



Profiles of North Kansas City Entrepreneurs



*Editorial by
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Kansas City
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Introduction

We have many legendary entrepreneurs and business owners in North Kansas City. This issue features two profiles of business owners in North Kansas City with interesting stories on their way to great success. These two – Joe Roetheli and John Miller – are two that I know well.

Joe and John both fit within my favorite definition of Entrepreneur: “a person who organizes and operates a business or businesses, taking on greater than normal financial risks in order to do so.”

There are several others on my list I am eager to share with you in future issues in 2021. Perhaps you know someone that you believe should be on the list. I would welcome your suggestions for others to be profiled in future issues. Email me at richard@nkcbusinesscouncil.com or call 816-472-7700.

Joe & Judy Roetheli NORTH KANSAS CITY ENTREPRENEURS SINCE 2000



Joe & Judy Roetheli

First, in case you are like I was and didn't know how to pronounce the name Roetheli, Joe told me years ago “just think lately and then pronounce it rate-lee.”

Greenies, S&M Nutec, Key Companies, Spyder tools and Pet's Best Life are all names associated with the entrepreneurial journey of Joe & Judy Roetheli.

Judy and Joe moved their office and fledgling business, S&M NuTec/ Greenies®, from their home in Kansas City to North Kansas City in May 2000. They leased office space on the second floor of John Miller's Stor Safe building at 1501 Burlington.

S&M NuTec, LLC., launched in 1996, created a new formula for dogs to clean up foul breath and dirty teeth. This did not start as a business idea but rather as an effort to improve the serious halitosis of their family dogs. It just happened to turn into a business, mostly by accident. And, in the beginning, neither Judy nor Joe possessed any real business experience. A “honey do”

project transformed into a business; and Greenies® was born.

The first sales occurred at the KC Home Show in 1998. Sales remained weak until the summer of 2000. Then the Roethelis attended their first trade show with only a few dozen letters and samples as marketing resources. They were amazed when they returned with over \$150,000 in orders. It took nearly six months to fill given their limited production capacity but fortunately they lost no orders because of the delay. Then, sales rocketed skyward for five years.

By 2005, a mere decade after research and development began, the pet industry ranked S&M NuTec as the 8th largest pet industry company in retail sales in the world. That brought S&M NuTec to the attention of the Mars candy company, one of the world's largest marketers of human and pet treats. Mars acquired S&M NuTec in May 2006.

Prior to this amazing entrepreneurial adventure Judy was a teacher, mother, and homemaker; Joe worked for the Federal government (e.g., a bureaucrat) for 18 years with the Tennessee Valley Authority and US Department of Agriculture. Rather than accept a job transfer to Washington, D.C., the couple continued to live in the Kansas City metro area and the dog treat idea evolved into a business for their family's livelihood. It became a success because dogs loved

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the taste; owners appreciated the results! They chose North Kansas City because of its central location and their assumption they could readily hire individuals from across the metro area. Friends told them that North Kansas City was business friendly and did not impose a city earnings tax.

With a portion of the proceeds from the acquisition by Mars, they created a foundation which has brought great personal satisfaction to them and has assisted many people. Lil' Red Foundation, working in conjunction with Food for the Poor, has built parts or all of seven villages in Guyana with over 350 homes for the poorest of the poor in Guyana, South America along with four schools, four small businesses, and five community / worship centers.

The Foundation, again working in partnership with Food for the Poor, also has built 30 homes in Guatemala and a new village that is just being initiated in Nicaragua plus one home in Haiti. The foundation has partnered with Engineers without Borders to build a deep well for clean drinking water in Malawi, Africa. This well serves 20 villages. The Foundation is again partnering with Engineers Without Borders to significantly improve the efficiency of another deep well in Malawi. The Foundation also supports pet therapy projects, entrepreneurial activities including the initial funding for the UMKC Entrepreneur Hall of Fame, inspirational stories, books and documentary films, and special projects such as purchasing a home for a family who lost everything in the Joplin tornado, Liberty Women's Clinic, and support of several prison ministries.

