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## Women Owners Of Big Businesses Join Elite Group

By Colleen DeBaise

**NEW YORK** -- An elite group of women business owners has joined a new program called Zenith Group, in part to dispel the notion that female-owned businesses are mom-and-pop stores.

The program is an exclusive club of sorts, where the members are women whose businesses have more than \$50 million in revenue. Two prominent groups, the Women Presidents' Organization and the Women's Business Enterprise National Council, formed Zenith to elevate the standing of female-owned companies and help them win business from Fortune 1000 companies.

The collaboration, which launched in May after a pilot program in the fall, has piqued the interest of Merrill Lynch & Co., Ernst & Young LLP and ING Groep NV, which serve as sponsors. Women-owned businesses are one of the fastest-growing segments of the economy and represent a new market for lines of credit, cash management and other business financial services.

Currently, there are 12 members of Zenith, including the founder of Omega World Travel, a travel agency that generates \$1 billion in annual revenue, the highest in the group. Other members include the founders of Mercedes Electric Supply Inc., an electrical distributor that won the contract to light up Miami's American Airlines Arena, and Superior Design International Inc., a Fort Lauderdale, Fla., vendor-management company that is opening offices in Beijing and Bangalore, India.

"The picture of a women-owned business in the eyes of the average American is of a small business," says Susan Bari, president of the Women's Business Enterprise National Council. "They think of women running home-based businesses while they raise their families. They think of women running the local flower shop on the corner. All that is true, but women are also running major companies."

Women are opening businesses at twice the rate of men, according to statistics from the National Center for Women's Business Research. There are about 10.6 million women-owned businesses, which represent about 48% of all closely held companies.

The center's research indicates there are relatively few companies -- owned by men or women -- in the \$50 million or more revenue bracket. Market data culled in June 2003 showed 5.7% of women-owned businesses had revenue of \$1 million or more, compared with 10.3% of men-owned companies.

Because the numbers are still small, there are few groups that provide advice and networking for highly successful women entrepreneurs. An exception is the Women Presidents' Organization, which caters to women whose businesses have surpassed the \$1 million mark. Before forming Zenith, the organization created a program called Platinum, encouraging women who own businesses in the \$10 million revenue bracket to share experiences and exchange managerial strategies.

"We realized there were larger companies getting involved, and we wanted to provide peers for them," says Marsha Firestone, founder of the Women Presidents' Organization.

The Zenith Group will be limited to 20 members who will meet twice a year for a roundtable discussion on issues that affect their businesses, from human resources and employee benefits to corporate purchasing and procurement. Members aren't in rival industries, allowing for a free exchange of ideas.

A core piece of the Zenith program is to match women business owners with large corporations that are committed to working with women-owned or minority-owned businesses, primarily through supplier-diversity initiatives. International Business Machines Corp. and

Motorola Inc., for instance, are corporate participants of the Women's Business Enterprise National Council and actively seek to do business with women vendors and suppliers.

For Zenith member Mercedes LaPorta, meeting with large corporations is a priority. Ms. LaPorta, president of Mercedes Electric Supply, wants to shift her business so that she sells electric materials directly to corporations rather than to third-party contractors.

At Zenith's first official meeting in May in New York, she spent nearly an hour meeting with Hilton Hotels Corp.'s supplier-diversity staff "and seeing how I can do business with them," she says. "In my industry, I am sort of 'out of the box' for women." The in-person meeting helps educate corporations that women-owned businesses aren't just "run out of home offices or garages, or they're making necklaces," she says.

Carmen Castillo, president of vendor-management concern Superior Design International, says she joined Zenith for access to one-on-one meetings with decision makers. "Sending a letter, that doesn't really work," she says. The progress made by Zenith members will "prepare the next generation," she says. "We are not about going backwards, we are about going forward."

The first Zenith meeting also combined a bit of fun: Caroline Gundeck, head of Merrill's Women's Business Development unit, arranged for participants to have makeovers. Merrill has aggressively tapped into the women's market, with financial advisors that specialize in working with female business owners.

For Ms. Gundeck, dealing with women business owners has made her acutely aware that women-owned companies aren't just neighborhood stores. "I see these women and the kind of work they do, from engineering companies to electrical contracting to hazardous-waste disposal," she says. "It's a plethora of different businesses that are not typical mom-and-pop."