

## ECONOMIC DIVERSIFICATION CASE STUDY

**Business:** Aroma Borealis Herb Shop  
**Contact:** Bev Gray, 667-4372  
**Location:** Whitehorse  
**Started:** Wholesale started in 1995, store opened February 1998

**Description:** Aroma Borealis is a retail store with a wholesale component. The shop sells a diverse number of products made primarily from Yukon grown or wild harvested plants (teas, body care products, and jams, jellies, and vinegars). About 5% of sales are to the BC and Alaska markets. The shop also sells non-Yukon products such as tinctures, vitamins, essential oils and other self-care products. In addition to keeping the owner, Bev Gray, and her family busy, the shop employs one full time and one part time employee.

**Getting started:** With Bev's interest in herbs, she took a two-year course to become a Chartered Herbalist. After making many salves and teas for her family and friends, Bev received encouragement to start a business. She enrolled in the federal Employment Insurance's Self-Employment Assistance Program. As part of this one-year program, Bev developed a business and marketing plan for a wholesale business. Her belief in the local market was supported by a government study that showed Yukon women were very concerned about health issues. Her knowledge of plants and their medicinal values helped her develop her products and better serve her clients. As the wholesale business grew, Bev decided to open a retail outlet to help reduce the intrusion on her home life and the number of trips required from her home on the Carcross road to downtown.



**Key to success:** Key for Bev has been doing something she loves and being honest with herself about her limitations. Fortunately, her partner and children have also been very supportive and involved in the business from day one. Finding a niche that needed to be filled ensured a market for her products and her wholesale business taught Bev about what that market could handle, what the buying patterns were and what products were popular. As she considered retail, many stores she sold to provided her with advice. She has taken advantage of every opportunity she had to show her products (e.g. she has had displays at environmental workshops and at a sustainable forest economy conference). Bev's willingness to share information has also been important to her success. For example, after an informative visit to the Aroma Borealis shop, two tourists approached Bev to provide a custom line of her teas for their new Vancouver restaurant.

**Barriers and Lessons:** Deciding to move into retail was a very difficult decision and setting up the store was a frustrating exposure to bureaucratic requirements. Despite the success of the wholesale business, banks were not interested in financing a retail outlet. Fortunately the Business Development Corporation provided the necessary financing. Yukon Electric requirements for a substantial deposit from the store was just one of a number of expensive barriers to getting established. Attending a trade show in Vancouver was also a challenging experience. Although frustrations occurred during start-up, Bev persevered and returned from the show with important information on packaging and marketing.

**Future of business:** Bev has expanded her mail order business by developing a new catalogue and focusing mainly on the northern market where people interested in natural therapies have limited access to such products. She will continue developing a new product line called Arctic Woman, a northern holistic skin care line. Bev also wants to work more with local events to develop custom made and packaged products (e.g. an Arctic Winter Games lip balm).