Judy and Joe have launched a number of businesses over the last 15 years. Examples include The Spa Tuscano in Briarcliff Village which won two gold awards as Best Spa in the KC metro area plus one silver. The Spa featured not only massages, facials, and pedicures / manicures, but also unique float room therapy and wonderful massaging waterfall therapy. The Roethelis also owned The Café at Briarcliff which won a Bronze Award as third best lunch in KC with great feedback on the menu and service. Their dinner business was much less successful. Ultimately, they sold both The Spa Tuscano and The Café

at Briarcliff. They realized their expertise was not retail business but innovation, product differentiation, and branding.

Their most successful endeavor to-date since Greenies is SM Products, selling power tool accessories under the Spyder® brand name. Initiated in 2008, the company struggled with many hurdles into 2016. They were within days of shutting down SM Products when they noted a slight up-tick in sales. Fortunately, they kept persisting. Ryan Campbell, a former Greenies® employee was the initial, and still is, the champion of Spyder. He serves as Executive VP of



In 2019, Lowe's honored Spyder with one of just four company awards for Innovation Partner of the Year.

Marketing & Sales and as General Manager for the Spyder® brand which continues to perform remarkably. Sales have nearly doubled each year since the Roetheli's 2016 decision to stick with Spyder a bit longer. In 2019, Lowe's (all stores nationwide and the largest Spyder account), honored Spyder with one of just four company awards for **Innovation Partner of the Year** and executive managers have called out Spyder in five of their last six quarterly reports to stock holders as a company helping them succeed financially. The one exception was a quarterly meeting devoted to how Lowe's is navigating COVID-19.

The Roethelis launched Yummy Combs®, a new pet treat, with the independent pet channel in October 2019 and with PetSmart in late March of 2020. The timing with PetSmart was the worst that could have occurred. COVID annihilated their entire marketing plan. They were forced to return to point zero and restructure the entire marketing plan. They agreed with PetSmart not to sell to internet providers until PetSmart had time to establish sales. So ethically

they were locked out of internet sales until very recently. The agreement not to sell on the internet was a good decision at the time, but a horrible decision in practice, given COVID.

Yummy Combs® is a highly differentiated, functional product to improve pet's best life. The SHAPE makes the difference! Some people think the geometry of Yummy Combs® is somewhat similar to a hockey puck except hexagonal in SHAPE—it has a hexagonal perimeter, and the interior is filled with smaller hexagonal ridges and pockets.

Challenges for an entrepreneur are a daily occurrence. The Roethelis confide that financing their first company was a major hurdle for a bureaucrat and a teacher with no business experience, no collateral, and very little cash. In fact, other than a used pickup truck, they bootstrapped the company along with a few small investors—family, friends and others willing to gamble plus one fantastic supplier in Midwest Grain (now MGP). Judy was the queen of rolling credit cards. She kept a spreadsheet of credit cards outstanding. The most significant field was the one that had the ending date of the highly reduced introductory interest rate at which time the couple would roll this over to a new account. They sold over \$1 million of Greenies® the month before they received their first bank financing from First Bank of Missouri, now part of Security Bank!

Once Greenies® sales began to soar, they had to fight off copy-cats including one in particular from China. They continued to cope with copy-cats, including some very large companies. What they did have, and continue to have, are some very valuable mentors in areas of technical matters, business acumen, and mental mentors—the latter to help climb over a wide range of hurdles including China tariffs and fraud issues.

Since their first office in North Kansas City at 1501 Burlington, Joe and Judy have officed in various locations including 1 Design Drive, 1333 Swift, 110 W 26th Avenue and 1906 Swift until it was destroyed by fire at which time they moved to their current location at 1201 Swift.



In 2019, the Roethelis launched Yummy Combs®, a new pet treat.

S&M NuTec, at the time of the acquisition, had 94 direct employees and about 450 others who worked in their toll processing operations—all within 50 miles of Kansas City except one shop in Wellington, Kansas. They currently operate with a lean crew of 30, plus Judy and Joe.

