

Sweet Entrepreneurial Success: A Discussion Case Teaching Resource for Entrepreneurship Courses

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ABSTRACT

Chocolate, bourbon, and pecan combine for a signature Southern delicacy- the bourbon ball. The origin of this specialty candy, however, is itself an inspiring tale of resilience and entrepreneurial spirit. This case study explores the history of this delicacy and its lessons for today's students.

Rebecca Ruth Candies was founded in 1919 by two disillusioned substitute teachers, Ruth Hanley and Rebecca Gooch. Rebecca married in 1929 and sold her interest to Ruth, setting Ruth on a remarkable entrepreneurial journey in which her resilience and innovation allowed her to overcome numerous challenges to build a successful business. The case study will explore Ruth's struggles and triumphs overcoming challenges such as a fire which destroyed her first business, bank refusal to lend to a woman entrepreneur, the Great Depression, and World War II's rationing of sugar. Throughout the years, a combination of resilience, word-of-mouth marketing, innovative financing and resourcing strategies, strong work ethic, and great candies allowed her to overcome these challenges. Starting in 1936, Ruth experimented with her bourbon ball recipe, leading ultimately to today's version of the recognizable treat and paving the way for a business that has become a global enterprise.

Key words: Entrepreneurship, crowdfunding, women in entrepreneurship, nontraditional entrepreneurship, entrepreneurship teaching resource

INTRODUCTION

This discussion format teaching case study will include discussion questions and teaching notes to be used as a teaching resource in undergraduate entrepreneurship courses. It can be used in the classroom as a live discussion, peer-to-peer discussion, or written response assignment in the online format. This paper provides the case presentation, case questions and analysis, and teaching notes. The purpose of developing this teaching case is to provide a real-world example of successful navigation through unpredictable and complex factors interrupting business continuity in SMEs.

This historical case review is relevant today more than ever. The story of Rebecca Ruth Candies is one of an innovative and resilient woman entrepreneur overcoming challenges to build a lasting and successful institution. It is also an example of how innovation comes in many forms, both in product design and in

financing models. It is not only the story of entrepreneurial success but also provides an engaging on-ramp that echoes to students today and provides a natural lead into discussions of non-traditional financing models, such as crowd-sourced business models. This inspirational story of overcoming hardship and prejudice provides a relevant and engaging case-study for both finance and entrepreneurship students.

Leach and Melicher identify three important character traits of successful entrepreneurs as 1) having the ability to recognize and take advantage of entrepreneurial opportunities before others have identified the opportunity; 2) possessing tenacious optimism; and 3) demonstrating the instinct and ability to seek out unconventional paths to secure the physical, human, and financial resources required for the business venture to succeed (Leach and Melicher, 2015). This case study provides ample opportunity to study all three characteristics.

The use of case studies in business and finance pedagogy has been shown to contribute to student skills in financial literacy, management skills, perseverance, and business networking (Adamu 2019), has been found to increase entrepreneurial intent (Abney & Barthel, 2019; Martin et al., 2013), and has even been connected with a positive impact on regional economic development (Galvao, et al., 2018). Interestingly, Harvard University graduates report that case studies have also been found to assist students in recognizing personal bias because they allow a student to relate to a business case through their own point of view prior to hearing the point of view of other students and faculty through class discussion (Nohria, 2021).

Resource Description

The primary resource is the attached short history of the company. This is designed to be read by students outside of class, and the instructor devoting class time to discussion either as a class or in small groups, depending on classroom size. The exercise is best suited to an undergraduate course in entrepreneurship. Many of the discussion points are particularly relevant to introductory level courses. Ruth's story of overcoming hardships provides multiple opportunities to explore the work of an entrepreneur and which traits and choices set the stage for success.

Moreover, the case offers an additional advantage in engaging students- the use of candy. By offering students a taste Ruth's signature treat, students become more engaged than with more abstract examples. Bourbon balls, of various brands, as well as the signature Rebecca-Ruth flavor are readily available on Amazon or directly from the company (<https://rebeccaruthonline.com>) even if not locally available.¹ Instructors will need to be mindful of student dietary restrictions such as nut-free alternatives as necessary.

