

"CERTIFIABLY FEMALE"

A good ol' girls club, of sorts, is in the works. Triangle entrepreneur Mary Cantando gives us the scoop on why and how to get involved and why hundreds of Fortune 500 companies are paying to find these gals.

By Cal Chang Yocum
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Raleigh, N.C. - In the wake of Sept. 11, Americans were doing a lot of soul searching. Mary Cantando was one of them. On some mornings Cantando, who had founded sales and marketing consulting firm Cantando & Associates just four months earlier in May, jumped out of bed to go to work with clients she loved. Other mornings, however, she dreaded the thought of dealing with her more difficult clients. So she made a decision to work only with clients she really liked. "As I did that," says Cantando, "what naturally fell out was continuing to work with all my women-owned businesses and not working with anybody else."

When these companies became the focus of her business, Cantando learned about national certification programs to identify a company as an official "Women's Business Enterprise (WBE)." And with certification, she discovered, came a wealth of new opportunities. Fortune 500 companies, specifically their diversity procurement officers, want to work with women-owned companies and they spend money to find them. "Certified," though, is the key word.

Helping women-owned businesses get certified, which Cantando calls "a pain-in-the-neck process," and helping them capitalize on their certification has become the core of Cantando's business. In April the Women's Business Enterprise National Council (WBENC) - one of two national organizations to offer certification programs-recognized Cantando's efforts and tapped her to establish The Carolina Women's Business Council to support the growth of women-owned businesses across the state.

The Triangle TechJournal's Cal Chang Yocum caught up with Cantando to talk about the benefits of becoming a certified women-owned business, what kinds of companies

are best suited for it and how they might go about it.

TTJ: Why do major corporations go to such great lengths to find and use women-owned enterprises as suppliers? What's the advantage to them?

MC: I call it the five Cs: customers, contract awards, competitive advantage, communities and common good.

Johnson & Johnson, for example, is one of the major players in the country. They understand that women buy more than 90-some percent of their products, so they think that working with women owned businesses enables them to better understand and attract their target audience. It just makes sense. One great way to get the female slant is to use women vendors. Very, very little of this is related to "It's the right thing to do." There's a business reason for this. Very little of this is government mandated. Everything is bottom-line driven.

Some companies want to identify women's business enterprise suppliers because the contracts they are bidding on demand that. A fellow I spoke with at Dow told me that Procter & Gamble is Dow's single largest customer. P&G requires that their vendors use a certain percentage of minority and women-owned companies and they have to be certified. You can't just say, "Yeah, I'm a woman-owned company." You have to be certified as such. If Dow doesn't do that, they risk losing their business.

TTJ: Who is offering this national certification program?

MC: WBENC. It's five-years old and funded by the corporations that want to work with women-owned businesses. It's not government funded or funded by women-owned businesses. What happened is that corporations like Procter & Gamble had decided they wanted to work with women-

owned businesses and they were spending a huge amount of money certifying them themselves. PepsiCo, Ford Motor Co. and Duke Energy were doing the same thing. They got together and said, "This is stupid. Let's pool our resources and create a national organization. We'll drive what the certification rules are, and that certification will be the stamp of approval that we'll accept."

From the perspective of women-owned businesses, it was great as well because you only have to jump through one hoop instead of each individual company's. It's much more efficient and cost-effective for both the corporation and the women. These firms, hundreds of which are Fortune 500 companies, are spending between \$10,000 and \$100,000 a year to be a member of WBENC National. The corporations themselves are the ones who put the certification out there, which is why when you call the diversity procurement manager of these companies you get their attention. They've got skin in the game of the actual certification.

(The National Women Business Owners Council (www.NWBOC.org) also offers a certification program.)

TTJ: What are the benefits of being certified?

MC: First of all, my target audience is \$5 to \$50 million women-owned businesses. Businesses in that range really struggle to find new customers. What certification does in a nutshell is - it doesn't get them a new contract or a new customer - it gets them to the table to be able to present their business to big strategic clients, companies like Duke Energy, CP&L, Glaxo Smith Kline and Volvo. All these major companies in North Carolina are looking for certified women-owned businesses, not to give them contracts but to allow them even footing to be able to get the contract. It brings them to the tables they've never been able to get to before.

