



Family Affairs

THE ROOTS OF SOUTHWEST DETROIT'S BUSINESS COMMUNITY RUN LONG AND DEEP. THESE TYPICALLY TIGHT-KNIT OUTFITS HAVE DEMONSTRATED PLENTY OF STAYING POWER OVER THE YEARS, PROVING THEY CAN NOT ONLY SURVIVE — BUT THRIVE. STORY BY TERRY OPREA WITH LYNNE MEREDITH SCHREIFER PHOTOS BY BRAD ZIEGLER

In the last census, southwest Detroit (including Corktown, Mexicantown, and the West Village Business District) proved to be the only section of the city that actually grew in numbers over the last decade. The population has since increased more than 20 percent from 2000, when close to 29,000 people reported living in the tight-knit community. The area also arguably has more true business entrepreneurs than most other places in the region.

It's easy to see why. Take a walk down West Vernor, where unique retailers, restaurants, and bakeries line the avenue — or go to the nearby industrial section that has more than its share of firms doing work for the Detroit Three automakers, their suppliers, and other manufacturers. There

are also numerous businesses operating along the riverfront.

A growing last-generation influx of Mexican and Central American immigrants helps propel the growth. But there are also scores of second- and third-generation Hispanic families that form the backbone of area businesses. Although the \$170-million Gateway construction project that shut down I-75 at the Ambassador Bridge has had an adverse effect on traffic and the press of local retailers of late, that hasn't stopped many entrepreneurs from expanding their businesses.

Some have been through serious disruptions before — like decades ago, when brand-new freeways permanently split the community — first I-75 and then I-96. The difference is that the

Gateway project, when completed at the end of 2009, promises to be a huge boost to the area.

Over time, Hispanic business owners have proved that they have the grit, the nerve, and the sense of business destiny not only to get through the Gateway traffic detours — but to thrive. As Fred Feliciano, president of the Hispanic Business Alliance, puts it, there's a culture of staying. "Few of us left behind riches," he says. "Rather, we came from limited resources and sought a better life. We wanted to work hard to attain the American dream."

The hard work ethic is one reason automotive supplier ArvinMeritor Inc. opened a \$40-million technology center for its light-vehicle systems division in the area, with more upgrades to the



works. Successful business entrepreneurs here generally have assets that promote positive outcomes while supporting organizations like the Hispanic Business Alliance (which will host the Hispanic Business Expo & Economic Summit Oct. 22-23 at the Detroit Marriott Renaissance Center).

That speaks to another reason for growth — strong support for community economic-development organizations like Southwest Solutions (\$100 million in retail and residential redevelopment and planned reconstruction), the Southwest Detroit Business Association, and the Detroit Hispanic Development Corp., among others.

Here, *DBusiness* provides a closer look at several successful entrepreneurs in southwest Detroit.

The Big Dog

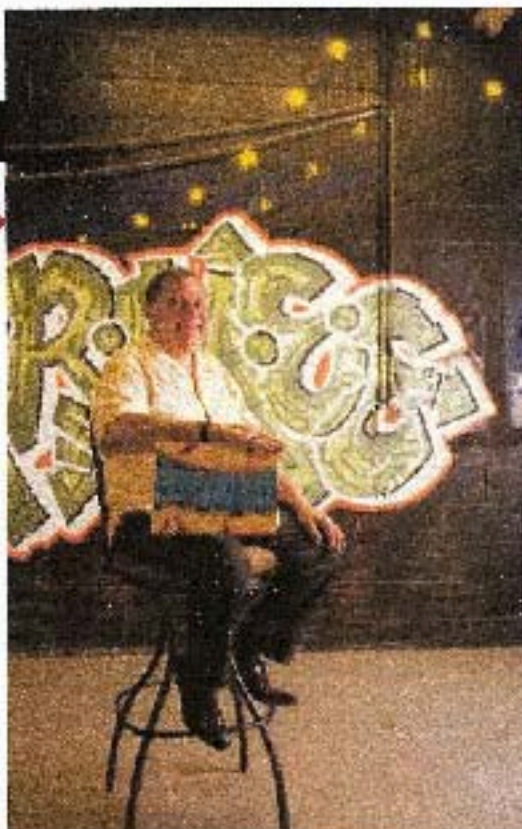
**Frank Venegas, Chairman and CEO,
The Ideal Group Inc.**

Frank Venegas is The Big Dog. His parking space says so. He even walks around with a giant dog that says so. Why the big ring of Joe? "My doctor told me I can only have a cup of coffee a day," Venegas says. "So I got this."

And that pretty much says it all. The Big Dog and his brother, Louie Venegas, think big. They own and run The Ideal Group Inc., a collection of companies partly housed in a former Cadillac plant near Michigan and Clark. Its offerings include construction services, patented steel product manufacturing, and special hard concrete shield products. Last year, the pair generated \$160 million in revenue. They've received 43 manufacturing patents, with six more pending. And they've earned GM's Global Supplier of the Year award every year since 2002.

