payment and all that stuff too, but it was nice too on our part because then our down payment wasn't as much either.

Matt Wagner:

Exactly.

Mindy Bergstrom:

So yeah. It couldn't have worked out any better than it did. We were very fortunate on just the relationship we've had, and I think it did help. I mean, Patrick and his family has been shopping at the store for 30 years, and she knew them in the community, and it wasn't just a random person, but she knew that we loved the stores.

Matt Wagner:

That's sort the softer side of the acquisition, I think is the trust from the seller's standpoint that this thing that I've built and is my legacy is entrusted to someone that I know that's going to be a great caretaker and continue the legacy. One of the other, I think, interesting aspects of an acquisition of existing business is thinking about the brand. Obviously, you kept the name. And so how did you equate in this process, or was that part of the discussion? It's easy to monetize or value inventory, it's a different one on the brand. Was there a dialogue around that?

Mindy Bergstrom:

So just legally-wise I couldn't just take Cook's Emporium.

Matt Wagner:

Correct.

Mindy Bergstrom:

Because it existed. So that's where we had to do a DBA a doing business as. So we created our own LLC company and then we were doing a doing business as Cook's Emporium. Keeping the name was really important to me, just because of the longevity of the business in the community, and I really wanted to do a lot of tributes to Marg because I was so nervous that I would change things and she wouldn't like it and all of that. But she was really supportive. She was so excited to have "Young blood." That's her words. She was so excited to have young blood taking over the business and someone with energy to do it.

Matt Wagner:

What about on the customer side? You're a new owner. Now, obviously your husband's family is from the area, but you were not, and even though you'd visited several times, was that of any concern to you, someone from the outside coming in, buying the business? Were people worried you were going to make all these significant changes or did you have any of that sense?

Mindy Bergstrom:

I guess, I didn't have sense, but maybe it was going on. I don't know.

Matt Wagner:

Maybe there was some circling of rumors or what have you.

Mindy Bergstrom:

I don't know. Like I said, I wanted to tribute as much as I could to all of Marg's hard work. I mean, she was really a trailblazer ahead of her time to open up a kitchenware store in 1979 is just big.

Matt Wagner:

It sounds like you also messaged it very well. And we're going to get into also the intersections, the amazing intersections you have with community, which I think is another big coming in from the outside, perhaps buying the business and then immediately helping out on so many fronts within the community. So we will chat about that as well. Now, is one thing to purchase and start, but Mindy's very well organized as you can probably see, especially on video with her notes. And as project director, again, you can probably imagine. But it was fascinating to see how quickly you thought about what comes next, especially as a relatively new entrepreneur. And so after purchasing Cooks', what was the impetus then to think about Nook & Nest, which again was part of your childhood, you'd always thought about this business, but it's one thing then to take the next step, especially sort of immediately after the first purchase.

Mindy Bergstrom:

Sure. Yeah. So with Cooks' Emporium and with working as an employee, I was in the space every day. I was so excited, but I knew it wasn't quite mine yet because I didn't own it. So as an employee, I would go home, which actually I lived in my in-laws basement for six months because we were still commuting between Minnesota and Iowa. But I would go home and from memory plot out the store layout of how it currently was, write down all the different products and the different areas, and pretty much I designed the whole store from memory and to create what I wanted to change, I guess once I did have ownership.

And I think that what I realized was I'm just a super visual person and being able to organize things, the store was great, but I knew it could be elevated and I think so yeah, I came up with the store redesign, moving the POS area, expanded the kitchen, changed a lot of how we displayed the products as well as the finishes. And then when it was actually time to remodel. So we did not remodel until we already had one year in. Because when you buy a business, you don't have money. You start on net zero, you have no past sales that you-

Matt Wagner:

You're still learning.

Mindy Bergstrom:

And you're still learning. So you have $0 in your account when you don't have all those past sales. So we waited a year to remodel, and I told the contractor, I don't want to be closed more than two weeks. Can we just get this out?

Matt Wagner:

How would you fast track it?

Mindy Bergstrom:

Yep. But based on my designs, he's like, "This is going to be like six to eight weeks." So luckily, this space right next to Cook's Emporium was vacant. And so Blackbird Management, who owned the building at the time, they worked with me on allowing me to literally put everything on wheels at Cooks' Emporium and wheel it two doors down.

Matt Wagner:

Oh, wow.

