

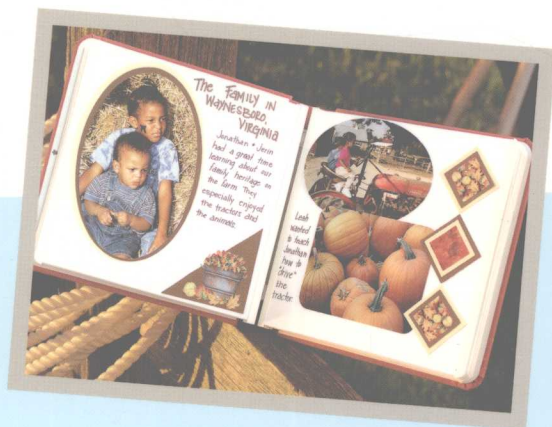
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CREATIVE MEMORIES



The 10 Timeless Principles Behind the Company that Pioneered the Scrapbooking Industry

Cheryl Lightle

Cofounder of Creative Memories

with Heidi L. Everett

Foreword by

Rhonda Anderson

Cofounder of Creative Memories

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To our consultants around the world who make a difference in the way others remember, celebrate, and connect.
To our employees for sharing a love and dedication to our Mission.

* * *

To my personal board of directors:

My grandmother, Grace Elizabeth McCafferty Holloway, who instilled my personal values.

Lee Morgan, CEO of The Antioch Company, who provided a work environment where my personal values meshed and flourished to help make a difference in people's lives.

My son, Brad Lightle, who always seems to ask probing questions that hold me accountable to those values.

Cheryl Lightle

To my inspiration, my loves:

Branden and Brody, for keeping me principled, grounded, and always laughing.

JD Everett

Statement of Highest Purpose

We exist to serve human needs by making a difference in the way people remember, celebrate, and connect and to maintain a community of work that offers opportunities to prosper and inspires hope for the future.

Mission Statement

Creative Memories believes in and teaches the importance of preserving the past, enriching the present, and inspiring hope for the future.

We strive to reestablish the tradition of the photo-historian storyteller and the importance of photo preservation for future generations.

We offer quality photo-safe products and information that utilizes cutting-edge technology.

We provide profitable career opportunities for those who believe in and want to share the Creative Memories philosophy, values, and ethics.

We offer a successful company that provides joy, dignity, and pride for Creative Memories consultants and staff members.

Foreword

The late Larry Burkett had a quote that is one of my favorites. He said, “While the carpenter is building a house, the house is building the carpenter.” I love that thought because of its application to Creative Memories. I immediately translated that quote to, “While we are building Creative Memories, Creative Memories is building us.”

Creative Memories Cofounder Cheryl Lightle and I have come to realize that this process of building Creative Memories has done as much to our personal character as it has impacted the world with our message of preserving our lives in safe, meaningful keepsake albums. These guiding principles that you will soon read about gave us strength and direction in this character- and business-building process.

Have you ever considered that everything that happens to you through your business—the joys, the frustrations, and everything in between—really wasn’t about “the business.” Instead, those experiences were about “you the person.” The circumstances of your business are helping you to develop strong character, integrity, and learning skills that will serve you in all areas of your life. Each of those trials, every victory, every setback, every thing is part of a much bigger picture to build you into the person you need to be to fulfill your role.

Ruth Barton once said, “We set young leaders up for a fall if we help them envision the things they can do before they decide the type of person they want to be.” Cheryl and I decided early on that oper-

ating by our guiding principles and doing the right thing even when it was hard was worth more than bottom-line profit and our personal image. I hope that every reader of this book comes away with the same conviction to value the role of guiding principles to shape both the people and the business. Then, when those character-building moments come, you will have a foundation on which to guide your decisions.

So as you read along and contemplate each guiding principle, I hope you will embrace each one. I can guarantee that you and your company will become stronger.

Rhonda Anderson
Creative Memories Cofounder

Acknowledgments

While the Creative Memories guiding principles are documented and prevalent in the home office, the stories and examples that support their creation and application needed to be uncovered and shared. As with all accomplishments, this book would not have been possible without the contributions of the following team.

