



PHOTO BY STEVEN LASCHNER

The Art and Business of Gifting

How a Hartford company got to the heart of gifting, and branding, to become one of the 20 largest women-owned businesses in the state.

"I am a driven human being," says Sheila Shechtman. That explains, in part, the lightning speed growth of her gift business, Giftcorp, based in Hartford.

The company specializes in standardized and customized gift baskets for corporate and retail clients, but with a twist: no flimsy wicker baskets will be found anywhere in the pages of its extensive catalog. Instead, Giftcorp has elevated the humble gift basket to an art form, where the gift is just as much about the vessel as the content. The keepsake containers may be vibrantly colored faux leather, felt or wool boxes, or brightly dyed woven baskets and totes. Others are in the form of large stars or even rubber duckies. Customization is also a key revenue producer. "We've created a really strong niche of branding other companies," says Shechtman.

In an industry where the average "basketeer" makes about \$128,000 annually (according to *Gift Basket Review* magazine), 14-year-old Giftcorp's revenues are well into the seven figures, split about evenly between consumer and corporate sales, says Shechtman. Revenue has grown 60 percent annually for the last three years. The company has been growing physically, too—since 2000, it has expanded from a 7,000-square-foot shop to a 38,000-square-foot operation. During peak seasons (Valentine's Day, Mother's Day and Christmas), between 5,000 and 8,000 individually wrapped gifts are sent out daily, carted off by 48-foot-long FedEx

At a Glance	
Company:	Giftcorp
Started:	1993
Headquartered:	Hartford
Number of employees:	20 (full-time); 20 to 30 (seasonal)
Reason for success:	Founder Sheila Shechtman's drive, combined with the company's emphasis on quality and its intense customer focus.
Challenges:	Lack of space.

and UPS trailers. Giftcorp's workforce has also grown rapidly, from five permanent employees in 2000 to 20 in 2006, joined by another 20 to 30 seasonal workers during peak times.

Another measure of success is Giftcorp's high profile clientele. More than 50 percent

of them are from *Fortune* 1000 companies, including such names as ESPN, Marriott, Bloomingdale's, BMW and the Ritz-Carlton. The company's products have also been featured in Oprah Winfrey's *O* magazine.

Nervy

The seeds of Giftcorp's business were planted some 25 years ago, when Shechtman and a partner established a gourmet food emporium in West Hartford, called Nanshe's. It was a tremendous leap of faith. "People back then couldn't even spell 'gourmet,'" she says.

And the local banking community wanted none of it. "I was turned down by 10 banks," she remembers. "One banker said I was a mere housewife who would fail like the other [suburban] women ... who would get bored in a year." To this day, Shechtman says she

is very committed to the needs of women and minorities in business.

Undaunted, Shechtman and her partner forged ahead, performing their due diligence by taking the nervy step of approaching the then rising stars of the gourmet food industry, Dean & DeLuca in New York City, to ask them to take on the Connecticut entrepreneurs as apprentices for six months. The request was granted, but the price was

high. "We paid them thousands of dollars to be consultants," she says.

"We spent time in their Southampton, Long Island store, which had similar demographics [to West Hartford]. I learned about the gourmet industry in full, from the sophistication of the customers to how suburban customers shop."

The experience was priceless. "Today, if businesses fail," she warns, "it's because they

don't do enough due diligence on the competitive landscape, real estate, the concept, demographics, even geographics."

Nanshe's had an 11-year run, from 1981 to 1992, thriving as a catering and gourmet market operation. After it closed, Shechtman recalls, "I thought I'd take a break and spend some time with my then very active teenage daughters, ages 14 and 16. That lasted two weeks." Her normal state of overdrive kicked in, and she started mak-

ing gift baskets in her basement.

Shechtman couldn't stay away from the business. "I continued the work I loved and knew," she says. She kept some of her clients from Nanshe's and outgrew her basement workshop in only a few months, moving the burgeoning business in 1993 into a 1,200-square-foot facility. She laughs as she describes the location, in the basement of a strip mall with a pet store. "We could hear

2006 Gift Basket Stats

Top 10 Best-Selling Foods:

1. Chocolates
2. Candy/Confections
3. Coffee
4. Crackers
5. Pretzels
6. Popcorn
7. Seasoned Nuts
8. Cheese
9. Teas
10. Cocoa

Top 5 Best-Selling Occasions:

1. Baby
2. Birthday
3. Thank You
4. To Cheer You/Thinking of You/Get Well
5. Sympathy

—From *Gift Basket Review* magazine

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dogs barking as we worked.”

