

# Entrepreneurial Leaders

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## INTERVIEW WITH ANNE BEILER, GAP, PENNSYLVANIA, FOUNDER OF AUNTIE ANNE'S PRETZELS

By Rick Goossen by phone on January 27, 2011\*



Anne Beiler

### Company Summary

Description	Company #1	Company #2
Dates of Involvement	1988 - 2005*	2005 – Present
Title	Founder / President	Founder
Name of Company	Auntie Anne's Inc.	The JoAnn Group
Web site	<a href="http://www.auntieannes.com">www.auntieannes.com</a>	<a href="http://www.thebeilers.com">www.thebeilers.com</a>
Location(s)	18 countries, 40 states & 850 franchises	Gap, PA
# of Employees	Head Office – 100 System-wide in the 1,000s	undisclosed
Product/ Service	Pretzel	The Family Center of Gap [PA], Angela's Café, The Ellmaker House, Houston Run Self-Storage, Houston Run Professional Centre & Houston Run Community Water System
Industry	Fast Food	Public Service
Revenue (range)	Head Office – US\$40 million System-wide - \$250-300 million (\$300-500,000/location)	n/a
Public / Private	Private	Private

\*Sold to Sam Beiler in 2005, who subsequently sold to The Focus Group in 2010.

\*To be cited as follows: Goossen, Richard J., Director of Entrepreneurial Leadership, Transforming Business, University of Cambridge, UK, interview with Anne Beiler, Jan 27, 2011, by phone, Langley, BC, Canada, as part of the Entrepreneurial Leadership Research Program, accessed at [www.eleaders.org](http://www.eleaders.org).

## **I. General Entrepreneurship Questions**

### **1. At what age did you start your first entrepreneurial venture and what was it?**

The first one I can recall is when I was 12 or 13 years old. My dad used to make and sell perma-stone siding, which goes on the outside of houses. He asked me if I would be willing to go through the phone book and see if I could get leads for him. Through that experience, I got him one job. I realized that performance is important and my dad was pretty excited. I liked the affirmation that I got from it.

### **2. What originally motivated you to pursue entrepreneurship and what has maintained your ongoing entrepreneurial focus?**

Out of our pain our purpose was born.<sup>1</sup> We had gone through some real tough times: the death of our daughter and the sexual abuse of my pastor which took me to a dark place that I never knew existed.<sup>2</sup> I thought I was going to live there the rest of my life because I didn't see any way out. Marriage counseling became the tool that helped us out of that situation and got us on the path – it took us many years – to a healthy marriage. So my husband, Jonas, through that experience, became very interested in psychology and counseling; he went from fixing cars to fixing people. I really wanted to help him because he really is my hero. At one point, he was studying 2 days a week, counseling 2 days a week and then he was working for his dad doing some iron work one day a week. Despite all these commitments he wasn't making much money. I went to work to financially support Jonas in his ministry.

### **3. What individual(s) have been models of inspiration for you throughout your entrepreneurial career and in what way?**

I think early on the models of inspiration for me were people that came into the Auntie Anne's business as employees. These were people experienced in business. For example, there was a lady that came to our office one day and said she was interested in a franchise. By the end of the day she was curious as to whether or not I would have a job for her as my full-time assistant. I didn't realize that I needed an assistant but I guess it was obvious to her. So we hired her and she became my inspiration in many ways. She really helped me to stretch myself, to set goals, to read certain books and to better myself and go to seminars. She was probably the first inspirational person in my business career.

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<sup>1</sup> The references to "we" and "our" mean Anne Beiler and her husband, Jonas, who helped co-found and grow Auntie Anne's.

<sup>2</sup> For additional information see Beiler, Anne, *Twist of Faith: The Story of Anne Beiler, founder of Auntie Anne's Pretzels* (Nashville, TN: Thomas Nelson, 2008).

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From that point on there were others that came to me through different ways. Some of it was simply that as I went out into the work force I would meet people that were very successful. I would watch how they would do things and learn from them just by their role modeling.

#### **4. How has any formal education or training you have received (to whatever extent) been helpful? If so, in which way?**

In Amish culture, formal education is completed by the eighth grade. I always got good grades in math, reading and spelling. I loved learning.

The training that helped me was simply on-the-job training. I wish I could say there was more to it but as I got into the business I really began to get this desire to learn. The training I received was going to seminars, some conferences and reading lots of books. I just had an appetite that wouldn't quit. I read everywhere I went and always had books on business, leadership and management.