Mindy Bergstrom:

So we had a temporary store during the remodel of that timeframe. So during those couple of months. And then when everything was done, we moved everything back. And then that was when I could not give up that space. Because I was in it for a couple of months, I thought it was perfect for this store and concept called Nook & Nest. And it's been a store that I've wanted since, I don't know, forever. I have drawings of the storefront that I made with Nook & Nest that are probably 15 years old.

Matt Wagner:

Wow.

Mindy Bergstrom:

So yeah, it's really a dream come true to be able to have the jumping off point of Cooks' an established business in the community and then being able to try and create something new.

Matt Wagner:

Yeah. So that was kind of the tipping point in some ways, was the actual remodel of Cooks' that then led into "I'm not leaving the storefront."

Mindy Bergstrom:

Yeah, couldn't.

Matt Wagner:

Couldn't.

Mindy Bergstrom:

I'm like, "Sorry, Blackbird Management. I want this space.

Matt Wagner:

Yes. Okay. So everyone out there like, she didn't stop there. And so this is fascinating. This is why Mindy is the ultimate serial entrepreneur in many respects. And so in 2020, then Z.W. Mercantile came along. So again, how do you think about the connection between how you've migrated as an entrepreneur and the store concepts? Is this been a gradual evolution? Something like Nook & Nest, where it was in the back of your mind, or you're learning it through customer experience? Can you take us through that, your thought process in that?

Mindy Bergstrom:

Sure. So even with Nook & Nest, though, I always tried it first. So Cooks' Emporium had one single table of Nook & Nest items.

Matt Wagner:

So you did almost like a store in the store to kind of test it out.

Mindy Bergstrom:

To try it out.

Matt Wagner:

That's brilliant actually.

Mindy Bergstrom:

Yep. So I had one store. So before making a huge investment of opening up a thousand some square feet of all this product, we tried it on one table inside of Cooks' during the holidays, and I think I sold out of everything within one to two weeks.

Matt Wagner:

Oh, wow.

Mindy Bergstrom:

So didn't even make it to the holiday. But good for me, I guess. But so we always test things out. So then once I was like, "Okay, this type of product is something that the community wants." So it made me a little bit confident to be able to open another store. And then Z.W. happened because I was noticing a lot of the products I was bringing in was sustainable, eco-friendly type products. So I thought, "I wonder if this would work." So then inside of-

Matt Wagner:

If you expanded on that line, but in that sort of line of eco-branded kinds of projects. Okay. Got you.

Mindy Bergstrom:

Yep. So same thing within Nook & Nest, I had a little nook and cranny in the back that I tried Z.W. Mercantile. I kind of still had this wood sign that I put it back there. And then-

Matt Wagner:

So you branded it as well? You already came out with, "This is the concept, we're going to brand it, but we're going to test it here?"

Mindy Bergstrom:

Yeah. I had this vision of an eco-friendly general store, like an old school looking general store, but modern day products that are going to be sustainable, eco-friendly, things to just really reduce plastic waste. And the big thing that I wanted too was a bulk refillery, because every time you throw away a soap jar, it's like, why? Why can't you just refill it? It was just at home of how I was living. I'm like, "Why do I have to throw this stuff away? Why can't I refill it? But there's no place to do it." So it just kind of all stemmed from the products that I was always bringing into the stores were eco-friendly, and then just my own personal use of, "I wish I could refill this."

Matt Wagner:

Wow. I'm stuck on the concept of the fail fast tested in store. I just really think that that is a smart move and that could extend itself to pop-ups or push carts and taking them to somewhere else if you're testing new geography. I think we think that there's always that leap from going from store to another store, that there aren't precursors you can do. So I think that's excellent advice to other small businesses out there that want to test new products or new concept.

Mindy Bergstrom:

Test it out.

Matt Wagner:

Test it out, use part of your existing store to do so. I think is just really super smart. How did you find time personally to juggle all this? I mean, everyone, we struggle with one business, let alone three, and what became four, their Recipe Event Center, right? So how do you deal with that?

Mindy Bergstrom:

Well, as you know, I was a project manager, that just helped me manage time, manage budgets, working with a team, making sure that things don't fall through the cracks. And also, I don't have children. But I love lists, organizing lists, priorities. I just also, I oddly have a lot of energy. I haven't even had caffeine today, but I just am-

Matt Wagner:

Second one.