Following the short history notes include a series of teaching points and a student activity that emphasizes the key teaching points.

STARTUP YEARS

Ruth Hanley was born in 1891 and grew to become an unlikely 20th century entrepreneurial success story. She and her friend Rebecca Gooch followed a typical

path for the time at first. By their mid-twenties, the women took jobs in education, working as substitute teachers for the local schools. They became disillusioned with the limited advancement opportunities in the education system. Despite their protests, pay remained poor and there were limited chances for advancement. (Ruth, 2025) Both purportedly had a relatively-unheard-of-belief that they could provide for themselves financially without a husband.

Both women won praise for homemade chocolates they had gifted their colleagues for Christmas. They latched on to this skill when they determined to leave the school system and set out on a different path. (Ruth, 2025) In 1919, a year before women could vote, the pair rented a space in the Frankfort Hotel. The Hotel, located in the state capitol's downtown, had suffered greatly in the years prior. Frankfort, Kentucky, is located on the state's Bourbon Trail, a region packed with distilleries. Alcohol Prohibition, enacted with the 18th Amendment in January 1919, had brought economic devastation to the area. With the distilleries shuttered, the Frankfort Hotel lost its main attraction. The hotel's bar became dead space. The Hotel's owner rented the empty location to the ladies, giving Rebecca Ruth Candies its first location. The hotel's bar became, "Edna's Table," where the ladies sold chocolate-dipped confections. (Ruth, 2025).

In these early days, Ruth and Rebecca took a hands-on approach to their marketing. It was not uncommon for them to strike up a conversation with a stranger on a street corner or outside of Frankfort's silent movie theater to extol the virtues of the new candies they had "tried," at an exciting new business (Ruth, 2025). Over time, the business slowly grew. In the coming years, the company expanded to ship their creations by mail order in addition to in-person sales.

In 1924, Ruth married Douglas Booe, a veteran of the "Great War," and changed her name to Ruth Hanley Booe. For years later, friends and workers at the candy business would refer to her as "Mrs. Boo." Their son, John Charles Booe was born in 1927. Tragedy struck eight months later when Douglas passed away. His early death was attributed to injuries he has suffered during his war service. Ruth was left as a single mother in a time when this often-meant irreversible poverty. Unfortunately, Douglas' passing was the first of a rapid-fire series of challenges filling the upcoming year (Ruth 2025).

In 1929, Ruth's business partner Rebecca Gooch married. Not surprisingly for the time, Gooch's marriage marked the end of her career. She sold her share of the business to Ruth. Alone, as a solo small business owner and working single parent, Ruth faced her most significant challenge yet- the Great Depression. Shortly after the ownership change, the national economy began its epic downturn.

THE GREAT DEPRESSION

The candy market was not immune to the nation's general economic downturn. By this time, a large portion of Ruth's sales were mail orders. These vanished overnight as the economy ground to a halt. In person sales declined as discretionary funds

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became scarce. Her candies were popular but were essentially luxury goods in a time where most could not afford necessities, much less luxuries.

Ruth responded to the downturn by adopting a strategy familiar to many modern businesses- she focused her efforts toward new product development. The results were several notable candies which still remain company staples, such as the “Mint Kentucky Colonel.”



Similarly, Ruth turned to barter and trading for supplies and survival. By use of creative sales and finance strategies, Ruth managed to keep the business going through the Depression. Her innovation and new products helped stem the sales lags and brought on new opportunities. It appeared that Ruth had developed a strategy to navigate her company through the worst economic crisis in the country's history. Unfortunately, other challenges awaited.

FIRE!

In 1933 a fire struck the suburb of Frankfort where Ruth then lived and operated. In a few hours, Ruth's home was entirely consumed along with the adjacent candy workshop. A decade's worth of work was lost. Now homeless and with her business in ashes, Ruth would be forced to start over. Ruth lost her home, supplies, money, and equipment. Only the marble slab called "Edna's Table" survived (Ruth, 2025).