Her passion for her work and her business grew, and sales followed suit. She took a grass roots approach, she says, knocking on the doors of local professional businesses. By 1996, Giftcorp had moved to a 4,000-square-foot facility and later subleased another 3,000 square feet.

Pulling the trigger

But 2000 brought Shechtman to a challenging moment of truth. “I had a decision to make,” she says, wondering at the time whether to go national or maintain Giftcorp at current levels. “I hit the entrepreneurial wall. I was getting bored. It didn’t feed my soul to just do what I was doing. I needed the next challenge.” She adds, “I had [just] five employees. And there’s only so much a solo entrepreneur can do without an infrastructure—people, management, physical plant—to scale up a company.”

Serendipity stepped in to make her decision. “My husband and I were having coffee and we bumped into an accountant friend. He got very excited about the idea of scaling up the business and said ‘Let me help you!’” The friend went on to develop financial and business plans, and Shechtman got fired up. “For me, it pulled the trigger—the fact someone else got so excited about it from a business point of view.”

In six years, Giftcorp reinvented itself to become a major player in the gift basket industry. What did the company do right? Shechtman lists several areas contributing to its success:

■ **Focus.** “We learned from our mistakes,” she says. “It’s very easy to develop businesses in lots of different avenues. We’ve learned to become extremely focused on our core markets and selling channels.”

■ **Outside advice.** “We have an advisory board with people from different industries. They bring a wide and unbiased perspective.”

■ **Strategic alliances.** Over the past four years, Giftcorp has been able to form partnerships with the likes of Target.com, 1800Flowers.com, FTD.com, Saks Fifth Avenue and Bloomingdale’s.

■ **Integrity.** “We respect the individuality of our clients’ designs,” she says. “We do not do anything similar for any of our clients.”

■ **Uniqueness.** “Our focus is on keepsake containers that create a ‘Wow’ and a lasting impression.”

In touting Giftcorp’s ability to do what she calls mass customization, Shechtman

explains, “We work backward from most companies.” For example, instead of offering only standard customization options for corporate clients, “we ask: what is the purpose of the gift[s]? Who are the recipients? What is the budget? Where is it going? When? What’s the theme, such as Tex-Mex or event-related?”

Pat Johns, manager and creative director with St. Paul Travelers in Hartford, has worked with Giftcorp as a client for several years. “We usually get [only] 40 or 50 items



Every client receives a uniquely designed gift in a keepsake container that is meant to create a “wow” effect.

per order because we’re always concerned with budget. A lot of other vendors have minimum orders,” she says. “A lot of the other vendors are huge—you’re just a number. There are not a lot of vendors out there that give you this level of service.”

Johns says for a recent corporate meeting, Giftcorp helped her put together a package with the theme ‘Recipe for Success.’ The gift boxes included denim aprons with the company logo, along with red tocques, red bandanas, recipe booklets and ice cream scoops.

“[My internal] customers went crazy—it was a beautiful photo opportunity that helped with team building.” These type of gift packages can and do make a difference,

says Johns. “Everyone wants recognition for a job well done. The insurance business is pretty gray, but [these gifts] can make a conference more fun, less dry, more out of the ordinary.”

Competitive hedge

Indeed, Giftcorp’s attention to individual client needs is somewhat of a hedge against competition. Says Shechtman, “Depending on the perspective, any and every gift company in America is our competition.

We truly are a major player nationally, and I can’t think of any big competition that cross merchandises the four categories of products we do (gourmet, spa, classic accessories and logo items) in-house. [We] can turn around very quickly, offer collateral inserts, imprinted ribbons ... and designs around a client’s very specific needs—including using packaging colors to subtly and very effectively brand [their business].”

Today, Shechtman heads one of the 20 largest women-owned businesses in the state, and her success has not gone unrecognized. In 2004, she was named Connecticut Woman Business Leader of the Year by the Connecticut chapter of the National Association of Women Business Owners.

She also frequently delivers lectures to area universities on entrepreneurship and leadership, topics that she lives and breathes. “I absolutely have taken lots of risks,” she says. What keeps her going? She gives several reasons: the constant challenge, her enjoyment of creating products, and the opportunity to satisfy needs and relationships—not only those with customers, but also with her employees. Giftcorp recently hired a part-time ESL (English as a Second Language) teacher for several months, for the benefit of the many recent immigrants, especially from Bosnia, who comprise her company’s multicultural staff.

Shechtman is driven not only to succeed, but to make the world a better place through thoughtful gifting. And her company allows her to do just that, she says. For this reason, “I am impassioned and love what I do.”

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