Mindy Bergstrom:

I just have a love for trying things and I love the creative freedom that I have. I think when I worked a lot in corporate settings, you had a job description, you had kind of a silo you worked in, you couldn't really go outside of that because someone else did that job. And I think that that's kind of too, what I appreciated from my very, very first job out of college, was I worked for such a small advertising agency that I got to wear many hats and I really enjoyed that, being able to multitask and learn new things. So I don't know, I don't know how I manage it, I do because I think the passion is there and I want to see things through.

Matt Wagner:

Yeah, it does sound though that your project management background has been a key component because the common issues outside of money on the small business is just time, time to be more strategic and thoughtful, to understand trends and what's happening with the business. And so I think your ability to structure all of that out, it makes me think that maybe part of some of the stuff we should be doing on small business is around project management and how to build inefficiency into your work.

Mindy Bergstrom:

The skills are very transferable.

Matt Wagner:

Yeah, exactly. I think that's amazing. I want to pivot a little bit to more of the intersectionality. I think that's so important, and kind of defines many ways the main street business archetype and the commitment to community as well as the community's commitment in many ways to the small businesses. And I wonder if you could chat a little bit about the importance, how you see giving back as a business owner and participating in groups like Main Street, obviously here in Ames and the Convention and Visitors Bureau.

Mindy Bergstrom:

Yep. So the Ames community is super special. If you haven't visited Ames, Iowa, please do.

Matt Wagner:

That's her plug.

Mindy Bergstrom:

It's just the community here is super supportive and I guess, I've always felt motivated to volunteer just to be involved. I mean, again, it goes back to how I am from way back in the day. Even in college, I was involved in every single committee group, served on stuff, plus work three jobs, plus went to school full time. So I love to be busy and I love to be involved because that's how you learn, I guess in my point of view.

Matt Wagner:

You're right.

Mindy Bergstrom:

But when I first moved here, I wanted to be involved mostly so I could meet other business owners. I wanted to understand the culture here, learn more about Ames because I was not from here besides just visiting Cook's Emporium every time that we would visit. So I really wanted to learn what the opportunities were and also what the gaps were of what wasn't in this community. And then my goal from day one of being here was, how do we keep visitors coming? But then also how do we have residents stay here to do their shopping and not have to go to a larger city? So again, it was kind of a personal thing of what stuff am I needing to go to a big box store? Or what stuff do I need to drive to Des Moines or Kansas City or Minneapolis to get that Ames doesn't have?

So that was kind of just all the stuff that's going on in my head like, "That's in the back of my head." But I was involved with Ames Main Street from the very beginning. I don't know if I walked across the street to the chamber office or what, but I can't even remember how I got involved, but I've been serving on various roles on the board, various committee groups like promotions and organization. I think I've been treasurer or not treasurer, secretary before. And then the other fun thing, I've on my second term of serving on the Convention and Visitors Bureau now called Discover Ames, and I'm kind of like that liaison to downtown. So every single time after a board meeting, when you do the roundtable, I'm always plugging all the different events going on downtown and making sure everyone on the board tells their family and friends to go support local and come downtown.

Matt Wagner:

Exactly.

Mindy Bergstrom:

And we have these events going on.

Matt Wagner:

Yeah. Champions.

Mindy Bergstrom:

So yeah, I guess it's fun to be connected to all the different organizations because we really do have the common goal of making this community very vibrant and a destination.

Matt Wagner:

If you think about an overarching mission that brings all these other organizations and small business owners together, it's like all for the benefit of the community.

Mindy Bergstrom:

Yes.

Matt Wagner:

Given that you were, again, your family was here, your husband's family was here, but you were still from the outside, did you sense, was there formality to the network system here or an informal, did you have to navigate, how did you navigate making those connections? Or was it really just what was internal to you? And I'm going to go in there, introduce myself, and how do I get engaged?

Mindy Bergstrom:

Yeah. I am an introvert, by the way. So to be able to just randomly-

Matt Wagner:

Whoa, okay.

Mindy Bergstrom:

Yeah. I know. Small groups, it's okay. But just randomly talking in front of others or going up to other business owners, I mean, I was sweating, it was really bad, I was nervous. But I knew that it's something that I had to do. So yeah, I kind of cold call, and-

Matt Wagner:

Just put yourself out there.

Mindy Bergstrom:

Yeah. Went out, introduced myself. But being involved in all the organizations have really helped because it takes away that awkwardness of just randomly meeting people.

Matt Wagner:

That's good. That's good. Because I do think that small business owners can struggle, especially if they're new to a community, given also all the time commitments that may be necessary with running, just running and owning their own business. But knowing how to navigate and engage with the community when you're not from there I think is a real important because we all understand how important relationships and building that network is both to the business, but also just sort of the quality of place.

