### Legacy and Community Engagement Leads to Impact

How Mickey's Popcorn Prioritizes Work-Based Learning to Grow Their Business

by Chelsea Miller, Associate Director, Upskill America

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#### **Executive Summary**

The past five years have been a time of disruption to everyday life that allowed for evaluation of existing systems and exploration of new possibilities. For the founders of Mickey's Popcorn, this time allowed what started as a dream to evolve into a thriving business with a strong social impact mission that prioritizes work-based learning for maximum community impact.

In this interview, Dr. Penny Smith-Mickey shares the story behind Mickey's Popcorn, its commitment to workforce development, and how the company scaled into a growing enterprise leveraging apprenticeships. As a small business, Mickey's Popcorn is a shining example of how employers can use skills-based practices to drive value for their business and employees.

(This interview has been edited for clarity and brevity.)

#### Chelsea Miller: How did Mickey's Popcorn begin?

Dr. Penny Smith-Mickey: It was a perfect blend of ideas. My husband and I married in 2020, and he mentioned his longtime dream of owning a popcorn business. I had always wanted to start a social enterprise but needed the right product – something simple that could work within a job training program.

His idea sparked something in me. I reflected on my family's history in food service —my great-great-grandfather ran the only Black-owned grocery store in Danville, Kentucky, my grandmother worked for the Gamble family (of Procter & Gamble), and my mother managed hospital food services. After she passed, we found her old food safety manuals — the same principles we now teach our trainees. It felt like a full-circle moment.

We bought our first popcorn machine in August 2020 and used our church's commercial kitchen. Orders came in, we popped and delivered, then locked up the machine.

Our big break came when a hotel general manager at a graduation party loved our popcorn and brought it into Hilton hotels in Arkansas. Later, we experimented with Uncle Nearest whiskey popcorn. The distillery loved it but required professional packaging. That meant we needed UPC codes, better branding, and a licensing agreement.

By August 2022, we found a building. A real estate agent connected us with a seller willing to do owner financing, and by Halloween, we closed on the space.

#### Were you both still working full-time jobs?

Yes! My husband worked at FedEx, and I was at an ed-tech company. We did popcorn on nights and weekends. The City of Memphis's Inner City Economic Development (ICED) Loan program helped us renovate – upgrading plumbing and flooring and building a clean room.

By January 2023, we became a licensed food manufacturer in Tennessee. Out of 1,600 in the state, only 1% are Black owned. That was a major milestone.

#### How did you scale the business?

We focused on premium branding. A broker helped us land our first Kroger account in Nashville – 70 stores. Now, we're in 250 grocery stores and 300 hotels, all with a \$0 marketing budget (which I don't recommend!).

#### How did you integrate the social enterprise model?

It was always part of the plan. Even in the church kitchen, we had a workforce development program. A 2020 Delta Regional Authority grant (\$125K) launched a 10-week program combining job training with hands-on experience.

Our second DRA grant (\$443K) helped us expand. Now, trainees learn packaging, inventory, and machine operation. We partnered with Lane College (a historically Black college in Tennessee) to offer credit for prior learning. Graduates earn three college credits in the form of a credential that can be used to boost their careers or further their education.

#### How do you measure success?

We track job placements and career readiness to ensure participants feel confident about their skills and can navigate employment barriers like childcare or transportation.

So far, we've trained 110 people. Small class sizes (10 to 15 per cohort) allow for personalized coaching. Our success coaches help with resumes, job placement, and social service connections.

### What do you see as the value of work-based learning like the programs Mickey's Popcorn offers?

For us, the work-based learning component truly allows us to have a talent pipeline that we have auditioned for future roles.

It's de-risked for the transitional employee as well as for us as a company because they're able to get the experience that's transferable to other corporations, and they're getting paid while they do it. So they're not wasting their time doing this. And then for us? You know, it allows us to obviously benefit the community because these are some obstacles to overcome, especially in a place like Memphis. The city tops some pretty scary lists like worst drivers and most violent. As an employer, one of the things that we're always worried about is the safety of our business. There's been a rash of looting and breakins too, especially among small businesses. You would think it would be the large businesses, but it's the small businesses. I don't know if criminals see us as vulnerable. But anyway, we want to build ourselves up in the community so that we don't experience that.

And so that's the altruistic reason why we offer work-based learning as business. It allows us to help train individuals in these skill sets, but we get the opportunity to see the skills they have combined with

the traits that they bring with them. These traits could make them great employees. Things like showing up on time and being able to resolve unrelated work issues. We know these issues will impact their job if they don't address them, so we get to see that firsthand. Our partner nonprofit, The Gradus Project, has support staff who support the working learners in addressing those barriers. But hopefully, even just having the support allows them to build their muscle to do it on their own.

#### How does Mickey's Popcorn engage other employers in the process?

Prior to creating the curriculum for our programs, we engage other employer partners to ensure that our training reflects what a worker will experience at their company. Our employer partners are concentrated in food manufacturing, but some are not, like a logistics company.

The employers we work with have a variety of environments, from refrigerated prep to warehouses without temperature control, as well as a variety of skill needs. Some skills can stretch across all three employers, though, like learning how to palletize.

