



PHOTOS BY IRISY CAMPBELL

PET PROJECTS

Two alumni take advantage of growing interest in natural and premium pet foods—and their own passion for pets—to launch products that resemble people food

BY MARGARET LITTMAN

Every good home chef knows the moment: the frantic realization that the one ingredient they cannot do without is missing from the pantry, thus requiring an off-hours run to the grocery store, usually in flip-flops and bed clothes.

But few cooks have made that panicked ingredient-run at midnight to buy a fresh, raw chicken to make some soup for their dog.

It's obvious that Emily Chan '95 is not the average cook. But when one of her three dogs, Miles, was experiencing chronic digestive problems, Chan turned to her kitchen for help. Antibiotics, prescription diets for food allergies, and assorted other treatments proved unsuccessful. It was a comment from her boyfriend's father, a cardiologist, that led Chan to start making chicken broth for Miles, just like she would make for herself when she was sick. The broth would end up preventing his dehydration.

Those late-night cooking sessions would soon morph into Chan's brainchild and new business: soup for dogs, made from human-grade ingredients. With Miles now 6 years old, both he and Chan have come a long way. The shepherd mix has perked up and continues to play with the rest of his canine and human family—learning vocabulary words like “breakfast” and “dinner” and hiking in the hills. And in June, Chan's Souplements line—the first product from her company (dog people inc.: www.dogpeopleinc.com)—launched at select independent pet stores in Southern California.

Chan and her boyfriend, Mark '97, are bona fide pet people. In addition to having three dogs, they've rescued cats, are involved with animal advocacy (such as supporting a Bowling for Collars Day) and events for pet rescue groups, and have become part of a growing segment of the population whose passion for their pets is as meaningful as career and personal pursuits.

Gone are the days when dogs were relegated to doghouses in the yard and were called in only to the sound of a dinner bell—today's pets have a space and place in almost every aspect of their owners' lives, from requiring special diets and cushy pet beds to seat restraints for road trips with their owners. Even hotel chains—from the discount types to the budget-busters—have made room for pets with perks like room service menus and pet-friendly accommodations that encourage travelers to bring cats and dogs on vacation.

Web sites such as Dogster and Catster have popped up, allowing people to network with other pet owners, trade advice about their four-legged friends' antics, and post photos of their pets. The more established social networking sites of Facebook and MySpace also reveal a trend in people posting almost as many pictures of their pets as themselves.

Eric Weber '79 is using a link through MySpace to help his cat, Jake, find a date. Yep, a date.

Like Chan, Weber is both a dog and cat owner and also just launched his own line of gourmet pet food: Petite Cuisine (petitecuisine.com), a high-end but budget-friendly cat food available, as of last April, in the California grocery chain Ralphs.

Of course, Weber doesn't really think Jake needs to hook up with a lonely feline. At home the cat has plenty of company playing with Weber's Pomeranian, Tike. But the MySpace page gives the new product-line some personality and gives other cat owners an excuse to send in pictures of their female cats and receive free cans of food in exchange.

Chan, Weber, and their contemporaries are not a fringe group of animal obsessives knitting sweaters from pet hair. The American Pet Products Manufacturers Association's 2007-2008 survey of pet owners reports nearly 75 million pet dogs and 88 million pet cats in the U.S.—with most cat owners owning more than one cat, and one-fourth of dog owners keeping multiple dogs.

The numbers lend credibility not only to the growing interest of adopting and raising pets, but to the entrepreneurial ambition with which Chan and Weber launched their respective pet food companies.

Chan's business literally was cooked up by experimenting in the kitchen, first making broth, and then, as Miles perked up with nutrients and increased energy, she began adding veggies, rice, and other ingredients. (Cooking for herself and Mark has fallen by the wayside as a result, she says.) Chan calls herself a "social entrepreneur," because much of what she wants to do is help other dogs and their owners.

Chan also wanted her soup to be made from the same ingredients used in people food, but she struggled to find the right suppliers for her rice and vegetables. Chan developed the business plan when working on her MBA at the Marshall School of Business at USC, and at Toyota developing the new Venza line.



Weber came at it more pragmatically. He spent his career launching and managing well-known brand names, including some of the leaders in the pet food industry: Fancy Feast, Friskies Buffet, and Come 'n Get It. He was formerly president and COO for Nakajima's U.S. operations, best known for Sanrio's Hello Kitty line (an entirely different kind of well-known cat). When working for Nestlé's Japanese division, he oversaw sales increases from \$20 million to more than \$100 million in just four years.