She sought loans to rebuild but was rejected by every bank in Frankfort and surrounding towns. To make matters worse, the business and her home were uninsured. Unable to secure traditional financing, Ruth turned to her neighbors and community. In a scene that could have been out of *Bedford Falls*, Ruth's neighbors chipped in, traded, and accepted chocolate as interest payments while helping her rebuild.

Her largest single source of startup capital came from the most unlikely source- a \$50 cash loan from hotel housekeeper named Fanny Rump. Fanny, a hard-working woman had judiciously saved her weekly wages for years. She entrusted her nest egg to Ruth's rebuilding effort. She knew Ruth made great candies and decided to risk her personal nest egg to help her get back on her feet (Ruth, 2025).

Most unlikely of angel investors, Rump's \$50 was no small sum at the time. This represented a modern equivalent of \$1,243 in 2023 dollars according to the Bureau of Labor Statistics Inflation Calculator (U.S. Bureau of Labor Statistics 2025). Rump would be repaid in months with interest as Ruth's candy business rose from the ashes.

Eleanor Offitt, a visiting dignitary at Frankfort's sesquicentennial celebration gave Ruth the idea of mixing candy and bourbon together. Ruth diligently worked on a recipe for two years before debuting her bourbon balls in 1938. The bourbon ball itself is a bite-sized candy usually featuring a dark chocolate shell wrapped around a creamy, bourbon infused center and topped with a pecan. The candy became an immediate hit (Ghabour 2022).



The bourbon balls became so popular that customers would bring Ruth their sugar rations and coffee tins during World War II just so they could get some chocolates in spite of the wartime rationing (Ghabour 2022). Again, non-traditional supply strategies were required to overcome external challenges.

COMPANY TODAY

Today Rebecca Ruth Candies lives on stronger than ever. The company now offers over 120 different candies and sells internationally. The business also remains family-owned and operated. Charles Booe, Ruth's grandson, runs the business today. He has described the family's charge today as trying to, "preserve a legacy and a story of empowerment."

In April of 2020, Sarah Booe joined the company, marking the fourth generation of family to join the candy enterprise. Ruth's company now sells over 3 million Bourbon Balls a year, a far cry from its humble origins at a shuttered hotel bar (Ghabour, 2022). Ruth's experience remains an inspiration. Modern assembly lines work next to a 100-year-old copper sugar boiler (Faughender, 2022). The candy factory remains in Frankfort, shipping its creations all over the world.



CONCLUSION

The story of Rebecca Ruth provides an inspiring story of entrepreneurial resilience through repeated unforeseeable circumstances. The odds of entrepreneurial success for a widowed single mother in the early 1900's to survive a total loss due to fire, the Great Depression, prohibition, sugar rations, and lack of access to financing are extremely low. But Ruth possessed the personality characteristics that have been identified in academic literature of a successful entrepreneur: recognizing an opportunity before it exists (the bourbon ball), optimism amid dire circumstances, and the unwavering ability to identify pathways to avert or overcome obstacles.

Her work provides a meaningful lesson in entrepreneurial spirit, along with real-world examples of finding forms of non-traditional financing in unstable economic conditions. All these conditions have created the perfect historical account for an academic case study of a single-mother-led startup during the Great Depression that became a multi-generational global enterprise.



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Appendix A - Teaching Notes

The Startup Years

What traits did Ruth possess that contributed to her success as an entrepreneur?

Ruth recognized that specialty candy making was an entrepreneurial opportunity early in her life and seized the opportunity. She remained optimistic, even through dire conditions; and she excelled at overcoming obstacles. These are all traits of successful entrepreneurs (Leach and Melicher, 2015).

What challenges did Ruth face in starting her business?

Ruth overcame significant obstacles, including being a single female entrepreneur, a fire destroying her business, the Great Depression, and being denied credit from banks.

Were the challenges Ruth faced solely financial?

Ruth faced the typical challenges of an entrepreneur, in addition to the unique challenges of being a single mother entrepreneur in the early 1900's.

Are there still social challenges today for certain entrepreneurs?

All of today's entrepreneurs still face unpredictable obstacles, including recessions and fires. However, with the modernization of laws, expansion of support programs, and technological revolution of lending decision-making and access to business financing from traditional banks, being a single mother entrepreneur is drastically different, thanks to early pioneers like Rebecca Ruth.

