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SUCCESS STORY

No More Sick Days

Knowing how a sick child can wreak havoc with child care, this former nurse created a chain of day-care centers with a profitable prescription

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By Amy H. Berger

The little boy clung to his mother and rubbed his eyes. He didn't feel well that day and didn't want to go to day care; he wanted to be home in his own bed, with his games and stuffed animals. Just then, Miss Christy, known as Christy Cravens in the real world, emerged from the Rainbow Station's **Get Well Place**. "I'm really glad you're here today," she said with her widest it's-going-to-be-okay smile. "We're going to blow bubbles and have snacks." Before long, the boy was happily taking part in the elephant game with the other sick kids.

This is no ordinary day care. **Rainbow Station Inc.** is a chain of child-development centers and infirmaries in Richmond, Va., started in 1989 by **Gail W. Johnson**, a former candy striper who obtained her bachelor's and master's degrees in nursing at



Virginia Commonwealth

University. As a working mother back in the late 1980s, Johnson knew how a sick child wreaks havoc with child-care plans and reasoned that a day-care center should be able to handle both sick and healthy children. While the idea is not unique--there are about 85 such facilities in the country --Johnson has found enough need to support four centers and earn \$3.5 million this year.

The concept has attracted kudos from parents and child-care experts alike. **Barbara Willer**, a spokeswoman for the **National Association for the Education of Young Children** in Washington, D.C., is convinced that Johnson has hit upon an up-and-coming niche. "In many cases parents don't have enough sick leave to stay home with their children, so helping such families cope with common illnesses can be a very important service," she says. "Also, it's a real advantage when children can be placed in the same environment, well or sick, because they already feel comfortable with the caregivers."

SITE SEEING

"In establishing the pre-school, my goal was to create an environment that would strive for wellness, not illness," says Johnson. "I created a center for health and wellness, where children with chronic health problems would be welcome. But I wanted it to be a happy place where all the children weren't sick."

Since Virginia had nothing like Rainbow Station, she quickly obtained the required licenses with the help of a nurse who was active in establishing state health policy. With about \$40,000 from personal savings, Johnson launched the company in December 1989. A good part of those funds went to paying her first director, whom she hired six months after leasing build-to-suit space. The rest went

toward rent, supplies and insurance.

Others immediately recognized the potential of Johnson's idea. The very first day her center opened, the developer of a nearby office park asked her to build a preschool center there as well. Since she couldn't afford to buy land and build a center --and banks wouldn't give her a loan without equity-- Johnson convinced the developer to donate the land. The property provided the equity she needed to secure a \$750,000 bank loan, which she used to build the second facility in the Richmond office park two years later with the help of her husband's architectural-engineering firm.

GETTING NOTICED

Johnson knew she then had to get the word out to the general public. "One of the hardest things [for me] is to toot my own horn, but survival will make you do that," she says. She personally visited pediatricians' offices --which her R.N. status helped her do-- to introduce them to Rainbow Station. Since the concept was new in Richmond, Johnson obtained a lot of free publicity from local newspapers and sent out a mass mailing before the grand opening. Wisely, she ensured a built-in clientele by establishing each of her four centers in or near an office park surrounded by a high-density residential area.

With the opening of her latest center, an after-school recreational facility for children ages 5 to 14, Johnson and her 120 employees --seven of whom are nurses-- accommodate a total of 660 children. While she cannot accept children who require hospital care, Johnson, who is president of **The National Association of Sick Child Care** in Richmond, does take in kids who have chronic conditions or short-term infectious diseases such as chicken pox or the flu. Rooms with reversed air filters help keep germs from spreading to the healthy kids in the adjacent day-care center.

Ask **Tracy Demeyer**, a Fredericksburg, Va., mother of two, what Johnson's centers mean to her and you'll understand why Rainbow Station's revenues have spiraled upward from the beginning, to \$2.5 million in 1996. "The [Rainbow] staff has worked wonders," she says, referring to the behavioral problems that her younger son developed after a physical problem was misdiagnosed. "Before I found Rainbow Station I was losing a lot of days at work. At one point I thought I would have to give up my job as an executive secretary. Now I can go to work knowing my son's in good hands."

The most convincing endorsement of Rainbow Station comes from the kids, who have just the prescription when their parents get sick. "A lot of my kids," Cravens says, "will tell their parents when they get hurt, 'You need to go to Get Well.'"

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