Mindy Bergstrom:

Well, and one of the opportunities that I learned too is, we have an amazing college two miles away from our downtown, but it was so strange, what I noticed right away is there wasn't a lot of college students downtown at the time in 2018, 2019. And I was like, "Why?" This is a hidden gem. And we're right along Lincoln Way and everything. So what I did a lot too was I volunteered at Iowa State. I spoke to a lot of marketing classes and entrepreneur classes. I helped judge pitch competitions and just was really involved with the Pappajohn's Entrepreneur program to figure out how we can get that engagement in our downtown.

I employ a lot of students in the stores and then bug them all the time of, "How do we get students down here?" And I've noticed there's such an uptick in now students downtown, families visiting, making sure... We have so many repeat families that are... Yesterday, one was from Las Vegas and she said this is her favorite store to shop in and comes every time she drops off things for her son at college.

Matt Wagner:

Yeah, amazing. It's also just about sometimes we think it's one way. "Why aren't they doing this?" Or "Why aren't they...?" It's also we have to engage as well. And obviously, I already learned there's a class tonight at your store, one of the sports team, so it's perfect.

Mindy Bergstrom:

It's good connection.

Matt Wagner:

Let's move in. We're going to close out the show. I want to talk a little bit about what comes next for Mindy? Because I can only imagine onto your fourth business. Where do you possibly go from here?

Mindy Bergstrom:

Yeah. So literally on Monday I just signed a new lease and-

Matt Wagner:

You heard it here first. Although, this will be delayed.

Mindy Bergstrom:

So I'll actually be consolidating Z.W. Mercantile and Nook & Nest, and then opening up a new store concept in larger space and then also bringing in my warehouse. So I'll be able to consolidate everything into one building. We'll still have Cook's Emporium downtown on the 300 block, and then all of the other stores will be on the 500 block.

Matt Wagner:

That's wild.

Mindy Bergstrom:

It's a larger space. I feel like it's a good opportunity now that I've grown over the years to now give up my smaller spaces to allow other new businesses to try things out or-

Matt Wagner:

Yeah, that's amazing.

Mindy Bergstrom:

... be in our downtown too. So I'm excited because it's going to be easier, I think, on me to manage all of that. Because I don't have managers, it's me and my team who really run all the stores. So I'm excited to consolidate and I took a lot of time to evaluate, reduce, focus, and strengthen the businesses that I have. And I think we didn't even get into it, but I've also had store closures in the last couple, or I guess the last year. So 2024 has been a year of change, but it's for the good.

Matt Wagner:

Yeah. I think it's a natural evolution with small business is, you sort of have some trial and error, and that's why business models and business plans shouldn't be static, they're kind of organic. The more that you learn, the more you change and shift if you're being strategic. And it sounds exactly, that's what you're doing. I love the idea of thinking about what's the next way, because retail square footage is shrinking, not the number of retailers, but what's necessary and having those small spaces is really important to pipeline of new entrepreneurs coming in. So I think that will be incredible value for downtown Ames as well.

Mindy Bergstrom:

I hope so too. Yeah, going into... For me though, I'm still scared I'm going into a 5,000 square foot spot.

Matt Wagner:

Yeah, you've got the opposite.

Mindy Bergstrom:

So I am scared that way, but I mean being in a 900, 700, 1200 square foot spot right now, that was perfect to start out, test things out, make sure that worked out. And I'm really excited to see what else goes into those spaces.

Matt Wagner:

Excellent. Let's close off the show. We have an intro that we typically do, and to close out more on the advice side, is there something-

Mindy Bergstrom:

I got my list.

Matt Wagner:

You've got the advice.

Mindy Bergstrom:

Yes.

Matt Wagner:

So yes, we do plan this in advance. I know it doesn't sound like that. But tell us a little about what advice would you give to other small business owners?

Mindy Bergstrom:

Yeah. So I feel what makes a successful entrepreneur is understanding how and when to adjust and adapt. I think... And being okay with being uncomfortable and vulnerable. Because I don't think that I would be where I'm at if I couldn't pivot. We didn't even get into it about the pandemic and all the different things that happened during the pandemic and how I had to pivot so much of what my business strategies, what I wanted versus what actually had to happen. The other thing, since we just talked about closures is redefining failure.

