

minnesota BUSINESS

INSPIRATION FOR GROWING COMPANIES

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A personal touch

How Hillary Feder turned a knack for listening into a personalized gifts business **BY STEVEN SCHUSSLER**

Hillary Feder is the perfect portrait of an entrepreneur who parlayed her passion and professional background into a successful business that will be celebrating its 25th anniversary in 2014. In her words, she is “the owner, marketer, researcher, cheerleader, and chief strategist” for Hillary’s Hand Painted and Personalized Gifts, a business that started in her home and today is located in Hopkins, serving hundreds of customers ranging from Fortune 500 companies to individuals.

One of the most frequent questions asked by aspiring entrepreneurs is, “How do I leverage the background and skills acquired from my corporate background and apply them to starting my own business?”

Feder figured that out. She began her career as an assistant retail buyer at Filenes Department Store in Boston. She then became a senior buyer for the Dayton-Hudson department stores. After seven years in that role, she made the decision to devote herself full-time to raising her two children. She had no intention of starting her own business, but her love of retail, along with a niche she discovered in the marketplace, inspired her to launch her business.

Feder had taken her son, Joel (who was three at the time), birthday-present shopping for a friend’s party. As she stood in the toy aisle, she realized that most kids have more than enough toys, so she decided that she and Joel would create a hand-painted T-shirt for his friend. She watched as Joel didn’t just give the gift to his friend — he presented it to him and said very proudly, “I made this for you.”

That experience deeply impacted her. She and her son agreed that for birthday gifts for his friends, hand-painted T-shirts were perfect. The idea of building a business around them was not in her mind yet. Her intention was purely creating memorable gifts for her son’s friends.

“The next thing I knew, I had another



BIZ BRIEFING

HILLARY'S HAND PAINTED AND PERSONALIZED GIFTS, ASK HILLARY'S

Headquarters:

Hopkins

Inception:

1989

Leadership:

Hillary Feder, founder

Employees:

4

Revenue:

Not disclosed

Description:

Creates and sells custom gifts

Web:

hillarysgifts.com,
askhillarys.com

THE NETWORKER



Just for you: Tools of the trade spotted in the office of Hillary Feder

preschool mother ask me to make T-shirts as gifts for her family," she says. The requests continued to grow, and soon people of all ages were requesting the hand-painted T-shirts.

The defining moment for Feder was when she created a piggy bank for someone to give as a baby gift. The recipient called Feder and told her, "This is the coolest baby gift I've ever gotten. How do I open a corporate account?"

It turns out that recipient was a financial adviser for Salomon Brothers (then a top Wall Street firm). Feder told the woman she was happy to help her, but she wanted to ask her some market research questions. She learned that the piggy bank struck an emotional chord with the recipient. It was meaningful because it was personalized and had the name of the woman's baby on it.

Feder started on the path of figuring out how to help businesses give gifts that are both meaningful and relevant. Her hobby quickly turned into a business. Her husband told her that she needed to find a space outside of the house and make it into a business that wasn't going to cost him money. She took his advice and moved into a small office in Hopkins, which she chose because it was close to home.

With her retail background, she was able to analyze sales, and she made the decision to focus on the business-to-business side of things, while devoting approximately 25 percent of her efforts on the consumer side. Feder recognized that the consumer side played a key role because of the insight and feedback it gave her about the business as a whole.

"The consumer side is very important because consumers are invested emotionally in giving a personal gift," she says. "They have strong opinions on the products and what resonates with them as the ideal gift. On the business side, the average business person calls for an order and their No. 1 goal is to look good. In general, they don't have a lot of time to invest, and they just want us to figure it out for them and get the job done."

The business grew over the years from her signature shirts to business gifts, baskets, special-occasion gifts, and one-of-a-kind orders. To this day, Feder serves as the sole external salesperson for the company, and she personally calls on accounts herself. Her business is profitable, but she recognizes there is a lot of potential to grow. One of her goals is to expand the business and hire additional outside salespeople.

The "recognition gift" business is highly competitive. Feder's biggest challenge is breaking through the clutter and standing out in a crowded marketplace. She explains, "In my opinion, nobody is doing it the way Hillary's Gifts is doing it, and that's what people are telling me. I ask clients a lot of questions and drill down to what they are truly looking to accomplish. We don't only supply our clients with the product they are seeking. We help them figure out how to message it, how to pull it all together with their brand colors and theme, and how to make everything meaningful and memorable."

Sam Richter, best-selling and award-winning author and world renowned speaker, is a senior vice president and chief marketing officer at ActiFi, a coaching, consulting, and software development firm for the financial services industry. He says that he's used Feder's services on many occasions in a number of different capacities. "Hillary spends

an enormous amount of time listening and learning before hand-selecting memorable custom-made gifts," he says. Richter's favorite gifts are custom-made desks that are note holders with personalized messages — for example, pictures of pets, family members, magazines, and books that they read. Each gift is unique to each individual.

The gifts that Feder creates are not just your typical box of chocolates. "Our clients love the personalization and the time that it takes to learn about them," says Richter.

Philanthropy has always been important to Feder. Her parents, Ruth and Jerry Kanter, taught her from an early age to become involved in the community, to volunteer and to give back. She has been able to incorporate that core value into the business by creating a Gifting that Gives initiative that donates 10 percent of the company's proceeds from select gift baskets to a designated nonprofit, such as Second Harvest Heartland.

In addition to Hillary's Gifts (hillarysgifts.com), there is also AskHillarys.com, which is a corporate website that reflects the consultative side of the business. The website features case studies of work they have done.

Jeremy Lenz, co-founder and former COO of the BioBusiness Alliance of Minnesota and the co-founder and board chair of University Enterprise Laboratories, says that in his experience with Feder — over 10 years with multiple organizations — she's proven to have a unique ability to listen, capture the organization's culture, and reinforce an individual's personal brand with a unique gift.

Feder sums up what she believes it takes to be a successful entrepreneur: "It takes a lot of determination, giving, heart, and respect. Listen and ask a lot of questions. If you are trying something and not seeing results, ask more questions and continue to listen. Be willing to change, set a time line, and measure whether the changes are working." ■



STEVEN SCHUSSLER is CEO of Schussler Creative, the founder of the Rainforest Café, and the author of *It's a Jungle in There: Inspiring Lessons, Hard-Won Insights, and Other Acts of Entrepreneurial Daring*.