#### **5. How many different business ventures have you started in the course of your entrepreneurial career?**

My only business besides Auntie Anne's was a little fish market I started back in the early '70s when I was first married. It was not successful.

Jonas had an autobody repair job that he did for almost 25 years. Some of those years it was our own business and some of those years he was working for someone else.

#### **6. What percentage of these business ventures do you estimate were financially successful?**

One was a small venture that didn't work; the other was Auntie Anne's which, of course, was very successful.

## **II. Entrepreneurial Questions Regarding Your Primary Business**

#### **7. In order to provide some context, please describe your Primary Business: what does the company do? Who does it sell to? What does it sell? What is your competitive advantage? What is the nature of your overall industry?**

I would place Auntie Anne's in the franchise industry. Although the product was a pretzel, the business was a franchise model.

When I first started, the product itself really grew the company. In our first year [1988] we went from the one store to a second store within the first year [1989]. The following year [1990] we built 10 stores and we did all of that under a licensing agreement. We didn't realize at the time that we were actually franchising because I didn't know anything about franchising.

People came to us after they tasted the product. Word began to spread in our little community and into Philadelphia, New York and down the east coast. People would come and ask us if they could sell our pretzels. I realized that we needed to have some form of agreement, so we called it a licensing agreement. In mid-1990 my brother joined the company. By then we had between 35-50 licensing agreements and we became aware of the fact that we were actually franchising after I read a book called *Franchise Opportunities*. My brother was reading some magazine articles and we realized that we could be in big trouble because we were actually franchising and that requires additional legal requirements.<sup>3</sup> We stopped opening stores for a while and then we decided to go to a franchise consulting company in Chicago, IL. That gave us the foundation on which we continued to build Auntie Anne's franchise company.

## **8. How did you identify the opportunity that led to the setting up of your Primary Business?**

First, I worked for someone at a farmer's market. The Lord sometimes puts you where you're comfortable. I was very comfortable with marketing, because my parents did that. As a kid I did that with them. I ended up working for someone in a farmer's market, which was my comfort zone. I worked for her for 7 months. At that particular store we had a number of items and I convinced the owner of the store I was managing that the pretzel is the key product and can I please exclude everything else that we're selling. It took me awhile but eventually we just did pretzels at that store because that was the money-maker.

I then had an opportunity to buy my own store in a nearby farmer's market.<sup>4</sup> At that store, again, they had pretzels. To identify the opportunity and the product for me was easy—the opportunity right in front of my face. I didn't go out looking for it.

I never planned on selling pretzels for the rest of my life or building a pretzel empire. The product was already in the store and when I went to buy the store I just took that product and made it the best product it could be. Jonas and I tinkered with the recipe and we came up with an awesome pretzel. The pretzel became our focus because that was what customers wanted. It was obvious to me. We simply needed to fine-tune the business, which was a stand at a farmer's market, and sell just pretzels and

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<sup>3</sup> Such as filing a Uniform Franchise Offering Circular or "UFOC".

<sup>4</sup> This market stand was located in Downingtown, PA.

lemonade. That came about just simply because of the customers' perspective – that's what people were buying. It was a no-brainer.

## **9. What were the critical elements you assessed before you decided to pursue the opportunity?**

The first element was that the price for the store in the farmer's market was very reasonable at \$6,000. I knew I could get the money from my father-in-law or somebody that I knew. That's why I felt like I could do it because the asking price was doable.

The second thing that made sense to me was that it was only 20 minutes from my house versus the store I was managing that was 2 ½ hours' drive away.

The third piece was when I bought the company I realized they were selling snack food items, which I was doing at the market where I was managing.

So, those were the things that helped me make the decision on the phone before I even saw the location. I thought, wow, this is a no-brainer. I'm just going to do this.

## **10. How much time did it take from seeing the opportunity to the first day of operation?**

It was 10 days.

## **11. If you had partners, who were they, and how did you find them?**

Initially it was just my husband, Jonas, and I. We knew that my daughters would probably work for us. I also had 2 sisters that I knew would work for me as employees.

## **12. Did you have a business plan of any kind? [or any kind of written plan]**

No. We would never have even thought about that. I wish I could tell you I did, but I didn't. My only goal initially was that I wanted to be able to make my car payments and earn enough money for us to buy groceries.