But there is no Lu-lu-in standard business story. In 1979, Frank plunked down \$150 in a drawing for a Cadillac Coupe DeVille. He won — and nine days later, he sold the Cadillac for \$12,000. Sixty days later, he started The Ideal Group with the cash.

They started in Harnburg, west



of Elyria — but their old friend, the late Hank Aguirre (a former Detroit Tigers pitcher and the founder of Mexican Industries), kept insisting they move their operation to Mexicantown. "Thank you sick," Frank says, "and after he died, we got religion."

They eventually signed a supplier contract with GM. They also heeded Aguirre's advice and employed local workers. "We've never had a break in in our buildings," Frank says. "Ever." ■



Flour Power

**Lydia Gubierrez, President,
Hacienda Mexican Foods**

On a recent gray day, the hooded aroma of hot oil and corn wafts through the air at along Buchanan Street in southwest Detroit. Inside the sprawling factory of Hacienda Mexican Foods, Lydia Gubierrez oversees 100 employees, many of whom live nearby. "I have to wear skates to keep up with her," competitor Pat Walker says of Gubierrez, who took over Hacienda after her husband, Richard, succumbed to hepatitis C in 2005.

The business is an outgrowth of Richard's family's business, which began when his grandfather left Monterrey, Mexico,

nearly 80 years ago to setup tortilla shops in America. His Detroit outpost was the last shop he opened. "In the historical records," Lydia says, "Richard's family [is listed as bringing] the first tortilla factory to the state of Michigan."

To stay off outside competition, Richard leased Cita Cita's, the local market on Hacienda, in the late 1980s. At first, he served as consultant and tortilla-machine repair expert, while his parents' company, La Michoacana, manufactured Mexican foods and ran Mexican Village Restaurant.

Although there are no actual numbers to determine how big the Mexican food industry is in the United States, big guys like Tyson and ConAgra are formidable players, says John Ponce, board member of the Tortilla Industry Association. Indeed, if the national average is anything like Hacienda's success—jumping from 45 employees and \$4.2 million in annual sales in 2002 to nearly 100 employees now and an estimated \$9 million in revenue by next year—he might be right. "Richard was the guru," Gutierrez says, while she handled the administrative end.

With a desire for growth driven by a variety of products, including private label ice cream and a Hacienda line, the Gutierrez purchased a second facility in 1999. In 2006, Lydia acquired five more 35,000-square-foot headquarters.

After Richard's death in 2005, Gutierrez made it her mission to take the company to new heights, launching programs Richard had wanted like English-language lessons for Spanish-speaking employees and bringing in bankers to help employees open accounts. She's also helped form community partnerships.

This year, Hacienda will open a storefront to sell a full line of Glacier Dairy products, as well as authentic Mexican cheeses produced by the two companies. Gutierrez also hopes to introduce a line of Mexican salsas and dry chili peppers, as well as a line of bottled water, whose proceeds will help fund Hispanic scholarships. "We're trying to develop new products so we can bring more people on board," she says. ■

—Liane Mendillo-Schroder

Family Is Core

**Tammy Alfaro-Kochler, Principal,
Honey Bee Market**

Why would customers drive four hours round-trip to the grocery store? Perhaps because they're not headed to a Whole Foods or a fancy food boutique, but instead to a third-generation family-owned store that started in what looks like a converted garage.

When you first enter Honey Bee Market on Bagley Street, you're immediately smitten by its impressive produce section and the fresh, crisp aroma of an authentic food emporium. Fifty or 60 large pitavitas line the inside perimeter, and lively Mexican music fills the air.

Since Tammy Alfaro-Kochler's grandparents started the market in 1955, it's expanded several times. Today she and her husband, Ken, run the place. Tammy knows why folks come to Honey Bee from far and wide: "It's welcoming," she says. "It's well-organized; it's clean."

There's something that's especially true with entrepreneurs in southwest Detroit—and it's strangely attractive to those who shop at Honey Bee and frequent other retailers here: Tons of local families are deeply involved in the area's businesses. "Family is core,"



Tammy says. "They celebrate here. People spend their days off here as family. Families don't quit." The couple also counts as family the 10 or so mostly part-time locals they employ at the market—as well as the surrounding community.

But what about the next generation? Tammy and Ken are hoping at least one of their four kids will want to keep Honey Bee alive and thriving. Their 21-year-old, Kenny Jr., holds the most promise for now. ■



Stone Age Job

**Tony Martinez, Principal,
Dināos Ornamental Iron**

Tony Martinez came to Detroit from Cerritos, California, in 1989. After landing a job as a laborer at Wolverine Packing Co. in Eastern Market, he enrolled at Wayne County Community College to become an accountant. But he and his brothers, Jesus and Moses, got the bug to start their own ornamental steel business, making steel post gates, staircases, and window dressings. Jesus knew the craft a little, so that was a start.

They called it Dināos Ornamental Iron. To get started, they each took two