



Black Magic Kennels

Outside Grand Marais, Minnesota
Mary and Mark Black, Owners

Black Magic Kennels' mission is to "competitively run sled dogs while maintaining the highest standard of dog care possible." While the focus of owners Mark and Mary Black has been on sled dog training and competition, they have recently begun to promote Mushing 101 weekends and Off the Beaten Path Sled Dog rides through their Web site.

Profile

Black Magic Kennels is home to the sled dog teams of Mark and Mary Black. In addition to racing sled dogs professionally, Mark and Mary are building a business offering customers an opportunity to experience mushing as part of both day and weekend packages. This start-up business is focused on sharing their "off the beaten path" lifestyle with visitors while allowing them to experience the excitement and work involved in managing and running teams of sled dogs.

History

Getting to Black Magic Kennels is not easy. Drive east from Grand Marais, Minnesota and then head north on a gravel county road. When the road ends, ride six more miles on an ATV (or a snowmobile in the winter). As you round the final bend, you hear a symphony of voices – canine voices – that marks your arrival at Black Magic Kennels. There, you will find Mark and Mary Black living, caring for their sled dogs, and running a fledgling business "off the grid."

Mark Black has been racing sled dogs competitively for more than 25 years; his wife, Mary has been racing for 10 years. Together they built Black Magic Kennels and are training and lovingly caring for three teams of dogs. In the fall of 2004, they decided to expand their business to provide mushing experiences. They are selling not only the experience of running a sled dog team but also the "off the beaten path" lifestyle that they have chosen to pursue. During the Mushing 101 weekends, visitors are met at the end of the county road and transported the six miles to the homestead in a snowmobile (or visitors can drive in on their own snowmobile). They help care for the dogs, experience the joy of mushing, and stay in a rustic cabin. In this region, with its

annual John Beargrease Sled Dog Marathon, there are others who raise sled dogs but few who are offering the type of experience that Black Magic Kennels is promoting.

While Mark and Mary are committed to the kennel operation, both have other employment. Mark's work with a construction company provides him with time off in the winter for training and racing, while Mary's job as assistant assessor for the county provides them with the health insurance benefits they need. Mary has also been able to take advantage of her daily trips into Grand Marais to access the Internet and other services needed to build the e-commerce aspects of the business.

The Blacks would like to grow their business so that the dogs are self-sustaining, i.e., bringing in enough income to cover the costs of caring for the dogs. In order to do this, they would likely need to hire another person or two to handle the dogs so that they would have time to focus on the business. In addition, they need to develop a more efficient transport system to get customers to the homestead for either daily rides or Mushing 101 weekends. Currently these modest growth plans are constrained by a lack of time and money.

Business Location

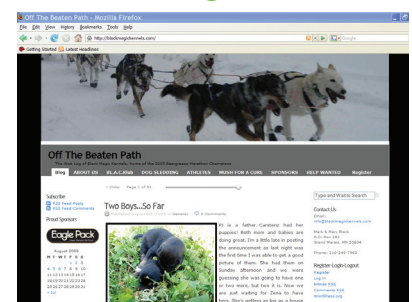
Grand Marais's economy, like much of northern Minnesota, was historically tied to the timber and mining industries. The population, which peaked around 1899, declined to 200 in 1915 as the timber companies moved away. Slowly, with the development of better transportation infrastructure and the creation of a marina and a national recreation area, the region has become a

Year online: **2000-2001**

Area Population: **5,168**

Web site:

www.blackmagickennels.com



second home and tourist destination. The 2000 population rebounded to 1,353. Grand Marais is the county seat of Cook County, a nonmetropolitan county (2000 population 5,168). The county is the tip of the Arrowhead Region of northern Minnesota, located 110 miles from Duluth and 265 miles from Minneapolis.

Role of e-Commerce

The Black Magic Kennels Web site was created in 2000-2001. While the first site was designed by outside help, Mary taught herself HTML, and with a friend, redesigned the site. As the business diversified, a contractor was hired to revamp and maintain their electronic location. The site provides information about Black Magic Kennels, including background on Mark and Mary, the dogs, and a photo gallery. It also features a blog written by Mary, which helps the business connect with customers and others interested in their way of life, and builds relationships with them and potential customers.

Customers can also find information about the Mushing 101 weekends and day-long sled dog rides on the Web site. Since the site is not yet fully e-commerce capable, they continue to phone in for reservations for these options.

The biggest challenges the Blacks face in growing their business through e-commerce are Internet access and time. Currently, there is no way to access the Internet from the homestead. The Blacks would need to invest in satellite Internet which is prohibitively expensive at this point in time. Without Internet access in their cabin, it is difficult to update the Web site and taking reservations and payment online is not yet possible. To handle the blog and updates now, Mary travels to Grand Marais early each morning to use the Internet access provided in certain hot spots in town by another company, Boreal Access, before her work day begins. The other challenge they face is the lack of time to devote to the business side of the kennel. Between other employment and caring for the dogs and training, finding the time to devote to building the Mushing 101 business is difficult.

In spite of these challenges, customers are beginning to find Black Magic Kennels through the Web site. Although the verdict is still out on the ultimate success of Mushing 101, given enough snow each winter and an expanded Web presence, the Blacks remain optimistic about their ability to grow the business. If there was a way to access affordable health care, Mary would devote herself full time to building the business.

Challenges and Lessons for Rural Entrepreneurs

The startup experience of Black Magic Kennels offers some insight into the challenges faced by other rural entrepreneurs:

- The remoteness of Black Magic Kennels contributes to the allure of the business (and helps these lifestyle entrepreneurs meet their personal goals), but makes it more difficult to use the Internet as a business development strategy. Even with the support of Boreal Access, the cooperatively-owned local ISP, it is unlikely that Internet access will be available to the Blacks in any form other than satellite for some time. This reality suggests that the cost of accessing the Internet will continue to be high and must be factored into their strategy for expanding the business via e-commerce – an important lesson for rural entrepreneurs operating in similarly isolated places.
- For a niche business like Black Magic, an Internet marketing strategy may be the only efficient way to reach customers who are looking for the kind of outdoor, “off the beaten path” experience that the Blacks have to offer. Through blogging and photos, the Blacks are using the Internet to do more than sell a product; they are using it to build relationships with customers so that they return for the experience and tell others about it. Their ability to expand their access to the Internet and build additional e-commerce capacity that meets the needs of their customers may be key to the future success and growth of the business.

From e-Commerce as a Strategy for Improving Business Vitality: Lessons Learned from Small Businesses to by Deborah M. Markley, David L. Barkley, and R. David Lamie

See related case studies and learn more about e-commerce at <http://srdc.msstate.edu/ecommerce>.