I knew from my experience working in a farmer's market that people enjoyed the theatrics of pretzel rolling. I loved to have fun with customers and with the product as people watched.

My plan was simple: I wanted to sell a delicious, fresh, hot golden brown pretzel to every person in the market. I didn't want anybody to walk away from my store that was not completely satisfied with their pretzel. I knew if I did this, that over time, I would make money.

## **13. What kind of financing did you have?**

When I looked into buying the stand at the farmer's market, I told the seller over the phone that I wanted the store and I told them I'd have a cheque to them the following day.

I hadn't even talked to my father-in-law except that I knew that he had money and I knew that he was a great guy and we had a great relationship. I hung up the phone and all of a sudden I went over to see him and he gave me a cheque and sure enough, the next day or two – I can't say the next day but I think within 2 days – I had taken them a cheque over for the amount which was \$6,000. So, that was the amount of my financing.

## **14. How much capital did it take?**

We went to the store to do some remodeling; basically scrub it clean and do some painting. We moved some of the shelves and some of the counter space. Maybe that required another \$200 – \$300. So, in addition to the \$6,000 from my father-in-law, our required capital to launch the store was \$6,200 - \$6,300.

## **15. How long did it take to reach a positive cash-flow position?**

I'm not sure about that but I can tell you that the first week in business we did more than the previous owners had ever done. I think the reason for that was because there was so much energy in our store. My sisters and I focused on customer service. I didn't even know at that time to call it customer service. I just knew that I had watched my dad at the farmer's market and I always knew if I was just nice to people and if I interacted with them it would be good for business. My two sisters and I had so much fun and there was so much energy between us while working at the store. Although we did very well during the first week, I knew we could do more the next week.

I would say we achieved positive cash flow within the first month. We didn't do profit & loss statements and we didn't have sophisticated accounting practices at that time. To me positive cash flow at that time was my ability to pay my employees and my bills and have some money left over at the end of the week! I was paying my sisters. Then Jonas and I used the left-over money to pay our bills.

## **16. If you did not have enough money at the time of the start, or at low points in the business cycle, what were some things you did in order to stretch your capital?**

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I do know that we used our credit cards as the only monies that were available to us; we were always able to pay off our credit cards. My husband would look for used equipment. We made sure that what we bought we could actually afford. So, that's how we got started—it was bare bones.

As the company grew, as we went from the farmer's markets, to licensing and then into franchising, there were some financial low points along the way. For example, in one instance we had to go to the banks to borrow some money to pay our taxes.

Initially we tried to stretch our capital getting an upfront cash fee whenever we sold a licensing agreement. We would then use that cash to pay for whatever we needed to build that store. We always had a little bit left over.

We were good to go until we were up to 25 - 35 stores and then this approach began to catch up with me since we started to have head office overhead expenses. Now we had to hire people in-house [to staff the corporate office] and we had to go get a warehouse and all the expenses of the set-up became much bigger than what I had anticipated.

## **17. What did you perceive to be the strengths (up to 3) of your venture?**

I do have a speech that I often give with the message that “The 3 small p's equal the capital P”. The 3 small “p's” are purpose, product and people and the big “P” is profit. The strengths were, in fact, to me those 3 things.

1. Purpose - I see a lot of people going into business without purpose. They may find a purpose later on or they go into business for other reasons – maybe just to make money or just because their own business or other reasons. We went into the business purely; we had a purpose. And I believe the purpose was our #1 strength. We had a purpose before we had a business.
2. Product - Then the purpose took us to the product, which was the best pretzel in the world.
3. People - Then the pretzel caused us to hire the best people in the world – in our community, I should say.

Those three “p's” were the backbone of Auntie Anne's, which over time created an absolutely unbelievable profit for us.

## **18. What did you perceive to be the weaknesses (up to 3) of your venture?**

I talk a lot about the 3 things I did not have: capital, a business plan and an education. I'm not sure I see those as weaknesses but nonetheless these were three things that I did not have. People would tell me that I wouldn't be able to succeed without an education or a business plan. So, in other people's minds, maybe those were weaknesses for me.



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I would say that the greatest weakness for me was the fact that I started the company completely naïve about franchising and about business itself. I sometimes look back and wish I had known more. On the other hand, I look back and I say I'm glad I didn't know some things because I wasn't aware of the stumbling blocks I needed to overcome. It's almost like I didn't know my own shortcomings.

