

# She's Rolling in the Dough

BY JUDITH BODIN

"I have no love of the baking process. I love the product," says Sheila McCann.

Not a typical baker, former attorney McCann opened the House of Bread, a retail bakery in San Luis Obispo, Calif., in 1996. Today there are 11 franchised locations, and she anticipates that another two locations will open before the end of the year. A shop in Arlington, Va., is scheduled for opening in 2005.

McCann is a person who has always strived to turn her dreams into a reality. Growing up in Montana, she desired to live in California. She majored in political science at Montana State University. After spending one year "as a snow bum in Aspen, Colorado," she enrolled at the University of San Diego Law School.

She decided to attend law school because, she says, "as a woman, I wanted my independence and more power and knew that law would do it." During her third year of law school, McCann "loved the moot court experience" and decided that she wanted to be a criminal defense attorney. After graduation in 1990, she worked for six years as a public defender in San Luis Obispo County. She says that she loved her career. "All your senses are on the client. You're keeping an eye on the client, looking at the judge for clues, and at the jury, and the witnesses."

So why did she leave the law? "As the career progressed, you get promoted to more-heinous crimes. I loved it, and then I hated it. First there were misdemeanors with mostly college kids. There were no real victims. It was bar fights. My clients were not really bad people. As I progressed, I got rape cases and it starts to wear on you. It became emotionally draining."

McCann decided it was time for a change. She decided that she wanted to own her own business. She enrolled at the Harvard Business School Owner President Management Program. The program teaches marketing, management, and financial skills to entrepreneurs. Business courses were taught using case studies, and McCann says that she did well in the program. "It gave me the confidence to go forward."

## CHOOSING A BUSINESS

McCann had to select the type of business that she wanted to enter. She researched several business possibilities. She considered opening a bar and grill, but decided that she did not want to serve alcohol to alcoholics. She thought about starting a high-end sports goods resale business, but concluded it would be an expensive investment. In 1993 and 1994, McCann pondered sports events planning and started Happy Hour Fun Runs in San Luis Obispo, where singles with similar interests could meet and go for dinner.

Yet thoughts of childhood memories of baking bread with her grandmother remained in her head. Moreover, she saw a community need that wasn't being met. "In California, sourdough is

very popular. I didn't like it and missed the fresh bread that I grew up on," she says, adding, "It's what I'd like to have in my community but can't get. I decided that if I had this need, others did also."

McCann consulted with the owners of Boston Daily Bread, who sold her recipes and helped her train staff and purchase equipment. "It was franchise-type of support without being a franchise," says McCann.

## WHAT'S IN A NAME?

McCann decided to name her bakery House of Bread. She said that she got the name from the House of Blues. "I wanted a name that wasn't associated with me and that you could tell the concept from the name."

House of Bread, says McCann proudly, "was phenomenally successful from day one. I loved it. I liked the customers. It was a win-win situation." In 2000, *Restaurant News* nominated House of Bread along with five other businesses for "the hottest new concept award."

According to McCann, House of Bread's ingredients are what make its loaves special. "We use honey—the most expensive sweetener. It has natural anti-oxidants and really tastes good in bread." Flour is stone-ground daily from wheat that is certified chemical-free and is high in protein.

McCann, who is sometimes called "The Bread Lady," says, "Commercial bakeries use preground flour that has lost nutrients through the oxidation process." Mass-produced bread, she adds, has high fructose corn syrup. "It goes to the liver and can lead to cirrhosis," she explains. Commercial bakeries also often use calcium propionate—an anti-molding agent used in athlete's foot medication—as its main preservative, she says.

McCann says that her average loaf costs \$4. House of Bread currently sells 22 different types of bread, which rotate monthly or are seasonal. Ghirardelli triple chocolate bread, sourdough artichoke pesto bread, jalapeno corn bread with or without cheese, raspberry swirl, and lemon bread are a few of the varieties. Irish soda bread, hot cross buns, and pumpkin bread are a few of the seasonal offerings. Pastries and high-end coffee drinks like espresso are also popular.

What is McCann's favorite bread? She says she has several favorites, but that Grandma's White Bread holds a special meaning for her because it conjures up memories of her own grandmother. "It reminds me of her, but it's not her recipe," says McCann. "She baked with lard. It's similar to her type of bread with today's healthier ingredients."

Has McCann noticed any recent changes in bread consumption? "Bread is a comfort food. After a tragedy like 9/11, people stay home and eat bread." McCann also noticed that, in response to the low-carbohydrate movement, "there has been an increase in the consumption of whole wheat bread."

How did others react to her decision to leave criminal defense to knead dough? "They were concerned that I was throwing my life away. A few were supportive. The vast majority thought that I was making a bad decision." McCann says that her biggest critics were lawyers. McCann says, "A judge called me into chambers and told me that I was ruining my life." Interestingly, many of her former critics, including that judge, are frequent customers at House of Bread. She credits her legal training with helping her deal "with the naysayers who said I would fail." How? "My ability to research both sides. I researched it well and I wrote my business plan, so I anticipated what they would say."

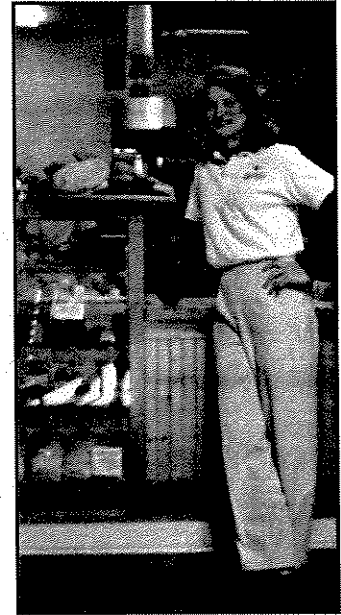
Perhaps McCann's philosophy is best described by her statement, "I don't fear failure. I fear regret." Asked if she felt there was any reason why lawyers were particularly critical of her decision to leave law to roll the dough, McCann says that there might be several reasons. "Lawyers hold law in such high esteem. People have a tendency to reaffirm their own decisions," and thus might find it difficult to understand that one would want to leave the law. McCann also says, "Lawyers are high achievers and some fear failure more than do other people, so that they would be fearful of starting a business." Interestingly, an attorney will be opening a House of Bread franchise in New Orleans. McCann started offering franchises in 1999.

"I knew that I wanted to grow the business and didn't want to have a wholesale business," McCann says, adding, "I saw an opportunity."

How does her present enterprise differ from the practice of law? "It's less stressful," she says. "When dealing with bread, it's just bread and if you burn it, you throw it out, but if you screw up a jury trial, the client has adverse consequences." In addition, McCann notes that her business career "is not conflict-driven," adding, "You have relationships with customers, franchisees, and employees." McCann also says that in the bakery business, she does not have to make the quick decisions that she did when practicing law.

Have her legal skills helped in her new career? McCann says yes and adds, "I don't regret being a lawyer." She says that her legal background enables her to prepare her own leases, contracts, and franchise agreements. She knows that she doesn't have to agree to all terms in a contract. "I don't have to sign it. I can cross off words or rewrite it." Moreover, she says, "being a lawyer gave me credibility to get leases and loans." Yet McCann acknowledges, "At times I miss law and jury trials. . . . I miss that type of excitement and drama in the courtroom. It is hard to duplicate." But she can't deny the excitement she feels on the opening day of a new bakery: "It is like the birth of a baby."

Judith Bodin is a lawyer and freelance writer in Teaneck, N.J.



Sheila McCann left the law to open her own bakery. House of Bread now has 11 locations and will be adding more.