Was Ruth's marketing strategy conventional? What could be done today to market in this circumstance?

Rebecca's marketing convention remained flexible. She found opportunity in the downturn created by Prohibition by using deserted alcohol bars to sell candies. She sold both in person and offered mail-orders.

How did Ruth's gender impact her access to capital?

In the early 1900's, females had very limited legal and economic rights. Female entrepreneurs were rare and often faced social disapproval. Women's access to funding was constrained because by law they needed male consent for most financial actions. Formal financing was nearly impossible for a female to obtain because banks rarely lent to women. Any source of financing for a female small business owner during the early 1900's would have been informal credit such as loans from family, community members or local women's clubs.

What tools are available today for financial assistance for a woman-owned startup that would not have been available during Ruth's time?

During the mid-1900's and during World War II, it became more common for women to enter the workforce while men served in the war. The **Small Business Administration** was created in 1953 to provide U.S. Government-guaranteed loans to SMEs that would not qualify for traditional bank loans. Although women still needed male co-signers for most loans or business licenses, access was less restricted. In the 1970's, the **Equal Credit Opportunity Act (ECOA) of 1974** was passed, making it illegal for a bank to deny credit based on gender or marital status. After the ECOA was passed, women could get business loans, credit cards and mortgages in their own names. The next year in 1975, the **National Association of Women's Business Ownership (NAWBO)** was created.

The **Women's Business Ownership Act of 1988** ended state laws requiring male co-signers for loans and expanded access to federal small business programs and training for women. Today, women have access to a full range of financial products, including traditional bank loans, SBA (Small Business Administration) loans, microloans, community development financial institutions (CDFI's), venture capital, angel investors, crowdfunding, and grants. Numerous resources exist specifically for women, including the Office of Women's Business Ownership (OWBO), Women's Business Centers (WBC's), National Association of Women Business Owners (NAWBO). These developments have supported women-owned businesses to become one of the fastest-growing segments of entrepreneurship.

The Great Depression

Is there a wrong time to innovate? What are the risks of product development during a downturn?

The candy business is often referred to as "recession-proof" (Haughney, 2009). Candies are an inexpensive treat and an easy source of calories during a time of food scarcity. Ruth carefully identified opportunities to innovate her product, especially with the creation of the bourbon ball, based on customer demand during the Depression.

What strategies did she use to weather the Depression? Which of those would be viable today?

Ruth frequently turned to barter or trade with cash-strapped local customers. She was also forced to barter and trade during sugar rations to keep the business going. ***Bartering and trading is a timeless business practice that is still used today in many forms.***

Fire!

Were the banks wrong to not lend to Ruth?

Traditional banks are prohibited from making high risk loans with no collateral. During Ruth's years as an entrepreneur, this was the only type of financing available. Today, many options exist for funding early-stage ventures and SMEs.

The SBA was created in 1953 to provide U.S. Government-guaranteed loans to SMEs that would not qualify for traditional bank loans. Technology has also played a role in the lending process for traditional banks, significantly expanding access to business financing.

Ruth's success is an early example of crowdfunding. How could you pursue that today?

Crowdfunding platforms now exist that are a modernized form of the direct crowd sourcing that Ruth carried out. There are also private lending programs, as well as access to venture capital and angel investment groups.

What were the greatest challenges she faced? What lesson can you take away?

Ruth faced seemingly insurmountable challenges, in the death of her spouse, the great Depression, the fire, and running a business as a single mother at a time when this was extremely rare. With her natural entrepreneurial instincts, she navigated and persevered through each of these obstacles and found a path to success.

Appendix B: Classroom Activity

Breakout Games

Teaching Note: Group the class in pairs of two.

Description of Activity – Teams will be faced with an entrepreneurial challenge. To breakout of the challenge, the team must:

- a. Identify the entrepreneurial trait that would help the entrepreneur break out
- b. Describe the resource or approach that the entrepreneur in the case utilized to break out
- c. Find a resource that would help the entrepreneur if they were in the current business environment
- d. Identify the key business concepts that must be utilized to break out.