Some people perceived my lack of business experience as a weakness. There were times that I struggled because I didn't know what to do. In a sense that was a weakness. But my upbringing led me to believe that I could do what anybody else was doing. So, I would think, well if somebody else is doing it, I can do this. I would gather somebody around me, or a few people, and say how are we going to do this? It was a weakness in the sense that I didn't have the knowledge about it.

## **19. What was your most satisfying accomplishment or event?**

There are two events that really stand out to me. One of our purposes was to be able give financially. We were able to give money to non-profit organizations for 10 years. I was able to support Jonas' counseling centre<sup>5</sup> and he was able to see clients free of charge for 10 years. So, Auntie Anne's completely supported the counseling centre. At that time there was maybe 5 employees and a couple of assistants and they would see up to 4,000 clients per year; we were able to do that for about 10 years as a free service. That to me was one of the most satisfying things that I experienced early on at Auntie Anne's.

The other thing was when we were able to take grow from one market stand and expand and be able to take that pretzel in 1995—six years later—into Jakarta, Indonesia. It was an amazing feeling flying into Jakarta. I was thinking, "Are we going to be able to sell pretzels here?" This process of growth gave me great joy because I realized that we can actually give people a better quality of life because of a simple pretzel.

## **20. What was your most disappointing situation or event?**

In a business setting one of the most disappointing things for me was to really discover that people are interested in owning their own business but they're not always interested in doing it well. I was shocked.

We had what we call the "three-fold philosophy:"

1. selling fresh-hot pretzels,
2. in a sparkling clean store and
3. in a friendly environment.

Over time people would spend a few hundred thousand dollars to get into the Auntie Anne's system. Then we would go to their stores and realize that they did not care

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<sup>5</sup> The Family Centre of Gap, Gap, PA. See [www.gapfamilycenter.org](http://www.gapfamilycenter.org) for further information.



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about the three-fold philosophy. I was surprised and disappointed that people didn't care more about the things that I felt made the company great. I got over that disappointment but initially that was a hard one for me to take. That led us to then develop a training program.

## **21. Once you got going, what were the most difficult gaps to fill and problems to solve as you began to grow your company?**

I think the most difficult gap to fill was delegating. I grew up on the farm; I was a hands-on person and my mindset was that I could do things better than anyone else could. But, at some point you obviously can't be everywhere. I worked like crazy because I wanted to do it all. So, to learn how to delegate was obviously very difficult for me. It took its toll emotionally on me because I could hardly let go. But I did learn as time went on that delegating really is the only way to grow a company. If you can't delegate, you cannot grow your company.

## **22. What were the key attributes you looked for in people (partners, advisors, managers) as you grew the company?**

1. Number one, we always talked about a teachable spirit. Whether a person was going to work from a home office or were going to become franchisees, they had to have a teachable spirit.
2. We looked for people who had a good work ethic.
3. We looked for people who could buy into our purpose and our mission.

It wasn't important for them to have a lot of education or even be very wealthy people.

### **III. Reflective Questions**

## **23. What are some things that you have found to be most personally rewarding and satisfying for yourself as an entrepreneur?**

I love watching people grow. People spent different amounts of time with Auntie Anne's; they'd be there for maybe a year, some are still there to this day, some have been there almost as long as the company has existed. It was very satisfying for me to see people go from being unprofessional and unfocused and then becoming a VP of a particular department or whatever. That could happen because they were in an environment where we rewarded people that were productive. We would send them to workshops. We were very deliberate about people growing.

## **24. What are ways in which you have developed your own entrepreneurial skills in order to be more effective as an entrepreneur?**

I developed my skills through reading books and going to seminars and workshops. On-the-job training really became my greatest tool. I think conflict resolution was one of the most difficult ones that I learned to develop. That was probably the last one I learned to develop because I was not good at that. I learned how to go about conflict resolution, which was simply to deal with the issue without attacking the person.

## **25. What are ways in which you cope with or manage the personal stress of being an entrepreneur?**

One myth is that entrepreneurship is a great ride—wow, this is hallelujah time, you know? But it's all about hard work. You eat, you drink, you sleep, you dream – your whole life is intertwined with your venture. As much as I tried to get away from the business at times, it was always in my head. So, I didn't do very good as managing the personal stress. Back in the day, one way I dealt with stress was that I fell apart.

We had two daughters who were in their early teens and then late 20s as we were growing the company; they were in their early 30s when we sold the company. When they were in their late teens and mid 20s there was lots of stress in my own personal life.