We're onboarding several new employers now as a result of new funding. They are a compilation of very small businesses that are also Black-owned businesses. They may not need full-time employees but do need support with order fulfillment from trained staff, like those who go through our program, as well as large employers, like the Memphis City School District. The school district has a central nutrition services office that packages meals for over 200 schools. Even if they have to start out in a school working in food service, they can start off making \$16 an hour and then potentially work their way up to central nutrition services, where they're in the \$20-plus-per-hour range.

# So this is a great segue to my next question, which is around your approach to economic mobility for those who participate in your programs. How do you think about earning and earning potential in this work?

As a matter of fact, we don't even attempt to place graduates of our program in roles that earn less than \$15 an hour. That's what we pay them during the program. So we definitely want their next role to start that pipeline, that pathway. We try to place them where there is a way to move around or move up in positions.

#### How did your social enterprise evolve into a registered apprenticeship program?

We kept being asked if our program was a registered apprenticeship, and we kept saying no. A community partner suggested we look into it. After a conversation with the director of apprenticeships for West Tennessee, he said we already had a pre-apprenticeship program, just not registered. We were concerned about meeting the 2,000-hour requirement for a full apprenticeship. He suggested incorporating online learning and connected us with Workforge, a state-procured online catalog of content for apprenticeship programs. The combination of on-the-job training and online training made it feasible. We reviewed Workforge's catalog and found it to be built on strong instructional design principles and decided to use it as a complement to our in-person learning and move forward with registering our apprenticeship program.

#### What is the structure of your apprenticeship program?

Mickey's Popcorn is the employer, and Gradus Project, a nonprofit we created alongside the business, is the sponsor. Many companies don't want to be the sponsor because of the responsibility for management, operations, and data reporting related to the apprenticeship. Our nonprofit is

accustomed to this and uses software to help submit reports. The nonprofit also has staff to provide wraparound support.

### What is the intent behind having the nonprofit as the sponsor for the apprenticeship program?

The intent is for the nonprofit to onboard multiple employer partners. We are testing if having a community-based or nonprofit organization as the sponsor, which can staff wraparound support and engage the state with a procured online system, unlocks the possibility for more employers to participate. A lot of the pushback from potential employer partners is that they don't want to do the work involved.

#### How large is your staff for Mickey's Popcorn and Gradus Project?

The nonprofit has six full-time people. Mickey's Popcorn has two full-time and three part-time employees (two of whom came through the program).

#### What is the status of the apprenticeship programs?

We are getting our current program registered as a pre-apprenticeship program in Tennessee. In Tennessee, the registered apprenticeship must be approved first, then a separate application is submitted for any pre-apprenticeships. One of our apprenticeships is fully approved and ready to go, and the second apprenticeship should be approved any day now.

## What led to the creation of the second apprenticeship program? What is the focus of that program?

As we were working with state officials on the food production technician registered apprenticeship, they suggested having a workforce development specialist registered apprenticeship. Leaders noted that our nonprofit's role and our staff's functions align with workforce development specialists. This was in response to the fact that individuals were being referred by community partners. Community partners like the Family Safety Center and Youth Villages were seeking assistance in helping individuals find jobs, but career development wasn't always the staff member's full time responsibility, thus the need for partnership around this issue.

### Would you consider yourself a skills-based organization? What role do skills play in your hiring and talent development approaches?

Yes, I would consider Mickey's Popcorn a skills-based organization. Skills play a central role in our hiring and talent development approaches:

- We use work-based learning to assess and build a talent pipeline. This allows us to "audition" potential employees for future roles, focusing on observable skills and traits.
- We value traits that, coupled with skills, make a great employee, such as punctuality and problem solving.

Mickey's Popcorn partners with other employers to ensure our training programs align with the skills that employers need in new hires during their first 90 days. Our apprenticeship programs focus on developing specific skills, such as food batch making, food safety, and workforce development.

#### How does Mickey's Popcorn think about the future of its business?

Dr. Penny Smith: Our future strategy centers on two key areas, both driven by our socially conscious mission. First, we want to expand collaborations with iconic brands to promote responsible drinking. This aligns with our commitment to addressing substance abuse and its impact on violence, particularly in communities like Memphis. We aim to leverage partnerships where our products, like our boozy popcorn, can serve as an alternative to excessive alcohol consumption.

Second, we are focused on significant expansion within the hotel sector. We aim to triple our current hotel presence, targeting 1,000 placements within a year, both in retail and in-room offerings. Each of our products features a QR code linking to resources for survivors of domestic violence and human trafficking. While not a primary intervention for trafficking, we recognize the frequent overlap with domestic violence. We believe that by placing our products in hotel rooms, we can provide a discreet pathway to these vital resources for individuals in crisis.

We are committed to scaling our business by upholding our core values and prioritizing social impact. This approach has been fundamental to our success, and we will continue to pursue growth while making a meaningful difference.

#### Conclusion

Companies like Mickey's Popcorn prove that businesses can drive both profit and impact. By leveraging resources like grants and work-based learning, they're creating opportunities and strengthening their community and fellow small businesses – one bag of popcorn at a time.

#### **Suggested Citation**

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