

# Franchise Opportunities Journal®

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## A Franchise Story

**From Makeshift Wooden Shed to Booming Franchise,  
Maui Wowi's Founders Marvel at Their 'Baby's' Growth**

**Twenty Years Later, Jeff and Jill Summerhays Recall Meager  
Beginning of Nation's Industry-Leading Smoothie Franchise**

By: Sherri Fishman

Jeff Summerhays still fights back tears when he recounts the remarkable history of Maui Wowi, the booming smoothie franchise that he and his wife, Jill, started 20 years ago out of a makeshift wooden stand at the Utah State Fair.

"I tried to address the crowd at last year's convention and I couldn't even speak," he said. "It just blows me away that our simple little business idea of selling smoothies from behind a cart at special events has helped so many other people realize their dreams – it's emotional."

The fascinating saga of Maui Wowi began in January of 1983, during the Summerhays honeymoon at Sun Valley. Skiing conditions were less than ideal. Out of sheer boredom and thirst, the Summerhays started mixing fruits and other ingredients in their blender.

Having grown up in California in the 1960s with a health-conscious mother, Jill noticed after moving to Utah years later that no healthy drink alternatives existed in the state. Recognizing a potential business idea, a young and ambitious Jill experimented with recipes for the next three months, finally creating the fruit-based (vs. chocolate or milk-based) beverage that she was striving for.

"We knew it tasted good and that it was untested in Utah, and we wanted some way to turn people on to it. Special events was the perfect venue," recalls Jill, whose No. 1 goal had always been a lifestyle that would allow her to stay home with her children. "I told Jeff from day one that

when we had kids, I wanted to be there for them. Selling the smoothies at special events was a way to generate income, and I would only have to work nights and weekends."

Jeff, who had rolled his eyes at most of Jill's previous ideas for business ventures, believed that this one would work. Because his family owned and operated successful restaurants, Jeff had the background and connections to special events and equipment vendors to help pull it off. Their first step was to get a spot at the Utah State Fair.

The operator of the Utah State Fair initially rejected the Summerhays, telling them to get in line with all the other hopeful vendors with new products. But Jill refused to give up, actually taking the drinks to him in person for an actual taste. "I knew the taste would sell him. And I was right," Jill said.

The big test the night before the fair, they mixed up a few gallons of their original smoothie recipe. They decorated a Tuff Shed with lights, homemade signs and palm trees and sent sample girls dressed in Hawaiian clothes out in the crowd. "We knew we had to educate people that there was something else to drink besides soda and chocolate shakes. With one taste, they were in our line waiting for a full cup."

Before they knew it, the Summerhays were scurrying in the back of their little wooden shed to keep up with the lines. Soon, the ambitious couple was proving all skeptics wrong, as the drink they created in their honeymoon cabin became all-the-rage

at the Utah State Fair.

"We hustled enough and sampled enough to make money right out of the chute," recalls Jeff. "I don't remember the exact amount, but I do remember we had enough to run out and buy a new swivel, 32-inch Console TV. At the time, I was still in family restaurant business full-time, so this was extra money for us."

Maui Wowi soon began to build a steady clientele. At the next Utah State Fair, people started looking for the little shed that sold the strange new fruity frozen drink. "It wasn't like they could go somewhere else and find it – we were it," Jill said. Their next successful event was the Utah Arts Festival. Their smoothies caught the attention of many, and the demand for the Maui Wowi drinks rose.

When restaurant representatives, water parks and other entities started to express interest in buying the mix, the young couple recognized the income potential and spent late nights making the mix in 30-gallon kettles in the back of Jeff's family restaurant. Finally, they accepted a local food company's offer to make, package and ship the mix for them at a lower cost and less hassle.

Too hot to handle.

Soon, the Summerhays added more events to their schedule, limiting their working season to spring through September. By 1986, more people wanted to know where they could get the drinks year round. About that time, the exploding Maui Wowi business was becoming difficult to balance with his

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responsibilities at the family restaurant, so Jeff took a painful leap of faith and walked away from the family business. "My father thought I was crazy to leave the Restaurant goldmine to pursue what he called a 'lemonade stand,' but I had faith in Maui Wowi's future." "My father thought I was crazy to leave the Restaurant goldmine to pursue what he called a 'lemonade stand,' but I had faith in Maui Wowi's future."