What I learned to do after many years was to actually go away – go somewhere for a week or two. That, to me, was the best stress reliever – if you could just go and not take your phone or your work or anything with you. To me, that was the only way I could do it. Again, I didn't do that for many years.

## **26. What are the ways in which you have dealt with others who have disappointed you in business?**

Early on, it was hard for me to do. I cried a lot, I prayed a lot and I fretted when I felt like I was betrayed by a friend or an employee or a family member. Very often, I internalized it, which was absolutely not healthy. Over time, I learned how to face these issues head on. Jonas and I approached these issues that same way you would with resolving conflicts. When there was a problem we would bring the individuals into the office and have a face-to-face meeting. A face-to-face approach to me is the only way to deal with this type of issue. It's really the only way to resolve it and that's what I was able to do over time. As we grew the company, we developed all kinds of forms and we had a pretty good tracking system to monitor problem areas.

## **27. What do you think are the most important personal traits (up to 3) for an entrepreneur and why?**

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I believe the most important traits are a work ethic, integrity and trust.

1. Trust - If you don't have trust in the people that you hire, you will never have a healthy organization. Just like a marriage; if you don't trust your wife or your husband, you're not going to have a healthy marriage. It's the same way in business.
2. Integrity – It is very important to be a person of integrity yourself and then teach your employees how to do what's right and be people of excellence.
3. Work Ethic - work ethic is important. You can't have somebody coming in on your team that comes in at 9:15 a.m. when they're supposed to be there at 9:00 a.m. You can't have a person that takes an hour and a half lunch break if you give them 30 minutes. You really have to have a work ethic and people that understand the importance of being a team player.

## **28. What are the most important lessons you have learned with respect to starting and running a business that you pass on to an aspiring entrepreneur?**

The first question for people that are interested in starting their business is, 'Are you willing to work hard?' I keep coming back to this issue because there is myth that being an entrepreneur is easy. People really think if they own their own business they're going to play golf everyday or to the cabin every weekend or whatever.

The second question I ask is, 'Do you like people?' If you don't like people then you really need to get behind a computer and stick with a computer all day long, because if you're an entrepreneur you're constantly interacting with people.

## **IV. Faith, Entrepreneurship & the Marketplace**

## **29. How do you describe the impact of your Christian faith in terms of how you find or define meaning in the context of your entrepreneurial pursuits?**

I feel like Auntie Anne's was my mission and my ministry. During my whole life I always desired God's will, in whatever capacity and whatever I was doing, whether as a mother or as a youth pastor. My husband and I were youth pastors for awhile and my sisters and I sang in a trio. I've always been concerned about being in God's will or being led by God. I really felt Auntie Anne's was my ministry. I felt called to Auntie Anne's. I felt called into business even though early on I didn't realize what that meant. I knew Auntie Anne's was the path that I was supposed to be on.

## **30. Who, if any one, affirmed your sense of direction in your entrepreneurial pursuits (as described in Question #29 above)?**

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Jonas was my greatest support; he was the man. He always told me I can do this – always. I would tell him, “I can’t do this anymore when I had 10 stores” and “I’m in it over my head.” He said, “Honey, you can do this!” When I was at 20 stores, I told him, ‘I can’t do this anymore.’ He said, “Yes, you can!”

The other person was my pastor at the time. He really challenged me on this front. We had about 50 stores and he came to me and wondered how I was doing. I was not doing well at all. I said, “I can’t do any more stores.” He said, “If you would stop right now would you be at 30-fold, 60-fold or 100-fold Christian? Is this as good as you can do?” Wow. That challenged me. He said, as well, “You can do this, but you need to gather people around you that can do what you can’t do or don’t want to do or what you’re not called to do. Use your gift and then wherever your gift isn’t involved, you bring somebody else in to do that for you.” Wow. That was great advice. That really helped to really define the path.

## **31. As a result of being a Christian entrepreneur, how has your approach to entrepreneurship changed?**

I have grown up in every sense of the word. Auntie Anne’s stretched me to the max. It grew me professionally, personally and spiritually and emotionally. I think that, as an entrepreneur, there is constant change and you have to embrace change. I wasn’t that kind of a person before but I am today and it’s because of Auntie Anne’s.

