



Baby Bea's Bakeshop
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SBDC Helps Bakery Open for Business

The SBDC's training and consulting prepared Baby Bea's Bakeshop for sweet success.

Beatrice Tsang moved to Los Angeles to become an actress, between auditions Tsang started bartending and working in catering. At special events, she noticed an opportunity to make more other than cookie pops and cakes. A coworker suggested Tsang turn her passion for creative, tasty and unique baked goods into a business.

Challenges

Tsang started out baking in her own kitchen, posting images of her creations on social media and selling them to friends. Word quickly spread and Tsang began receiving orders online for her specialty cupcakes, cakes, cookies and other baked goods. In the summer of 2012, at the recommendation of a friend, she visited the Small Business Development Center hosted by Pacific Coast Regional.

INDUSTRY

Bakery

CHALLENGES

- Lease review and negotiation
- Marketing

SOLUTIONS

- Lease and contract review
- Created marketing strategy for storefront promotion
- Attended nine week SBDC business training program

CLIENT IMPACT

- First location opened December 2014
- Sales doubled since opening

Best Advice

Tsang signed up for the Entrepreneurial Training curriculum, an intensive nine-week series of business management classes offered by the SBDC. The comprehensive curriculum covers writing a business plan, business legal issues, how to find and keep customers, recordkeeping and accounting, an introduction to using QuickBooks and analyzing financial statements, advice on financing your startup, employee development, customer service and social media marketing. In addition, SBDC Business Advisors Tom McCluskey, Harold C. Hart-Nibbrig and Suzanne Lawrence worked one-on-one with Tsang, helping her with legal agreements, marketing, networking opportunities and more.



“The people who work at the SBDC are so personally invested. They’re like my second family, always willing to do whatever they can.”

–Beatrice Tsang, Founder, Baby Bea’s Bakeshop



Know What You’re Getting Into

“I hadn’t thought that deeply about what [starting a business] really meant,” says Tsang. “[The training] introduced me to all of the aspects I would have to start thinking about. Anyone entering the food market has big hurdles in front of them.” The decorative dessert market was labor-intensive and relatively new, adding to the challenge.

“The first class was about preparing your emotions for what you’re about to encounter,” Tsang recalls. “One of the hardest battles of starting a new business is learning to control your emotions and understanding how [the business] is going to affect everyone around you. My boyfriend [Tsang’s boyfriend, Mathieu Mondange, is the primary investor in the business] never gets a break from the bakery—I don’t think anyone does!” Tsang also had to deal with friends’ and family members’ emotions around the startup. “A lot of people were supportive, but a lot were scared for me,” she remembers.

Tsang learned a lot when McCluskey took her to an event where startup entrepreneurs pitched their ideas to investors. “When I saw the questions [investors] asked, it put into perspective the level of expertise it requires to [grow] a strong company.”

Have a Plan

Although she had some business and marketing experience, Tsang appreciated writing a business plan. “The hard part was forecasting,” she says. The decorative dessert market was new, growing quickly and changing rapidly. The SBDC advisors reviewed her business plan and advised her to do market research, which convinced her there was a market for her business.

Expand Your Horizons

After a few months, Tsang decided she wanted to open a storefront. In her original business model, clients only came to her when they were ready to spend several thousand dollars on desserts for a lavish event. “I wanted people to be able to eat our desserts any time, to come in and buy a regular cake,” she explains. Tsang also knew having a storefront would lend credibility to her business. Baking the goods in a commercial kitchen, as she was doing, required her to make deliveries or clients to drive to an obscure industrial area.

When the opportunity to sublease a space came her way, Hart-Nibbrig helped Tsang review the lease. “It was great to have someone reading over things, telling me what was okay and guiding me through the process,” Tsang recalls.

Client Impact

Tsang’s retail location opened in December 2014 and had an immediate impact on business. Clients have “no hesitation” in placing orders now, says Tsang. She also uses the space to throw parties, which helps build the brand. “Everyone tweets and Instagrams [the events] and writes Yelp reviews.” Tsang’s next goal is to create a standardized menu to streamline ordering, baking and decorating so she can delegate more work. She also wants to make the retail store “a destination location” with a larger menu. To that end, she is working with Business Advisor Sahar Andrade on her marketing strategy.

“The best thing I’ve gotten [from the SBDC] is the support system,” says Tsang. “Even though I have a business background, it was nice to have people holding my hand.”

Named one of L.A.’s best wedding cake bakeries by CBS, Baby Bea’s Bakeshop boasts high-profile celebrity clientele on a great part of Los Angeles – Beverly Hills. Sales for Tsang doubled every year since she first started in her kitchen and now, she expects to double her profits in 2015.

see more: CBS "Best Places for Wedding Cakes in Los Angeles"