Judy and Joe both grew up in very low socio-economic conditions. Judy in Newberry, Florida, then known as “The Watermelon Capital of the World!” Joe grew up on a small Missouri farm near Hermann, Missouri, where work was a necessity to survive. Joe learned a great deal growing up on a farm and always

was seeking ways to improve—to do a job faster and better. There was no free-lunch: work hard for ‘your keep’ or go hungry – and farm work back in those days kept you hungry. Together, Judy and Joe had not a single parent that attended a day of high school, but they valued education and taught each of them that education was the road to upward mobility. They also taught Joe and Judy how to be *charactered* individuals, and how to survive with very little financially. Joe earned all his degrees in Agricultural Economics – BS at the University of Missouri; Masters at the University of Florida; and Ph.D. back at Mizzou. Judy earned her BA in Teaching–social studies–at Trevecca Nazarene University in Nashville, Tennessee.

Their advice for someone considering being an entrepreneur includes:

1. Don’t even start until you are 100% committed to finishing the job as an entrepreneur.
2. Set and achieve goals for life, for this decade, for this year, for this week, and for this day!
3. Understand what *deters* failure and mediocrity or just being good and allows one to become great!
 - Have a dream or vision for what you want to accomplish that you can fully describe in ‘technicolor’.

- Live with enthusiasm and exuberance to achieve your dream relying on passion, persistence, purpose, and a plan of action.

- Think in terms of not just critical and creative skills but also employ cardinal and cosmic thinking skills—the latter two referring to engaging in something dear to your heart and attaching to something cosmic—a bigger phenomena that can help pull you along in your endeavor.

- Execute daily on your strategy and tactics to achieve your specific goals.

- Take carefully calculated risks to achieve gains—no pain, no gain; no risks, no rewards.

According to Joe, there is some luck (or Divine Intervention—take your choice) in most highly successful endeavors. Accept the gift, for you will find many times when excellent ideas do not work as you expected, or when good ole ‘Mr. Murphy’ throws a ‘monkey wrench’ into your best laid plans, something better occurs.

In summary, Joe has a relatively simple goal for his life. From his perspective, the most important question anyone can ask himself/herself is: “What would I like my desired epitaph to be?”

FESTIVE CHRISTMAS TREES ADORN DOWNTOWN NORTH KANSAS CITY

Thank you to the North Kansas City businesses and organizations that sponsored and decorated Winter Wonderland Trees this year to help get North Kansas City ready for the holiday season.

Business Related

- 1st Place—MTS Contracting
- 2nd Place—Cinder Block Brewery
- 3rd Place—Clayco Electric Company

2020...Not Your Normal Christmas

- 1st Place—Hawaiian Bros Island Grill
- 2nd Place—Paul & Jack’s Tavern
- 3rd Place—PrimeTech International, Inc.

Other Tree Sponsors

- | | |
|--------------------------------|---|
| Accent Controls, Inc. | Major Brands, Inc. |
| Arkema, Inc. | Midwest Aortic & Vascular Institute, P.C. |
| C&C Produce | MWD Construction Company, Inc. |
| Chicken N Pickle | North Kansas City Electric Co. |
| Donut King | North Kansas City Hospital 6th Floor PCU |
| EverReady Service | North Kansas City Hospital Rehab Services |
| First Missouri Bank | North Kansas City YMCA |
| Fry & Associates, Inc. | NT Realty, Inc. |
| Harrah’s Casino & Hotel | Park Lofts |
| INDIGEX | ProPrint Digital |
| K Warman Architecture & Design | Security Equipment, Inc. |
| KC Blueprint & Planroom | The Soap Bubble |
| Life Unlimited | Tnemecc Company, Inc. |

SUPPORT OUR LOCAL BUSINESSES

The next three months are going to be extremely challenging for “people-facing” businesses like restaurants, brew pubs, movie theaters and retail. The first quarter of the year is typically the slowest quarter of the year. This year, this low point follows what has already been an extremely challenging nine months for most of them.

Among them are many “heritage” businesses that have made North Kansas City a popular destination. In addition, there are several new attractions that have become favorites in recent years. An updated list of these businesses is enclosed with this newsletter.

Please take every opportunity to “support local” by finding ways to utilize curbside purchases or to enter, following the capacity limiting guidelines.

The John Miller Story

LOW PROFILE ENTREPRENEUR



John Miller

For 50 years John Miller and his wife Henrietta have been quietly growing the business we know as Stor Safe Warehouses.