I can’t imagine starting or growing a business without God in my corner. The Book of Proverbs is the book that gave me the wisdom that I needed. I was sometimes stuck about an issue. It might be a franchisee that was completely irate about something or they were not willing to follow policy. Or it might be a problem with an employee that we really needed to resolve. There were legal issues that came my way the first year of Auntie Anne’s. The Book of Proverbs was the book that I ran to. So, I think that as a Christian you’re ahead of the pack because you have God with you who is your source of wisdom. Many times He would just pour into my mind a word, a line or an idea without which I would never been able to do what we’ve accomplished.

## **32. How did you (or do you) integrate your business/entrepreneurship expertise with your Christian commitment (and how are they complementary)?**

I’m not sure that it does in my case. The only way I can speak to that would be through my current motivational speaking services where I try to encourage people in their entrepreneurial passion.

There are people that ask me about franchising but typically it’s with products that are not church-related. But the other piece to that is “The Family Center of Gap” that we operate [in Gap, PA]. There are people that approached us to do this same thing in

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another state or in another county. This center is actually franchise-able, but I'm not the one that would do that; that would come from my husband or my daughter.

**33. How have you been involved in your local church (that you now attend and the ones you have attended in the past)? (whether or not these are related to your business expertise)?**

I believe in the seasons in the life of every believer. Our church involvement is not like what it was when we were in our early 20s and 30s. The church I go to now is a small community church and my brother is the pastor. There are probably about 400 people attending. We attend there on Sunday mornings. Our involvement is through giving and also I do a class for women that is called "7 women, 7 stories, 7 weeks."<sup>6</sup> It's a program that I put together so that I can help women to be free. So, that's one involvement. Other than that, that's about all I do in the church.

**34. Have you been involved in your church denomination and how?**

N/A

**35. Have you been involved in para-church organizations and how?**

No, other than through my public speaking services.

**36. What are some examples [i.e. situations with partners, suppliers, customers, etc.] of how you have integrated biblical principles into your business practices and thus acted differently than a non-Christian due to your Christian faith?**

At Auntie Anne's we took the word LIGHT – it became our statement of purpose. We took that and did the acrostic with LIGHT:

Lead by example,  
Invest in employees,  
Give freely,  
Honor God and  
Treat all business contacts with integrity.

That became the grid through which we made every decision at Auntie Anne's. Of course that meant we had to teach our employees what we meant by "LIGHT."

When I first started the business I really asked the Lord, 'What is it that you want me to do?' I didn't understand that Auntie Anne's was a ministry the first week I was in business. That happened over a period of probably about a year. I asked the Lord,

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<sup>6</sup> See [www.7women7stories.com](http://www.7women7stories.com).

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“How does you want my faith to be involved at Auntie Anne’s (other than the giving aspect which was clear to me)? He made it very clear to me that I should be salt and light—and light never speaks and neither does salt. Salt is tasty and light shines. And so I really had to search my own heart. What does that mean? To me it meant using the principles of Christ in every situation and living that example. For example, I felt like at Auntie Anne’s, we needed to be people of our word. Yes, we had proper documentation. Yes, we were franchisors. Yes, we had all these departments and all of these agreements and all these things that we did but at the end of the day we had to be people of our word. That’s who we are. What we say we are going to do we have to do it. For example, if you’re going to tell a vendor that I’ll call you back tomorrow at 11, well then call them back tomorrow at 11. If you say I’m shipping a shipment tomorrow at 5 p.m. or by end of day, then instead of making excuses or lying or all these kind of little things that break down the system, becoming people that cannot be trusted, this is what we really emphasized because we’re people of light. That, to me, was how my faith played out on a daily basis.

One really big example relates to the issue of delegation which I mentioned earlier. When you delegate, you don’t know all of the details but you’re looking at the end result. If the end result looks right, well then you’re assuming that they did a good job in the process. When I began to delegate we departmentalized and we had a VP of franchising. That was a big deal because up until that point I was involved with every potential franchisee and I did lots of interviews and at the end of the day I made the choice. When we gave this over to the VP of franchising, it was a man that was not from this area and was not a man of faith. He was, however, a good man, a great guy and had great experience. Of course, we talked to him about how at Auntie Anne’s we’re people of our word.

In that process, we had given our word to a franchisee that was going to another state. They signed an agreement for one store and we told them that when the second one in this mall in your location – it’s the greatest mall in the area – become available, and if you have done a good job with your first store, you will get that second location. In the process, we were monitoring to make sure they were doing a good job and it got to the point where we said to them, you’re doing a good job and whenever this mall is available, it will be yours. Meanwhile, the new VP of franchising met up with somebody else in that area that was connected to all of the malls in that particular city. So, the VP of franchising signed an agreement with this new franchisee that would allow him to go into this mall that we had already given somebody verbally.