Teaching Note: This activity can be completed electronically with a collaborative file and/or completed in class. Student pairs can present findings to the whole class group to generate discussion about key business concepts in real-world application. An additional resource online to make a collaborative file that allows students to record their discussion is Padlet with a Table format discussion, then add a-d as required fields and the Body requirement would be a media or voice recording requirement.

Teaching Note: The professor can choose to provide the challenge or ask students to identify the challenge. The following table serves as a key for the assignment and a template for a student handout by removing the content of the rows. Note some questions can be specific to various content areas.

Name the Challenge	Identify the Entrepreneurial Trait	Describe the Resource/Approach Ruth Used	Find Resources that would help her today	Identify key Business Concepts
Financial Literacy and Banking				
Lacked funding opportunities available to men due to bias (gender discrimination)	Persistence	Bartered and traded with customers and suppliers to maintain operations	Women-Owned Business Certifications and SBA Women's Business Centers offering access to funding and mentorship.	Access to Capital, Gender Bias, Alternative Financing
Denied funding due to lack of collateral	Resilience	Relied on human capital – Friend trusted her with her savings	SBA-guaranteed loans, microloans, and community development financial institutions (CDFIs)	Creditworthiness
Poor economic conditions (Great Depression)	Opportunity Recognition	Shared skills and knowledge to train others. Identified customer demand for affordable treats; developed bourbon balls to meet local market needs	Small Business Development Centers (SBDCs) for market analysis and product innovation support	Supply and Demand impact on price of materials
Supply Chain				
Limited resources – supply chain shut down (sugar rations)	Resourcefulness	Continued production through barter and trade , securing supplies from local partners	Supply chain resilience programs and small business grants for material shortage	Demand Planning/Resource Constraints
Professional Development				
Family Pressures (Widow and Single Mother)	Self-Motivated	Maintained mental strength, optimism, and focus on supporting her family	Childcare support, entrepreneur mentoring, and women's entrepreneurship networks	Work-life Balance, Emotional Intelligence
Risk Management and Insurance				
Disaster leading to loss (Fire)	Optimism	Rebuilt from losses using community support and creativity to reestablish production	Business interruption insurance and disaster recovery grants	Insurance Lines, Disaster Recovery Plans
Business Law				
Changes in federal regulations the directly impact product or	Adaptability	Adjusted marketing and sales — sold candies in deserted bars and via mail orders	Regulatory compliance resources and online sales platforms	Regulatory Compliance, Law Resources

materials (e.g., Prohibition, sugar rations)				
Marketing				
Shifts in Social Trends that impact customer behavior (Depression and less Social Activities and Spending)	Customer focus	Created flexible marketing strategies and multiple sales channels	Digital marketing , e-commerce, and social media advertising	Marketing strategy, Customer behavior
Innovate to find Customer Need (Innovative Product – bourbon balls)	Innovative	Developed the bourbon ball (new product idea), blending tradition and novelty to attract customers	Innovation hubs , product development incubators , and crowdfunding platforms	Competitive Advantage

While the name suggests the treat may be intoxicating, the actual alcohol level is far below any effective dosage. “While bourbon balls contain genuine bourbon, the amount per serving is usually minimal. A standard recipe calls for about three or four ounces of bourbon to make between 24 and 36 servings (one ball equates to one serving), resulting in a low dosage of alcohol.

To put this into perspective, a typical neat serving of bourbon (no ice or mixers) is around two ounces. With only four ounces of bourbon distributed across so many balls, each contains less than 0.1 ounces of the liquor, well under the standard drink in the United States (which has about 0.6 ounces of pure alcohol or 1.5 ounces of liquor). You would need to eat half a batch, roughly 12 to 18 bourbon balls, to consume the equivalent of a single shot of alcohol — and that's a lot of noshing in one sitting,” (Melady 2024).

Non-Tasting Alternative- If student needs or other conditions make tasting impossible, instructors could consider alternatives such as a constrained product-innovation exercise. For example, students could be asked to improve candy product packaging to meet particular environmental or cost demands.