A more well-known business they co-founded is iWerx, the co-working and entrepreneurial development business which occupies one of their buildings.

Today, John and Henrietta and son John E Miller (commonly referred to as “John, Jr.”) manage a large accumulation of commercial real estate in a relatively unorthodox manner. Their investments include a million square feet in eight warehouse buildings in North Kansas City. The way this “empire” was assembled and the values that are most important to John make a remarkably interesting and inspiring story.

John grew up in Kansas City, Kansas, attended Washington High School and then graduated from Westminster College in Fulton, Missouri. John also attended Washburn Law School in Topeka, Kansas.

John’s father, Eldon, Sr., had a remarkable story of his own. Athletically gifted, he went to the University of Illinois on an athletic scholarship to play football. But during his freshman year in the early 1920s he contracted diabetes. It struck him suddenly and severely. He became blind. His parents brought him home, hoping to find a cure. This occurred at about the time the first results were emerging about the use of insulin for diabetes. He was fortunate enough to be chosen to be treated with insulin. It worked! His blindness went away and he was able to resume his college career. Afterwards, he earned an M.D. degree at the University of Kansas. His medical practice for the next three decades specialized in the treatment of diabetes. He died at age 57 of a heart attack while attending to a patient in his office in Kansas City, Kansas.

School was always a struggle for John. He could remember things, especially things he heard, but reading was difficult; and writing was even more difficult. He could answer orally just fine. In fact, he was quite good at anything that involved meeting people, showing interest and remembering what they said. He developed excellent speaking skills to compensate for his reading limitations.

Neither he nor his parents, or even his teachers, realized he had dyslexia until much later in life. In the late 1940s and 1950s when John was in school little was generally known about this condition in which the visual image of what most people read and understand turned into a jumble of words that often place meaningful words out of order. John’s vision was just fine but his neural connection between eyes and brain didn’t work like most people.

Upon graduating from Westminster College John was offered the opportunity to serve as an “Ambassador” at the Missouri pavilion at the 1964 New York World’s Fair at Flushing Meadows in Queens, New York. Following that exciting interlude John returned to Westminster College to work as an Admissions Counselor for several years.

In John’s circuit of contacts on behalf of Westminster College he became acquainted with a future business partner. Together they purchased land and built the first self-storage facility in the Kansas City area in the early 1970s. They called it “Stor Safe.”

Stor Safe is the name that has been used going forward as John’s real estate holdings have grown over the years. Unconventionally, most of Stor Safe’s tenants are on a month-to-month basis. This is contrary to the practice followed by other large-scale industrial property lessors. This approach has proved to be very successful, especially in times like 2020 when businesses are scrambling to find temporary or down-sized facilities.

In the early years, income from Stor Safe was not adequate for the needs of a growing family. By then, John and

Henrietta had two children—John and Audra. Henrietta’s job with AT&T was a good source for a stable income and insurance, but they both were willing to do more to enable more real estate purchases.

Having built and managed a self-storage complex on NW Vivion Rd near Riverside in the 1970s, John and his original business partner in the early 1980s decided to make a bid on a large, older warehouse in North Kansas City owned by renowned commercial real estate tycoon Hugh Zimmer.

The beginning of this negotiation was one-sided with John having to admit that he had no money to put into the purchase. Hugh asked him why he should even bother having a conversation with him about it. John replied that he believed he had a good plan for filling the building with rental tenants and that there were some people who would be glad to attest to his good character and the likelihood that he would make good on his commitments. When John told Hugh who two of those people were, they were familiar and trusted names to Hugh. After making a couple of phone calls, Hugh offered the following deal which would be unheard of today:

1. Until John brought in the first \$5,000 in rentals, he was to pay \$100 a month.
2. With the second \$5,000, pay Hugh half.
3. Anything beyond that, pay Hugh 75%.
4. After two years, if everything goes well, Hugh promised to arrange for and guarantee a loan for John to purchase the building with an interest rate a quarter of a percent below prime.
5. If John was unable to make payments in the future, he was supposed to let Hugh know. Hugh would reclaim the building, clear the loan and no penalty would be assessed.

This unusual formula was effective, and it was used to purchase additional warehouse buildings in North Kansas City from Hugh Zimmer.