A special thanks to Dana Wilde for taking diligent notes and preserving the Creative Memories history in the first years of operation; Mark Mizen for driving down the details as you edited; Ron Armes for unquestioned freedom to pursue this project; Amy Dahl, Jill Melby, and Monica Schifsky, for letting this project fall into the “other duties as assigned category.” I appreciate your feedback.

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And, finally, to Cheryl Lightle, for your candid approach to the interview and editing process and for letting me into your personal and professional lives. Your secrets are safe with me. Perhaps another book is in order?

Heidi L. Everett

Introduction

It all started with a chance phone call.

January 18, 1987, Cheryl Lightle, who was overseeing sales and marketing at the struggling Holes-Webway company, answered an after-hours phone call to take a message from a mail-order customer. On the other line was Rhonda Anderson, a Montana homemaker and mother of four. Cheryl knew that what was behind this woman's enthusiasm was the key to turning the company around. That call, which you'll learn all about in this book, inspired a vision that changed the way people remember, celebrate, and connect. That call gave birth to a multibillion-dollar industry, a tradition, a cherished way of life. That call led to the founding of Creative Memories.

Today, Creative Memories has more than 90,000 independent sales consultants around the world who teach millions of people to preserve their special stories in safe, meaningful keepsake albums each year. Creative Memories consultants do not offer products and services from a store. They do not have a fixed retail location. Instead, consultants teach memory preservation through the direct-selling distribution model, which means they work one-on-one or in small groups of six to eight people in homes around the world. In 2002, more than 3 million people learned how to create keepsake scrapbook photo albums in the Home Classes (or "parties") and workshops taught by Creative Memories consultants.

In addition to the success of this direct-selling organization, Creative Memories was a catalyst for the formation of a multibillion-

dollar retail scrapbooking industry. While Creative Memories was soaring through its tenth year, three mainstream national scrapbook magazines were founded and mom-and-pop retail shops not affiliated with Creative Memories started appearing in shopping centers all over North America. In 2003, larger retailers like Archivers and Recollections (founded by craft retailer Michael's Stores) opened stores devoted solely to scrapbooking. The December 28, 2003, the New York Times reported that the retail industry was estimated at \$2 billion. That figure is expected to grow 40 to 80 percent in the next 5 years, the Hobby Industry Association states in the article.

Despite the emergence of direct retail competition in the scrapbook industry in the late 1990s and today, Creative Memories continues to grow and thrive as a direct-selling organization. Sales at the end of 2003 reached approximately \$400 million retail worldwide.

This all started with a phone call.

Not bad for the little girl who wanted to be a cowboy.

HUMBLE BEGINNINGS

In order to understand what a great accomplishment this is, it's important to know the inspirational story of Creative Memories' Cofounder, Cheryl Lightle. Cheryl Lytle spent most of her adult life living within 1 hour of where she was born in Springfield, Ohio. Her first introduction to direct selling happened one summer in her neighborhood.

A traveling salesman showed up on the block one day with a horse and some cowboy wear and asked if anyone wanted their picture taken on the horse for a small fee. Cheryl jumped at the chance, loving the way she looked on that horse with the cowboy hat and vest. That experience had a lifelong impact on her. It inspired her to want to be a cowboy. And it showed her the power of direct selling as a means of reaching out to others.

But Cheryl's dream of riding off into the sunset on her trusted horse was short lived. In those days, girls' options were to be a housewife, a teacher, or a nurse. Cheryl recalls, "I knew I couldn't be a

nurse, so I thought about teaching and changed my dream. I could picture myself in a ‘far off’ place—like Columbus or Cincinnati—with stacks of paper. I knew that would be the symbol that I had ‘arrived.’”

Cheryl did, indeed, arrive; although, she didn’t follow the path she had planned. Her humble beginnings and propensity to survive difficult situations laid the foundation for the guiding principles that would one day help build the company that pioneered the scrapbook industry.

