

Justin Family Business

Micro Family Business of the Year

Cherry Country

By Bill Neill

In the hills near Rickreall, ten miles west of Salem, lies an orchard of about 300 Royal Anne cherry trees. Its owners, Mike Shadbolt and his wife Marsh, figured that the cherries grown here could be turned into a dessert that people would enjoy. It may sound like a simple goal but getting there took a lot of experimentation and changes in direction.

The Shadbolts bought the 37 acres of property in 1991. The cherry trees had been planted around 1960, Mike estimated.

Mike retired from the Oregon Economic and Community Development Department in 2001 and receives a pension that helps allow the family to continue the cherry business. "We have made a big commitment here," Mike explained. (His wife Marsh continues to teach English composition at OSU in addition to her commitments with the company.)

Family-run businesses often have many family members to help out, but the Shadbolt family has just three. All of them fill a role within the company, and all of them build on one another's encouragement.

Mike and Marsh's daughter Celeste serves as general manager, overseeing bookkeeping, accounting, and graphic design of the company's packaging.

"Mike's contribution has been his tenacity," said his wife Marsh. "He has stuck with it and has had the ability to plow through a new learning curve. He said we could do this and we have."

Celeste remarked on her mother's emotional contributions to the family business. "Mom brings in the optimism and enthusiasm and support that a mother brings to a family," she said.

Celeste was in high school when her parents bought the property with the orchard. She didn't really get involved with the company until after graduating from college. Traveling in Latin America and being exposed to a culture that values family members working together helped make a difference. "It didn't feel right not being part of the business," she recalled. "I made a conscious decision to join the company." She came on board in November 2001.

Since Celeste majored in Spanish, she provides valuable communication with the Spanish-speaking pickers who harvest the cherries once a year in late June or early July.

"She stabilized the work force for us," her father said. The family could be assured that they would



Mike Shadbolt, daughter Celeste, and wife Marsh.

Honored for:

- Tireless investigation into methods of utilizing cherries
- Working closely together to develop and market their products
- Family members encouraging each other to succeed
- Preserving a cherry orchard and its natural surroundings



Gomberg Kite Productions International

Neotsu, Ore. www.gombergkites.com

David and Susan Gomberg run Gomberg Kite Productions, a kite product distributor and event management partnership. They import kites from Europe, Asia, and the South Pacific, and have written several books on the subject. David and Susan have participated in international kite festivals in Japan, China, Germany, England, France, and India. David is president of the American Kitefliers Association (AKA) and writes for KiteLines, KiteLife, and Kite Passion magazines. David and Susan live near Lincoln City and fly kites at the beach.

Austin Family Business



Celeste and her father process fresh cherries.

have enough people to pick when needed.

The Shadbolt family members live in south Salem, 45 minutes away from their cherry orchard. Mike explained that the Salem area was a significant cherry producer earlier in the 20th century, and he views Cherry Country as a small effort to reverse its decline. "I've seen many cherry orchards pushed over in the Willamette Valley," he said. "We can contribute in a meaningful way."

Removing pits from cherries by hand is much too slow. Cherry Country's viability as a company is due partly to its discovery in a Salem cannery of a rare cherry pitting machine, built in Kalamazoo, Michigan in the 1950s.

Obtaining a pitting machine is a requirement for any company that wants to get into the business of processing cherries. Using the language of an economic development executive, Mike described this as a barrier to entry. "Every business wants to have a barrier to entry to keep down the number of competitors," he added with a smile.

Cherry Country's signature product, Dried Cherries & Chocolate, is sold in a 6-ounce box that goes for \$8 to \$10. The company also sells dried cherries in 5.5-ounce packages: Nutty Cherry Trail Mix and Nutty Cherry Snack Mix, combined with cashews, walnuts, and almonds.

"Drying is a natural way to preserve the product," Celeste said. It takes 15 to 18 hours of drying time to reduce six pounds of fresh cherries to one pound of dried fruit before the chocolate goes on top.