The Summerhays began adding indoor events in the winter. In 1995, during a winter show at the Salt Palace, two men approached them asking if they wanted to franchise the business. "At the time, I had 20 people in line and sweat pouring down my brow. I asked the guys, 'does it look like I have time to run a franchise?' We had a meeting a few days later and, within the first year, grew to three or four franchises and began manufacturing the kiosks."

The day-to-day responsibilities of running a franchise company and trying to maintain their own franchise became too much to handle. "The whole point of starting this business was to give me the freedom and flexibility to spend time with my children, and the time it took to operate the corporation was defeating the purpose," notes Jill.

That's when Michael Haith, Maui Wowi's current President and CEO, entered the picture. Haith, a founding partner of a world-leading special event, food & beverage consulting firm out of Denver, had seen the Summerhays in action at the Utah State Fair and had always had an interest in their unique smoothie recipe and kiosk concept.

Deals were cut, and soon Haith had bought out the original franchise partners. The Summerhays gradually gained enough confidence in Haith to turn all corporate responsibilities over to him in Denver. "We always had a vision of Maui Wowi getting bigger, but we're not corporate types."

The Summerhays have since gotten out from behind the kiosk and now run their franchise from home, sending their crew of part-time employees out to do approximately 25 days of month

of special events. They remain as advisors to the home office, still intimately involved in the product and manufacturing of the kiosks and products. They keep close guard over product quality and any changes must go through them.

"This company is our first baby," said Jill, whose three 'other' children range in age from 3 to 16 years. "We intend to make sure our original vision is never lost or diluted."

If it ain't broke ...

At one point, the Summerhays refused a series of offers to build permanent Maui Wowi locations in strip malls, believing that their low-overhead, kiosk system located in impulse buy locations such as event centers, regional malls, ski areas and special events was the key to their success. When they began to see other smoothie operators open up storefronts, with people lined up out in the parking lot, Jill had second thoughts. "I was sick to my stomach. All these new smoothie companies had built stores and were doing fantastic. But within a year or so, they all went bust. Our secret was the knowledge that smoothies are an impulse buy. Nobody is going to drive any distance just for a smoothie. We stuck to what we were always doing and our sales and success have only increased while others are failing."

Maui Wowi has consistently tripled its growth over the past three years. In 2001 alone, it added 74 additional locations with 40 new owners, and projections call for 1,000 units by 2005. Its consistent response to consumer demand, with new product offerings requested by franchisees via customers, has also contributed to its unmatched success in the smoothie industry.

Today, the Summerhay's brainchild is the leading franchisor of Hawaiian Blend gourmet, all-natural refreshments sold at kiosks nationwide. Maui Wowi has more than 140 units operating in 37 states and Puerto Rico. The Maui Wowi product line includes fresh fruit blended smoothies and Kona Blend hot refreshments such as

espressos, cappuccinos, lattes, mochas and hot chocolate. Maui Wowi also offers a new frozen novelty called Maui Wowi Smoothie Rip Sticks, all natural, fat-free, squeeze-ups made up of all fruit and yogurt.

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## Franchise Showcase

### July 31, 2002

Cincinnati, Ohio  
Millennium Four Points  
Hotel At 5<sup>th</sup> & Elm  
150 West 5<sup>th</sup> Street  
Cincinnati, OH 45202  
Tel: 513-352-2290

### August 7, 2002

Minnetonka, (Minneapolis)  
Minnesota Minneapolis  
Marriott Southwest  
5801 Opus Parkway  
Minnetonka, MN 55343  
Tel: 952-988-3106

### August 14, 2002

Charlotte, North Carolina  
Charlotte Marriott City  
Center 100 West Trade  
Street Charlotte, NC 28202  
Tel: 704-333-9000

### August 28, 2002

Pittsburgh, Pennsylvania  
Omni William Penn Hotel  
530 William Penn Place  
Pittsburgh PA 15219  
Tel: 412-553-5075