To understand just how inspiring Cheryl is as a leader, it’s important to know the key details about her own story and her start as a businesswoman.

Cheryl’s parents divorced when she was 10. For a short time, Cheryl, along with her mother and her two brothers, moved in with her grandparents down the street. Cheryl took care of her brothers while her mother worked 40 minutes away. On Saturdays when her mother worked overtime, Cheryl would take the city bus to go pay the water and electric bills downtown.

Cheryl was a shy little girl, self-conscious of her tall, lanky frame and crooked teeth. She would often hide behind the couch when company would come to visit. The shyness was not overcome when her family moved to Fairborn, Ohio, before she was in seventh grade, and Cheryl had to acquaint herself with a new school and new friends.

In high school, Cheryl spent summers taking care of her grandmother in Washington Courthouse, Ohio, after her grandfather died. During her senior year, Cheryl moved in with her grandmother to take care of her full-time. While Cheryl loved caring for Grace, she was away from her own mother and two brothers, and, again, she had to learn to adjust to new surroundings and new people. On weekends, her mother and brothers would come to visit.

Cheryl Lytle married Ron Lightle one week after her eighteenth birthday. (She often jokes that it must have been destiny because the names were so similar.) When they moved into their first place, Cheryl looked for work to help pay the bills. Because she had no driver’s license and no car, she had to find a job that was along the bus route.

For 5 years, she’d ride the bus to Dayton or Fairborn to work at a bank. When their first son, Brad, was born, Cheryl quit her job to

raise children. "I believe raising kids to be good people—good citizens—is a worthwhile thing to do," Cheryl says. "We can't just send people out into this world without them knowing how to be good people. So that is where I focused my energy: my children."

After Brad, came Shelly and Rob. And throughout their childhood, they baked a lot of cookies and decorated cakes. Cheryl also sewed Halloween costumes for the kids. The memories of their childhood are fond ones for Cheryl. "I am proud to say I was able to walk all of my children to school on the first day each year. I remember when my youngest started kindergarten, I was out there with my camera, and he kept shouting, 'Mom, will you stop that!' That moment foreshadowed what was to come in my life with Creative Memories."

In addition to being available for her children during the elementary-school years, Cheryl is proud of the community outreach the kids were exposed to.

Cheryl's involvement with the church's Fish group provided the greatest impact on her and the kids. They had the Fish food shelf in their basement. They would assemble food packages for needy people in town. Then, they would load the food in the second-hand car her mother gave them, and Cheryl and the kids would deliver the food.

"I remember so many of the stories of people we helped. One woman had a new baby, and the father of the baby refused to give money to feed it. We would deliver food to them each week, so the baby could eat," Cheryl remembers. "Another time, federal marshals came to our home for food. They had arrested some parents for welfare fraud and relocated five kids to live with their grandmother. She needed help feeding the kids, so they came to us."

"All of these experiences taught me how absolutely fortunate my family was and how vitally important it is to give back to those who may not be as lucky."

PERSISTENCE PAYS OFF

In the fall of 1979, Cheryl and Ron bought a new home. Their youngest child was in second grade, and it was time for Cheryl to

look for a part-time job and earn extra income. She was looking for jobs at banks, since that was her only professional experience. Although, she often points out, “Managing young children, operating a household, and keeping the bills paid is as close to human resources, team development, and finance as you can get. You just don’t have the dirty diapers.”

At that time, Cheryl saw an ad in the paper for The Antioch Company in Yellow Springs, Ohio. The Antioch Company was looking for a secretary for the president. Since The Antioch Company was closer to Cheryl’s home than Dayton, she applied. While the interview went well, Cheryl bombed the typing test. She remembers, “I did something like 27 words a minute with 12 mistakes. I thought to myself, ‘Well, this just isn’t going to work.’”

Although Cheryl was discouraged, she was determined to find work. On her way out, she stopped by the receptionist and asked if anything else was available. According to Cheryl, “I said I’d be willing to pack boxes, anything at all. The receptionist told me they were looking for a temporary person in accounts receivable while someone is out on sick leave. She called the department to see if they could interview me right then.”