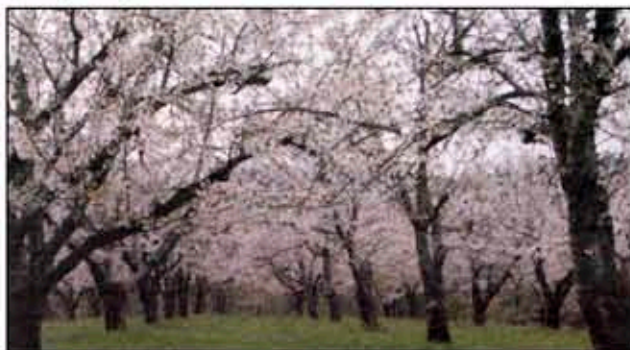
Cherry Country's chocolate-covered cherries have been sold in stores since 1996. In Portland they can be purchased at Food Front and People's Food Co-op, two of 30 or 40 active accounts.

But building a successful company takes time. Marketing is a big challenge for a little company whose products are self distributed.

Will Cherry Country remain in the Shadbolt family for the second generation? "If we can achieve our financial goals, we'll keep the business in the family," Mike said. "It's too early to say."

"We are a family first and a business second," his daughter Celeste declared. "Some days we are a business first." Such as when the family makes the commitment to exhibit its products at harvest festivals in California. This means driving hundreds of miles in their motor home, setting up a booth and spending hours staffing it. It makes for a long day.

"We put so much hard work into this company," Celeste said. During trips to California, the family works all day long. "There is so much enjoyment in what we do and in spending time together," Celeste said.



Cherry trees in bloom at the family's hilltop orchard.

Cherry Country's task is to convince the public of the appeal of its chocolate-covered dried cherries. Many people are only familiar with the sweet, syrupy concoctions of cherries encased in chocolate, which are entirely different.

After a show in Pleasanton, California, a woman approached the Cherry Country booth the day after purchasing her first box, exclaiming, "I am so mad at you. I ate the entire box on the way home. I'll take a case to sell in my shop."

Building a successful company is a dream of Mike's. "Mike always wanted to have his own business," Marsh said. But there was a lot to learn about turning a cherry orchard into a business. In the

early years, Marsh worked with the food science department at OSU to investigate ways to process cherries.

The department is filled with equipment donated from industry. Marsh experimented with an old wooden food dryer from the 1930s. During her research at the Food Science department, she found that fruit must be processed in a "food-grade" facility. She learned a lot about the requirements for multiple sinks and floor drains. Knowing this eliminated costly errors

for the Shadbolt family when they built their own building on the property.

Ironically, as a teenager growing up in Flathead Lake, Montana, Marsh's summer job was packing fresh cherries into boxes, stems pointing up. After enduring this work, she thought she'd never want to see another cherry, but it didn't turn out that way.

Mike remembers his early exposure to agriculture fondly. His grandparents introduced him to picking beans and strawberries when he was young. "Those experiences were great," he said, looking back on them. "They made me feel comfortable learning about this."

After buying the orchard property, Mike



The company sells dried cherries in various packages.

found he had a lot to learn in his new field. "I learned how to drive a tractor here," Mike said, "and when I started I'm sure I was as green as anyone."

But he is glad to be working toward establishing a family business. "The Austin Family Business award comes as a great honor to us," Mike exclaimed. "It's like a gift to the family. They have believed in this vision and supported me. They have gotten excited about it."

Operating a cherry orchard means hard work for the three members of the Shadbolt family. But the view from the orchard on top of the hill, looking down on the farmland around Highway 99, is glorious. And the chance to build a company with family members working together makes the effort worthwhile.

www.cherrycountry.net



Sunset Farm & Nursery

Hillsboro, Ore.

Sunset Farm & Nursery grows annuals and perennials on a 50-acre family farm and sells to commercial landscape companies. Bart VanderZanden and his wife Amy are assisted by their sons, Luke, 11, and Andrew, 8, who work on weekends. Bart and Amy started the company ten years ago with Bart's parents, Richard and Joan VanderZanden. The family members continue to live on the farm where they work.