Currently, there are approximately 9.1 million women-owned businesses in the United States.

TTJ: How many of those are certified?

It is so startlingly low. It's less than 1 percent. In North Carolina, there are 170,000 women-owned businesses but fewer than 50 are certified. By the way, my business is nationally certified. I put my money where my mouth is. Since May, when we started, we have increased the number of nationally certified women-owned business in North Carolina by 68 percent. Many of those are my clients.

TTJ: What kinds of results have your clients seen after gaining certification?

MC: I've gotten my clients into some big accounts in just a couple a months. I've gotten them into Glaxo Smith Kline, Volvo and those kinds of companies. The clients had no connections in those companies before, and the only reason they got a hearing with them is because they were nationally certified. Now they haven't gotten every single contract they've had the opportunity to bid for those clients, but that just goes to show you that all it does is get you in the door. It isn't a guarantee of business.

TTJ: How does a company get certified?

MC: WBENC has a Website (www.wbenc.org), and at it there's an online application that a company can fill out. It's about 30 screens long, about 35 pages printed out. You complete it online and that's just the beginning. Then they require all the supporting documentation: financial records, legal documents and information about all your leases. They're really certifying that this business is owned by a woman or women and operated by a woman or women. What they don't want is a guy running a company who puts it in his wife's name to get into new accounts. That's what they're preventing. You have to prove that your money is what started the company and tell them where that money came from. You send all this information in, which ends up being a 4-inch, 3-ring binder.

TTJ: How long does it typically take?

MC: I have a process that streamlines this whole thing. I've heard people say they've spent eight months putting this application together, and I can get it together and out the door in two weeks. That's just the process to submit. Then

there's an actual audit. A WEBNC auditor physically comes to your office to ensure it's a running business and interview the woman or women that run the business to be sure they can talk the talk. And then there's a certification committee review of that audit. Best-case scenario, I've been able push my clients through in six weeks. Worst case, I've heard people say they're spending a year and a half to get their certification. If you're even missing one piece, it's not finished. They won't audit until you've got 100 percent of your information there. I think that's why the numbers are so low. But when women do gain their certification, they get the value of it and there is a very simple annual renewal process and they're so on top of it to make sure they don't let their certification drop.

TTJ: How much does it cost?

MC: It costs \$350 to submit the application.

TTJ: Are there any other criteria the company needs to meet, beyond being woman-owned and run, to qualify?

MC: They want to be sure you're a sound business, that you're not on the verge of bankruptcy, the kinds of things you'd check if you were looking for a major vendor to work with you on a project. (According to WBENC's site, a woman or women must own at least 51 percent of the company, and she must be a US citizen or permanent resident.)

TTJ: What happens after certification? Does the name of your company make its way into a database that potential clients will search?

MC: After you're certified, WBENC enters you into their national database and corporations can search by geographic location, SIC code, the name of the products or services you offer. It's only available to those that are members of WBENC. As a certified women's business enterprise you can go in and make changes to your own records. In the state of North Carolina, you're eligible to be part of a statewide council that I'm in the process of establishing. We have about 20 active WBE members out of the fewer than 50, and we have four of the major corporations that are really supporting us. We haven't even begun to promote this and these corporations are coming to us. I fondly call it a good ol' girls club.

TTJ: What kind of women-owned businesses can benefit most from being certified?

MC: I would say they need to have a certain critical mass. If you're not a \$2 million company or don't have aspirations to be one, it's probably not worth the hassle. There are many women-owned businesses that are certified that are smaller than that. Companies that want to deal with corporate America. If your target audience is a company like Procter & Gamble or a subcontractor to P&G, then there's real value in getting certified.

Cantando & Associates helps women-owned businesses win breakthrough clients. Its key to opening previously locked doors is certification.

Cantando & Associates has a three-step certification process:

1. Determine if you are a good candidate
2. Leverage Cantando's methodology to sail through the daunting application process.
3. Capitalize on the certification by aggressively marketing to Fortune companies looking for certified vendors.

For more information

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