They did. And Cheryl did much better on the math tests. She was hired.

That one extra effort on Cheryl and the receptionist’s part opened the door for Creative Memories to be a reality. And the persistence and risk taking Cheryl demonstrated that day was a trademark of her work ethic and performance throughout her career with The Antioch Company.

Did her transition into the world of work outside the home come easily? No. Cheryl recalls, “After my second day of work with The Antioch Company, I didn’t want to go back. I learned that after my interviews, one employee said not to hire me because she didn’t like me. Jokingly, my future boss said, ‘I’m going to hire her because I like redheads.’ The other person responded, ‘Yeah, but did you see her roots?’ I just didn’t feel like I fit into the environment and that I was being judged. After two days, all I had there was a coffee cup and

some papers on a desk, so nobody would miss me. I did go back, though, and never regretted it.”

From 1979 to 1984, Cheryl worked in accounts receivable, learning everything she could along the way about industrial revenue bonds, cost of inventory, and more. As she recalls, “We accounted for everything right down to square inches of excess foil for imprinting.”

Then, in 1984, the company needed a new phone system. The investment would equal 30 percent of the company’s annual profits. Cheryl was asked to review the 13 proposals submitted and make a recommendation of which vendor and system to select.

She recalls, “Suddenly, there I was, Cheryl who’d started out as a \$3-an-hour accounting clerk, face to face with the president of the company. I’d only seen him in the hallways, and he was asking me to do something I’d never done before. I waded through the proposals, too committed to turn back. I was so far out of my comfort zone that I needed the Concord to get back.”

Her recommendation was quite unorthodox. She said the proposals were too large of a financial investment, and she asked if it would be okay if she did the installation herself. Cheryl went to classes and became a certified Mitel phone technician in November 1984. She ultimately was responsible for maintenance of the system. Cheryl says that experience changed people’s perception of her, “Offering to become a phone technician sort of catapulted me into a different playing field.”

Shortly thereafter, Cheryl ended up in the original position she applied for, executive assistant to the president. In that role, her initiative and persistence continued. Production planning and the employee stock ownership plan were turned over to her as well as some additional accounting duties. She also assisted with acquisitions. Cheryl recalls, “Our chief financial officer used to call me a junior accountant. He said I knew just enough to be dangerous. Years later when Creative Memories became a \$400 million company in 2003, he said I had graduated.”

In August 1984 as Cheryl’s career was taking hold, she and Ron divorced. While she had enjoyed work as a means of professional fulfillment, her focus shifted to that of having to earn a living.

When Antioch went to close the purchase of the Holes-Webway Company in November 1985, Cheryl went along for administrative support. Oddly enough, nobody—from the bankers and lawyers on down—thought to bring a check to buy out the controlling stock of the company. While the group was sitting around the boardroom table discussing the situation, Cheryl raised her hand and said she brought her checkbook and would be willing to write a personal check if Antioch would quickly transfer the \$1,676 into her account, so the check would clear. Everyone agreed to the idea, and a handwritten transfer request was faxed back to Yellow Springs to ensure the funds were placed in Cheryl's personal account as quickly as possible.

These are fun stories to share from our company history. More importantly, they illustrate how Cheryl has not been afraid to take risks, to learn new things, and to be persistent in her work. That persistence paid off, and in January 1986, Cheryl was transferred to St. Cloud, Minnesota, to oversee the buyout and transition of Holes-Webway into The Antioch Company family. After 11 years as a stay-at-home mom with no formal education, Cheryl was being asked to bring a newly acquired company out of bankruptcy.

Antioch CEO Lee Morgan had this to say about Cheryl's move to St. Cloud, "It was a harsh January in 1986 when Cheryl left the only world she had ever known and moved to Minnesota, driving alone in a U-Haul truck, pulling her old, faithful Chrysler. This is a woman whose career prior to 1979 was homemaking and volunteer work. A person who had not been outside of the Midwest. A person who had not been outside of her home state. Yet when we wanted someone to move to Webway to represent the Antioch corporate culture, to help pull Webway back from bankruptcy and protect our investment, Cheryl was my first choice.

