## small business

A pair of Bloomington entrepeneurs unusual business model that recruit projects and management.

# Second life for a grand old mansion

 A Twin Cities funeral home was about to go under until its new owner combined attentive service with new offerings such as hosting weddings.

By TODD NELSON Special to the Star Tribune

Michael Dougherty just might have been born to run a funeral home. Growing up in northern Minnesota, he washed cars and did other chores at his uncles' funeral parlors.

Relatives recall him sketching funeral homes, wroughtiron fences, hearses and limousines."It became a dream of mine to have our own funeral home", he admits.

Dougherty took a chance at realizing that dream in 2001 when he bought the Thomson Brothers Funeral Home property in Minneapolis. The home had struggled under corporate ownership, Dougherty said, and the stately Park Avenue mansion it occupied had fallen into disrepair.

With his long-held passion for funeral service and an entrepreneurial emerging streak, Dougherty went to work on what he chose to call Thomson-Dougherty Historic Funeral Home, And while funeral services account for most of his business. Dougherty's home has also hosted weddings and parties in an effort to broaden revenue. Dougherty has restored the mansion - built in 1919 by lumber baron Anson Brooks to its former grandeur.

The home conducted 123 funerals last year, up from 39 in 2001. Revenue, which Dougherty said had dropped below \$100,000 the year before he bought the home, approached \$1 million in 2007.

"I really do feel that in my past, I envisioned this happening someday", said Dougherty, the youngest of 46 grandchildren of family patriarch and funeral director T.R. Dougherty, whose portrait hangs over the fireplace in his grandson's parlor. "He died long before I came along, but he serves as a huge inspiration. Some people say that it could be a reincarnation. It's almost like I poured my identity into his".

#### 'Six Feet Under'

Any similarities between this family-owned funeral home and the one depicted in the HBO series "Six Feet Under" may be coincidental, but Dougherty certainly doesn't discourage such comparisons.



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Michael Dougherty's Thomson-Dougherty Historic Funeral Home occupies an old Park Avenue mansion in Minneapolis. The painting above the fireplace is of his grandfather T.R. Dougherty, who established funeral homes in Hibbing and Duluth in 1902.

Especially concerning the entrepreneurial David vs. corporate Goliath competition that underscored the series.

Like the series' fictional family, much of Dougherty's family lives on the 1.5-acre site. He occupies the carriage house, his parents live in the mansion and two nephews who work for him also live there.

Dougherty eamed his mortuary science degree at University of Minnesota. For most of the 1990s he worked as an independent contractor, providing services for a number of funeral homes in the Twin Cities area, from recovering bodies to preparing them. He has taught embalming and what the profession terms "restorative art" at the U's School of Mortuary Science.

To reestablish the home's customer base, Dougherty initially reached out to racial and ethnic minorities the home had once served. His willingness to accommodate diverse cultural practices has helped build patronage among American Indian, Latino and Hmong families.

When Vernon Bellecourt, longtime leader of the American Indian Movement, died, his family worked with Thomson-Dougherty on funeral arrangements.

His in the only Twin Cities home with full-time Hispanic staff to work with a rapidly growing population, Dougherty said. He also has partnered

### THOMSON-DOUGHERTY HISTORIC FUNERAL HOME

Business: Independent funeral home, cremation services provider

Founded: 2001

Headquaters: Minneapolis

Executives: Michael Dougherty, director and owner

Employees: Six

2007 revenue: Approaching \$1 million

Strategy: Continue to grow through referrals, begin marketing efforts and expand use of home for family and community events beyond funerals.

with Legacy Funeral Home in St. Paul to provide licensed services for its Hmong clientele.

Dougherty said he was looking to expand his work with Latino families in St. Paul and with Somalis in both Minneapolis and St. Paul.

#### Beyond funerals

He also has sought to make his home a destination for both memorial services and celebrations for families from throughout the metro area. It has hosted weddings and other events, once even staging a mock wake to kick off a surprise 50° birthday party.

At Dougherty's encouragement, families often use the mansion for post-service receptions, serving catered food and beverages. A flat-screen TV can show family videos and a modern sound system can play musical selections.

"It's about being a good host", Dougherty said.

With a sharply limited marketing budget, which Dougherty plans to increase this year, he concentrated on offering attentive, low-key service and counted on word-of-mouth referrals to build up business.

"The people are very friendly and not pushy", Donna Dentz of Minneapolis said of Dougherty and his staff.

Dentz attended her brother's funeral at the home in October. When her mother died in November, Dentz had her body transported from one home her family had worked with previously to Dougherty's because she had been so pleased with the service there. She returned to Thomson-Dougherty in December for her boyfriend's funeral.

"When you die it should be like a little celebration", Dentz said "My mother, she wouldn't want us to be all mourning and dark and gloomy. It makes you more sad and depressed". Dougherty played Polish music she had chosen for her mother's service, and he allowed Dentz to bring in a native spiritual pipe and to burn candles and sage for her hrother's service.

The expert says: Michael LuBrant, director of the U's mortuary science program, attributed Dougherty's success to his commitment to the profession.

"It speaks more to how one person can go into a place that's barely hanging on and turn it around when he has the passion and support to do it", LuBrant said. "That's a testament to him and his leadership. He also probably works 100 hours a week".

Dougherty and other funeral home operators need to find ways to work through a death rate that's expected to decline until 2025, when deaths among baby boomers likely will raise the rate.

Another trend for operators to address, LuBrant said, is a rising demand for environmentally friendly services, including burials without embalming chemicals and caskets made from sustainable materials.

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