Over the next 40 years John purchased additional old warehouse buildings in North Kansas City with a total size of over one million square feet. Throughout the years John has always offered flexible no long-term contract agreements with his tenants; always month-to-month. Some tenants have stayed for just a month or two. But many have stayed for years, even decades. Some businesses that have grown to very successful “adulthood” started as small “infant” businesses in one of the Stor Safe buildings. One good example is Joe and Judy Roetheli’s company S&M NuTec that created and marketed the hugely successful “Greenies” treats for dogs.

Most of the Stor Safe buildings were not particularly attractive buildings. But some of them had interesting character and history. John is fond of calling the building at 16th Avenue and Howell, which was built in 1929, “the ugliest building in North Kansas City.” At one time it was used for manufacturing of trucks and military equipment. The Millers and RoKC entrepreneur Andrew Potter transformed it into a highly functional, popular and successful rock-climbing gym.

Some of the buildings were partitioned into smaller storage units. Others were used as more open warehouse buildings with truck loading /unloading docks. Others were used to store boats and RVs indoors. Some were used for offices. But, as stated above, all were rented on a month-to-month basis, no long-term leases required.

In recent years there have been some remarkable re-inventions within some of the Stor Safe buildings.

- The first was 1700 Swift that was converted from warehouse to modern offices for Shafer, Kline & Warren (SKW) Enterprise Solutions, an engineering and surveying company. SKW was acquired by McClure Engineering which is still in that building. In November, much of that building also became the corporate headquarters for Garney Construction.
- The second was 1501 Howell, mentioned above, a portion of which was converted to the hugely successful RoKC Climbing Gym for rock-climbing enthusiasts. Well-researched, planned and funded by young entrepreneur Andrew Potter, RoKC became an instant success, drawing climbers from all over

BEFORE



AFTER



The iWerx Co-working space and entrepreneurial development center at 1520 Clay is just one example of how some Stor Safe warehouses are being converted into office space.

the Kansas City metro area and beyond.

- The next one was 1501 Burlington which was converted into the iWerx Co-working space and entrepreneurial development center. Facing to the east, iWerx’ address is actually 1520 Clay. This project required the removal of more than 32,000 square feet of indoor storage compartments and refurbishment of floors, ceilings, doors, windows and roof. The iWerx enterprise has attracted hundreds of businesses to either become co-working residents or attending the many entrepreneurial programs that are hosted there. iWerx is organized as a partnership between the Millers and the founders of Encorps 45 who operated the facility and organized programs.
- DesignWerx at 1313 Atlantic was another conversion, offering co-working space for a variety of design-related businesses.

The John Miller entrepreneurial story includes some ventures outside of North Kansas City as well. Most recently, the conversion of an under-utilized building in Gladstone to become a second, and larger, iWerx. They also were involved

in a new housing development in Platte County until selling their interest in it a few years ago to Summit Homes. They recently sold the original Stor Safe storage property on Vivion Rd, nearly 50 years after it pioneered the concept in the Northland.

The year 2020 has been a year of significant recognition for John Miller. He was selected as Grand Marshall for the Snake Saturday Parade and the Clay County Economic Development Council Look North Award.

NEW BUSINESS COUNCIL MEMBERS

Convergence Partners

Donnelly Metals

Ecco Select

Garney Construction

House of Hope – Midwest

Streamline Print & Design

SMS Global Recycling

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COMING EVENTS

Wednesday, January 13
2:00 p.m.

Altenergy Zoom webinar
Solar Energy in 2021
Commercial & Residential
Basics

Thursday, January 28
Noon

Business Council
monthly membership
luncheon
(probably via Zoom)
profiling the North Kansas
City School District's planned
re-structuring of the high
school curriculum in Fall 2021
to the Career Pathways con-
cept with four broad career
pathways offered at each of the
four high schools.

YOUR HELP IS NEEDED...

during the slow winter months to sustain our **LOCAL** North
Kansas City businesses. There are many ways to get
involved and join in on the fun engagements. Learn more
about these initiatives by visiting ExploreNKC.com.

Think First About How to Support Our Local Businesses!

OUR  S ARE LOCAL

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