

# RESOLVED TO REBUILD

■ After fire, storm loss, gluten-free baker returns

■ Tough lessons learned on preparing for the worst

BY KEIKO MORRIS

keiko.morris@newsday.com

In four years, Joan Popkin's gluten-free food business had outstripped her wildest dreams. Overnight, that dream was reduced to the blackened, melted remnants of her baking facility.

Surveying her new reality, Popkin had to ask herself a hard question: Could she rebuild?

On July 20, an electrical short sparked a fire at the Joan's GF Great Bakes commercial kitchen in Bellmore. A month later, Tropical Storm Irene completed the destruction. At that point, her business served 180 stores — including Whole Foods locations — with gluten-free baked products.

Rebuilding would be tough, but she said she had to try.

This business "made such a profound change to my life for me as a person," Popkin, 67, said. "And I couldn't not do it."

She faced some daunting challenges. She was underinsured. Popkin, busy managing the rapidly growing demand for her products, hadn't updated her insurance to cover all the equipment she had added as she expanded.

She also worried whether her experienced workforce — and her customers — would return.

"Gluten-free baking is a different animal," Popkin said. "If I have to start over with new people, I'm out of business because of the training time."

## Personal mission

Popkin's business emerged from a personal mission. She began learning about gluten-free diets because her son, Ken, is gluten intolerant. She revived her gluten-free cooking shortly after his twin boys were born in 1996. They developed familiar symptoms, so Popkin began making food that two working parents could take out of the freezer and easily prepare.

"If you give a kid some-



PHOTO BY HEATHER WALSH

Joan Popkin with gluten-free corn toaster muffins at her new location for Joan's GF Great Bakes in Freeport. Popkin's first facility, in Bellmore, was destroyed last year by fire and Tropical Storm Irene.

thing to eat and it looks disgusting, they will be stigmatized," Popkin said. "So a pizza needs to look like a pizza and taste like a pizza and a bagel needs to look like a bagel and taste like a bagel."

She started baking a few items for a local bakery several years later. By 2007, she had grown to a staff of six and was operating in a Bellmore commercial kitchen. Ken Popkin, who has an MBA, joined her in 2008. Her products, which are also peanut, tree nut and soy free, grew to include bagels, calzones, Sicilian pizza, corn toaster muffins and double chocolate muffins.

The 2011 fire and the ensuing storm wiped out about \$120,000 in equipment and inventory. While insurance covered inventory losses, the business had only about two-thirds of its equipment insured. The company is still waiting to be reimbursed for the loss of business.

The disaster taught Joan Popkin an important lesson: Having updated insurance coverage is a must. Small business advisers say that reviewing insurance

coverage at least annually is critical. In addition, experts say business owners should regularly evaluate legal and regulatory issues and figure out all areas where they are exposed to risk.

## Annual review urged

"The key is to sit down at least once a year and make sure there is adequate [insurance] coverage that reflects the needs and costs today as opposed to five years ago," said Roz Goldmacher, president of the Long Island Development Corp. "You should annually review with an accountant what type of cash you need to keep on hand to cover not only operating expenses, but also emergencies. That insurance check may not come the next day."

Backing up company data in a different location also saves time.

"Losing financial information is one of the worst things that can happen," said Ronni Rosen, senior business adviser at the Small Business Development Center at Stony Brook University. "You have no idea who owes you money, who

you owe money to."

Popkin's Bellmore landlord did not make repairs to the building, so she had to find another location. She found a spot in Freeport that needed to be renovated into a commercial kitchen from scratch. She used the money received for the destroyed equipment to pay for the construction and, instead, leased her equipment.

Meanwhile, she remained in communication with her employees, updating them on her progress. Five of the six returned to work with her because they like the work as well as the friendly environment.

"My boss is very nice and I don't want another job," said Jesus Maldonado, 48, of Freeport. "I admire the way she started all over again, from zero to this."

And Popkin's worries over customers returning have evaporated.

Two months since opening her doors Dec. 1, the business is fielding orders from 85 wholesale customers. This month, revenues are expected to be where they were before the fire.