This was very upsetting to me and I said, “I’m going to have to take care of this. I’m a person of my word and I’m going to make a trip to Chicago.” I went to Chicago against the wishes of all the people on my team. They said it’s not even going to make a difference because he’s already signed the agreement. I made a little trip out to Chicago, met with this man who had signed an agreement for the whole city of Chicago, and I just spoke to him from my heart. I did the face-to-face thing and I asked if he could please give up that one location. He said, “I have a signed



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agreement. I'm not going to give this location up for anybody. It's the best mall in the city." I pleaded my case with him and went home that night and I knew that I was completely defeated. He said there was no way. The next morning at 8:30, my phone rang and the VP of franchising called me and said we got that location back from the franchisee. I said, "No, I talked to him last night. He said he was not going to give it up." To make a long story short, he gave up this one location after he had already signed an agreement, gave it back to this couple that really wanted this location.

This situation sent a huge message across the whole organization that we had to be people of our word because if we're not we really get into trouble. So, as a leader, I always felt that responsibility of being people of our word and of displaying integrity. The end result of that was the VP of franchising really became a believer in our mission and in our culture and in our philosophy. It was amazing. We were able to influence him in a very profound way.

### **37. What are the most important lessons (up to 3) you have learned that you believe are important for Christians pursuing entrepreneurship?**

Don't underestimate the power of your witness and your testimony. Don't water it down. Christians sometimes believe that they can't be verbal about their faith. I knew the Lord didn't call me to evangelize at Auntie Anne's, but he did call me to be salt and light. I think it's important for people to understand the power in that and to not be afraid to use their faith in the workplace. They can mention God and they can talk about their faith if it's done in a way that's not completely offensive to people. It's important to be fearless about your faith in the workplace. I talk to so many Christians in the business world that were totally frustrated about how to use faith in the workplace. First of all, you just simply live it and be fearless. I think that we, as Christians, became afraid of the secular world and the voices out there that if we mention God in the workplace someone's going to sue us. Be a person of courage. God blesses that.

### **38. How could the church in a general sense (i.e. a local congregation) support you in applying your faith in the context of entrepreneurship?**

First, a pastor can acknowledge the fact that businesspeople in the body of Christ do bring something to the table. I think that a lot of times pastors don't know what to do with us. However, I think there is a better understanding of that today than there was 20 years ago.

I believe pastor or a congregation could just try to support a business person in the church. Maybe the business person could actually become asset by teaching people and give them tools regarding business and entrepreneurship.

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## **39. What have been the most significant challenges for you as a Christian pursuing entrepreneurship?**

I think being an example in all things to all people is a big challenge for anybody—and it was for me. I've had personal challenges and sins and failures in my own life. I think one of the biggest challenges for Christians is to make sure that our personal, spiritual and business lives are one and the same. Sometimes we think that we can separate those but at the end of the day you cannot separate your Christian experience, your business experience and your personal experience—it's one and the same. We take all three of those everywhere that we go. It's best if all of those line up. The challenge for me personally was to come to a place where those three pieces were in sync.

## **40. Who was most helpful (and why or how) in addressing these challenges: church leadership, Christian friends, etc.?**

I think, as a Christian entrepreneur, it's important to take the initiative to be accountable to other Christians. It doesn't need to be a whole church-full. Gather around you people that totally support you. Be authentic, open and honest with a handful of people. I think that is one of the greatest strengths that a Christian entrepreneur can have.

## **41. Have you hired people from your church? If so, has that been a positive or negative experience?**

Yes, we've had many Christian people work with us—sometimes positive and other times negative. I feel that sometimes Christians have an entitlement mentality if they know that the owner is a Christian. Some want to give it all they've got and there are others that want to slack off because the owner is a Christian. So I've seen it both ways.

I think I understand much better today that Christians are certainly not perfect. When it comes to work, I think I put them in the same basket as other people. You just have to teach them, train them, give them boundaries, help them know what is expected of them and give them clear job identities. It's up to the leader to do those things.

Jesus refers to people of the world as being more shrewd in business than people of light.<sup>7</sup> I've often thought about that. It's true. I think, however, that church people are becoming a little more savvy about business than they have in the past.

