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## Cupcakes rising

Franchising expands Just Baked

By [Nathan Skid](#)



NATHAN SKID/CRAIN'S DETROIT BUSINESS

Pam Turkin wants to have 20 Just Baked LLC stores in Southeast Michigan, and franchising is helping her toward that goal.

While Pam Turkin, founder of Livonia-based **Just Baked LLC's** cupcakes, has spent most of her time and energy getting her baked goods into more than 400 stores across Michigan -- including **Meijer** and **Spartan Stores** -- she is now developing a franchise system to grow the brand in Southeast Michigan.

Just Baked, known for its gourmet cupcakes with names like Fat Elvis and Grumpy Cake, has seven retail locations in Southeast Michigan and is set to open four more around metro Detroit by mid-December, three of which will be franchise-owned.

Turkin said she expects to open five more by the middle of next year, for a total of 16. She said she hopes to open 20 stores in the region in all.

"You don't have to be a baker or have a culinary background to own a Just Baked franchise," Turkin said. "This model lets people who don't want to put the time and money and risk into opening a bakery, open a bakery."

Just Baked recently moved production into a 16,000-square-foot commissary in Livonia. Cupcakes are then delivered to both the corporate-owned and franchised retail locations

Franchise fees are \$25,000, and the average build-out falls between \$25,000 and \$40,000. Just Baked charges franchisees a flat rate for each cupcake, which includes both royalty and marketing fees. The specific rate was not disclosed. Customers pay \$2.95 each or \$24.95 a dozen for the high-end cupcakes.

"You don't need ovens, mixers or refrigeration," Turkin said. "You just need to build a retail storefront."

The company declined to release its entire franchise circular but provided specific data on cost to entry for franchisees. A franchisee's total estimated initial investment is estimated at \$75,000 to \$158,000, depending on real estate, furniture, training, insurance and other costs.

"We don't need culinary people," Turkin said. "We look for people with good retail and marketing skills."

Even though Sam Sana has no experience in the baking industry, his experience owning and operating three **Metro PCS** franchise stores in Detroit has helped him open two Just Baked franchises, in Canton Township

and Troy, and he plans to open another downriver.

"I don't have culinary experience, but I do have retail knowledge," Sana said.

Sana first came across Just Baked while visiting his cousin's clothing store in Oakland Mall.

"Every time I went there, the Just Baked kiosk was really busy while his store was dead," Sana said. "I would sit and watch people surround that kiosk, and the idea to open one hit me on the head."

Sana contacted Turkin to gauge her interest in franchising a Just Baked kiosk of his own in **Fairlane Town Center**.

The two worked out a short-term deal to open the kiosk, which proved so successful Sana opened the first brick-and-mortar Just Baked franchise, in Canton Township, last December.

The Canton store is the highest-grossing Just Baked retail location and sells about 20,000 cupcakes a month.

That success prompted Sana to open the Troy franchise, which sells more than 15,000 cupcakes a month.

"It's very easy and simple," Sana said. "They do their part; it's on you to succeed."

Eva Watts, owner of **Cup.Cake** in Royal Oak, said she has noticed the added competition but says there is room for her company to grow.

"We are all doing cupcakes, but if you sample them they are all different," Watts said. "Sure, Just Baked is booming with franchises, but everyone has their niche."

Just Baked is on pace to make more than 2 million cupcakes this year.

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