But his father was an entrepreneur and a start-up was in his blood. While his background was with big companies such as Nestlé and Mattel, he had held positions that gave him entrepreneurial-like autonomy over his products.

"I had always run a division of a very large organization and I had never experienced the upside. Even if you do really well, you still get just a 5 percent [pay] increase," Weber says.

So, Weber pulled together focus groups, examining the market and determining there was an opportunity for a high-end canned cat food.

Priced at \$1 to \$1.15 per can, Petite Cuisine is available in yellow fin tuna, red snapper, New England crab cake and eight other varieties. As of April, the line is in 2,200 stores, including Ralphs, Winn-Dixie, and Jewel chains. Weber expects that number to top 5,000 by year's end.

Weber says he chose cat food because "there is a wide variety of sizes and types of dogs, but cats

generally come in one or two sizes: kitten and adult. It's much easier to make a product for cats that all cats will eat." However, he hasn't ruled out a future Petite Cuisine dog food.

Chan, too, has built in opportunity for expansion, reserving the catpeople inc. name in case she decides to add soups for cats. While both alumni have targeted the natural, high-end pet food market, they see their customers as different sub-segments of the market. Souplements is made for owners Chan calls "active caregivers"—people who would buy the product weekly or monthly, want the best quality, and are concerned about how to feed sick or older dogs. The soups are designed to supplement other dog food, particularly dry food, rather than replace it.

The first variety in her line is chicken and rice, like she used to make for Miles, and costs \$3.49 to \$3.99. She foresees adding other varieties, with some specialty products for holidays. "Like the Cadbury egg at Easter, we could do wonton soup for Chinese New Year."

As much as Weber's decision to launch the line was one built on a career in business (he received his MBA from the University of Chicago Graduate School of Business after graduating from CMC), he also relied on intuition and personal experience.

"When I was in Japan my salespeople used to eat the product. We'd bring in new flavors and they'd open it up, and pull out the chopsticks



The tagline for Pet Cuisine is People Food for Cats. Pet Cuisine CEO Eric Weber '79 is so confident, in fact, that even his 15-year-old daughter Kelsey will eat the food when they're out demonstrating the product.



and start eating it. You couldn't get a Nestlé sales guy to do that if his life depended on it," Weber says.

He boils down the differences to this: "They felt that if it was good enough for them, it was good enough for their pet. Here, we figure the pet food as a bottom-of-the-barrel ingredient, and if it's good enough for the pet, it wouldn't be good enough for you."

In truth, some of the ingredients that are used in some pet foods are not ingredients that would pass in people food, be it vegetables past their prime or organ meats not meant for human consumption. Decades of connections in the business allowed Weber to easily find sources for his ingredients. The tagline for Petite Cuisine is: *People Food for Cats*. He's so confident, in fact, that even his 15-year-old daughter Kelsey will eat the food when they're out demonstrating the product.

Chan also wanted her soup to be made from the same ingredients used in people food, but she struggled to find the right suppliers for rice and veggies. She developed her business plan when working on her MBA at the USC Marshall School of Business, and at Toyota, developing the new Venza line. She did not have the industry contacts Weber did, and was starting with a more modest launch, meaning she needed smaller quantities of ingredients than many vendors want to accommodate.

Ultimately, Chan didn't tell her suppliers that their meats and veggies were going to be used for a soup for dogs. By just saying "soup," and using the product name "Souplements," she felt assured she was only receiving human-grade ingredients.

Both Chan and Weber stand to benefit from the opportunity born of the recent international pet food recall, a scare that prompted Americans to re-think ways of feeding their pets, including reading ingredient labels. Demand for natural, premium, and other high-end foods has since swelled, creating a business opportunity for those who want to enter the complex \$15 billion pet food market.

Chan knew she was taking a risk leaving a dependable job she loved at Toyota, for a start-up. She raised between \$30,000 and \$40,000 from outside investors—primarily friends and family.

"I knew it was going to take a long time, but it has taken twice as long as I thought," laughs Chan, who now lives in Bend, Ore.

Weber, too, is aware of the risks of entrepreneurship, particularly having worked for so many big companies that paid the product launch bills for so long.

"Now I am the last one to get paid," he says. Like Chan, he is has outside investors with a stake in the business. But both are confident about the future of their niche market.

Says Weber, "People want to know what they are feeding their loved ones."

Margaret Littman is a freelance writer and editor whose dog has more pictures on Facebook than she does. She is the author of *The Dog Lover's Companion to Chicago* and contributed to both the *Woman's Best Friend* and *Cat Women* anthologies.