So that's one of my takeaways I think is, what does that mean to you? In July, I did close Ankeny after three years in business. And that was just coming off of also closing the at-home store, our home decor store on 5th Street. But that was something else that we won't get into. But also taking the emotion out of it, knowing what is best for the businesses long term. And that was just the best decision I could do, was be okay with closing a store. And I know I've seen a lot of, I'm on a Zero Waste owners group on Facebook. And there are people closing down all the time their stores. And to make that decision, it's difficult, it's not easy, but to have the strength to do it and be okay with it, that-

Matt Wagner:

That's huge.

Mindy Bergstrom:

... takes a lot of energy and knowing what you need to do for yourself and for the businesses. So let's see, my other... I put in bullets just so I can make sure I see it. Another huge lesson that I learned, we didn't get into me closing down the home store, but never move on a big decision like giving up a storefront space until contracts are signed.

Matt Wagner:

Oh.

Mindy Bergstrom:

So you never know with other business owners, building owners, they might change their mind even after a verbal agreement and months of conversations. So don't react until you have things in writing and contracts signed. I know it sucks.

Matt Wagner:

Yeah.

Mindy Bergstrom:

But it is what it is.

Matt Wagner:

That is great advice though. Huge.

Mindy Bergstrom:

And then my last point is to know your strengths and weaknesses and your lesser strengths. Be okay to ask for professional help. So to me, having wise people in their industries, lawyers, insurance providers, accountants, I am not familiar with a lot of those things and getting 25-page contracts, I'm so glad I have a great lawyer to advise me on good and bad and what's best for the business. So yeah, so number one, be okay to adjust and adapt. Number two, redefine what your failure is and take emotion out of it. I don't know, is that four or five? Never move on big decisions like giving up a storefront space until contracts are signed. And then the last one, just learn your strengths and weaknesses and be okay with that and be okay to ask for help.

Matt Wagner:

Amazing advice. And I can promise you we are going to do a slide with those bullet points.

Mindy Bergstrom:

I can give you my PDF version.

Matt Wagner:

No, seriously, it's amazing. The difficulty around redefining failure, I think is a really good call out and extremely instructional to so many small businesses, and remembering to surround yourself with good team, both internally and externally. So Mindy, thank you so much for taking the time.

Mindy Bergstrom:

Yeah, [inaudible 00:43:22].

Matt Wagner:

... allow me to come here to Ames to visit with you. So appreciative and thanks for all you do for the community and for your network of colleagues of small business owners out there.

Mindy Bergstrom:

Oh, it's so much fun. I'm having a blast. This is my retirement, by the way. So I'm retired.

Matt Wagner:

Not the podcast. Thanks Mindy.

Mindy Bergstrom:

Thank you.

Matt Wagner:

So there you have it. I hope you enjoyed the conversation with Mindy Bergstrom, owner of Cook's Emporium and founder of several new business enterprises along Main Street in Ames, Iowa. I had a number of really insightful takeaways from my talk with Mindy. I think there is a sense that purchasing an existing business is approached in a very transactional kind of way. But I'm left with the important learning that there's a lot of nuance here and an emotional aspect involving the pressure to pay homage or respect of what had been built and of course, the legacy of the original founder. Owning and running a business are tough enough. But that balance of seeing and wanting to perhaps go in and update the store, change a business practice, even launch some new inventory mix, but then you're trying also to preserve the experience that especially local and repeat customers want to hold tight.

As I mentioned in the opening, this is a start of a number of conversations from both sides of succession as we explore this topic in greater detail over the next few months. So much more to come. As always, if you're a business owner and likewise to my place, professional colleagues, I hope this episode is provided plenty of new insights, solutions, and inspiration. And as consumers, please continue to support your local small businesses and of course, tell their stories. They're so important to our local and national economies, and most importantly, they promote and provide quality of living to the places we all call home. And don't forget to show your Main Street pride, a little bit of commercial here by checking out our Main Street swag at shopmainstreet.org.

So that's going to do it for this week's episode. Please remember to check out our growing library of podcast recordings and other related films of the podcast on our Main Street America YouTube channel. Thanks for listening. Please rate and review us. And as always, be sure to subscribe and tell your friends, family, neighbors, pets, colleagues so you can all catch the next episode when this time I'll be in Little Five Points commercial district in Atlanta, Georgia, talking with Patrice Hull, founder and owner of Stuff We Wanna Say. We're going to cover all things of creating a new brand and even wholesaling as a small business. So don't miss it. We'll see you then and thanks for all your support.