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<sup>7</sup> Luke 16:8 – “For the people of this world are more shrewd in dealing with their own kind than are the people of light.” (NIV) Source: [www.biblegateway.com](http://www.biblegateway.com).

**42. Have you done business with other people in your church and how?**

Yes, we had a number early on at Auntie Anne's. I would say the first ten franchisees we had were from my church or family.

**43. Has your relationship with those people you have done business with in your church been positively or negatively affected—from a business and spiritual standpoint—by doing business together and how?**

We had some very, very positive experiences which, to this day, have been amazingly positive. They still have their franchises and they are doing very well. There are others that turned out negatively because they didn't want to comply with the Auntie Anne's standards. They thought they could do it their own way. At the end of the day, however, I feel like I was able to talk all of those issues out with any of those that I had differences with. But, that was really up to me to do. As far as I know, I haven't burned any bridges.

**44. What do you believe are appropriate means to share your faith in your company?**

See response to Question #37.

**45. Is there any particular passage(s) of scripture that you have found particularly meaningful or that is inspirational to you?**

Psalm 32:8: "I will instruct you and teach you in the way you should go; I will counsel you with my loving eye on you."<sup>8</sup> The Lord gave me that scripture early on at Auntie Anne's. It was so profound to me, especially in light of my lack of education. I couldn't fall back on my education and go back to my books of learning. I totally depended – this may sound almost ignorant – on the Lord in many, many respects early on. It was just me and God and my husband.

God gave me this scripture early on and it was so profound that I had an artist draw this out for me where I'm sitting on one side of a desk and Jesus is on the other side of the desk. This was a good reminder for me. Many, many days I would walk into my office and I would think, "What am I going to do about this?" I will instruct you and I will teach you in the way that you should go. That has served me very, very well because I totally believe that.

**46. Do you have any questions or comments related to Christian entrepreneurs that you would like to express an opinion on and that were not covered in this questionnaire?**

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<sup>8</sup> (NIV) Source: [www.biblegateway.com](http://www.biblegateway.com).

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I think Christian entrepreneurs need to know—and most of them know this—that there will be many obstacles in business. There will be things that come your way that seem insurmountable. I just want them to know that God knows all about this. He knew all about it before you ever went into business.

When I would come up against issues I would sometimes think that can't get through it and I can't get over it. However, because I believe God's wisdom and help and grace in my life He always helped me overcome. I was able to get through some of the greatest obstacles that I thought were absolutely going to shut me down. I think this is good for entrepreneurs to know. However, there's nothing that you will face that you can't get through if you are absolutely in the will of God with your business. He'll help you through anything.

## COMPANY HIGHLIGHTS

(Source: [www.auntieannes.com](http://www.auntieannes.com))

2010

- Long-time company leader, Sam Beiler, sells the company to FOCUS Brands®. As part of the FOCUS Brands family, the company continues to experience momentum and benefits from new multifaceted synergies.

2009

- A “grand” grand opening. The 1,000th store is located in Fresno, Ca.

2008

- Corporate Headquarters relocates from Gap, Pa. to Lancaster, Pa. The new, larger city location allows Auntie Anne’s corporate employees to be under the same roof as the Pretzel University training center.

2006

- Rolls the 1 billionth pretzel.

2005

- Company founders Anne and Jonas Beiler sell Auntie Anne's Inc. to company executive, Sam Beiler. Anne and Jonas devote themselves to fully realizing the vision of opening a family counseling centre.

2003

- 100th international store opens in Thailand.

2001

- Auntie Anne attends the opening of the 700th pretzel store located at Broadway Mall in Hicksville, N.Y.

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1999

- Auntie Anne's becomes a corporate sponsor for Children's Miracle Network, which raises funds and awareness for children's hospitals throughout North America.

1995

- The company opens a store in Jakarta, Indonesia, beginning a round-the-world tour that continues to this day.

1992

- 100th Auntie Anne's store opens in Granite Run Mall, Media, Pa.

1991

- 4,000,000 pretzels are sold from 90 different Auntie Anne's locations throughout 12 different states.

1989

- Franchising begins when a store location opens at Saturday's Farmer's Market in Harrisburg, Pa.
- The company's first regional mall location opens at Park City Center in Lancaster, Pa.

1988

- Anne Beiler buys a market stand in a Downingtown, Pa. farmer's market, and begins selling the Original Pretzel and lemonade.