"Besides her penchant for taking on new challenges, there are three qualities which have contributed to Cheryl's success. First, she has vision. Second, she is tenacious. And third, she trusts her intuition. I know of no business school or seminar which teaches these qualities."

By May 5, 1987, a little more than a year after moving to St. Cloud, the bankruptcy was paid off. And Creative Memories was in the works.

In the coming pages, the history of Creative Memories will unfold as will the guiding principles that surround the day-to-day operations and business decisions of Creative Memories. Cheryl is credited with articulating the guiding principles and ensuring they are an integral part of the Creative Memories culture. The guiding principles, in their simplest form, represent treating people with dignity and respect. They can be applied to any work environment and any relationship, whether personal or professional. Many people believe the guiding principles are Cheryl's philosophies on life. Many believe they are a direct result of Cheryl's successes and challenges in life as a stay-at-home mom, wife, single mother, and volunteer. In essence, she experienced financial hardship, loss, and upheaval. She struggled to balance a work and home life. And she had to forego opportunities for herself that otherwise did not exist. She believed she had skills and talents to share, and she found ways to share them. Cheryl wanted other women to be able to do the same.

Creative Memories' Senior Executive Director Vicki Morgan joined us in September 1987, as our second consultant. She affirms that Cheryl's personal history impacted Creative Memories and the guiding principles. "Cheryl Lightle has always had a place in her heart for women. Cheryl believes women can manage a household, be a good mom and spouse, be involved in their community. So why not have them run a multimillion-dollar business?" Vicki said. "As a woman, Cheryl was married, had a family, divorced. She knew women had skills and talents that were untapped. She wanted to give them an opportunity."

And she did give women an opportunity. On July 4, 1987, Carol Ramke signed her consultant agreement and became the first Creative Memories consultant. Now, more than 90,000 Creative Memories consultants worldwide are successful home-based business owners regardless of their marital status, education, and prior work experience.

In addition, more than 1,000 employees of The Antioch Company operating units and Creative Memories business unit have found rewarding, enriching work supporting the Creative Memories sales

force. As Cofounder Rhonda Anderson puts it, “In my heart of hearts, I know we could never do what we do without everybody giving their best to this cause. Creative Memories is more than just a job. We truly believe we can change the world and make a difference.”

Cheryl is recognized as the leader of this glorious business known as Creative Memories. Yet she is known as a humble and gracious individual. As Cheryl recounts the story of Creative Memories and our guiding principles on the following pages, she does not seek out credit for the success of the organization, nor does she position herself as the reason for our existence. Yet the thousands of consultants, customers, colleagues, and staff who have met her or worked with her say otherwise.

“Cheryl really does care,” said Carol. “When she talks to you, you feel like she really is just focusing on you. She’s always been accessible—not just for me, but for everybody. If she didn’t have that spark—that interest in people—she would’ve just took Rhonda’s order and hung up when that phone rang in 1987.”

Vicki affirms this when she says, “Cheryl Lightle sees the world in a big way.”

And, Leilin Hilde, our third consultant who joined us in October 1987, had this to say, “I really appreciate Cheryl’s quiet strength. In the early days, Creative Memories Cofounder Rhonda Anderson was our cheerleader. She was in the field teaching classes. She is the one we identified with. But Cheryl was in the background, humble. She laid down the guiding principles and framework that we didn’t see. She did the legwork to build this business. She did it all with wisdom, character, and ethics. She did it quietly.”

I, for one, am glad Cheryl had the interest and insight to learn more during that phone call in January 1987. And I know that sentiment is echoed by the 1,200 employee-owners of The Antioch Company, 90,000 Creative Memories consultants, and millions of people worldwide who have either made or received a completed, keepsake album. We are all better off because of Creative Memories and because of Cheryl’s belief in possibilities.

Through my work as a writer, speechwriter, and company historian, I have seen first-hand how Cheryl believes in people, lives our