

LEAD

75 Reasons to Be Glad You're an American Entrepreneur Right Now

BY MICHAEL S. HOPKINS

Here's our tally of the diverse ways the culture, the economy, and entrepreneurship's own history are combining to make this a great time--the best time, in fact--to be building a business.

Number 1

Because things are changing, still and again. But now the changes are incremental and diverse, not overnight and obvious. Start adding the changes up and themes emerge. You start getting persuaded that, yeah, being an entrepreneur right now is different--is better.

Number 2

Because the stupidity is over. No one talks about "flipping" companies anymore. No one throws too much money at you just because you put "Web," "eyeballs," and "monetize" in the same sentence. No one expects a miracle. So the real miracle--building a real business--gets respect.

Number 3

Because you can be a soloist and an entrepreneur at once.

Number 4

Because you can grow but don't have to.

Number 5

Jim Collins's website (www.jimcollins.com).

Number 6

Better coffee. Easier to find. Now available in every American hamlet (thanks to Starbucks and its spawn) in time for that next all nighter you swore you wouldn't pull.

Number 7

Because it's the quickest path to owning a major league sports team. Witness Mark Cuban's Dallas Mavericks, Paul Allen's Portland Trailblazers, Dan Gilbert's Cleveland Cavaliers, Mike Ilitch's Detroit Tigers, Tom Golisano's Buffalo Sabres, John Henry's Boston Red Sox, and more.

Number 8

Jay-Z. Recently, hip-hop entrepreneur Shawn "Jay-Z" Carter, platinum rap artist and creator variously of a fashion brand (Rocawear), record label (Roc-A-Fella), film company, nightclub, and sneaker line, announced his retirement from recording in order to devote full energy to his businesses. The retirement won't last, but still. "Hip-hop entrepreneur" is the point, and a lot of young people are getting it.

Number 9

Because English is, more than ever, the language of international business. There are more Chinese learning English than Americans speaking it.

Number 10

The Kauffman Foundation (www.kauffman.org).

Number 11

Because we're not rookies anymore. In 25 years of entrepreneurial expansion there have been experiments tried, experiences learned from, discoveries made, and notes taken. Launch a business today and you get shoulders to stand on--you don't have to make it all up from scratch.

Number 12

...Unless, of course, you want to.

Number 13

Because mothers, finally, are allowed. Their many stories can be distilled to a composite voice:

"You don't have to make excuses anymore--and trust me, I've made excuses. About why I had to reschedule a client meeting or not stay for that extra beer or was on a noisy cell phone in what was obviously not an office. Before, I felt like I constantly had to hide my kids--from my employees and investors and, God knows, my customers. But something changed. Including me and what I'm willing to fake. All I know is that lately no one cares anymore if my schedule's unusual or I actually have a family occasionally on my mind. Even clients. They bring it up. They want to work around it. Maybe it's just that more and more of them are trying to work around it themselves--men and women both.

Or I sometimes think that people just got tired of the faking, the pretense of all that 24-7 über warrior sleep-in-the-office crap we all went through. Now we know it's not about style, it's about work. Clients want us for our work. They have no problem with the fact that I actually go home at night. You think that's a small thing? It's not."

Number 14

Herman Miller's Aeron chair.

Number 15

Because you can build a team, your team, at a time when creating communities that nurture and sustain us may be more important than ever before.

Number 16

Because we're not rookies anymore. In 25 years of entrepreneurial expansion we've learned that a family business can thrive while the family survives. There are recipes. You can Google them.

Number 17

Moore's Law--despite anyone who says it no longer applies. We guarantee that tomorrow the computer your company needs will again be faster, better, and cheaper than it is today.

Number 18

Peer groups. More of them. Less formal. Simpler to start (not least because there are simply more peers). The counsel, empathy, and bracing inspiration of veteran fellow travelers can be as close as you decide to arrange it. (Shall we say the local diner, second Tuesday every month?)

Number 19

Because not just your business problems but our social problems, too, are being attacked more and more frequently with entrepreneurship.

Number 20

Because we're not rookies anymore. In 25 years of entrepreneurial expansion we've learned that couples can be partners. There are ways. A whole literature has grown up to help couples circumnavigate the traumas so many early entrepreneurial pairs suffered and thus shape a life that makes real a common and large-hearted dream.

Number 21

Because corporate America's burden of satisfying shortest-term financial performance expectations has never been more crippling.

Number 22

Because even the biggest of the big are copying you. (Watch GE's Jeffrey Immelt trying to turn Jack Welch's cost-efficiency battleship toward risk-taking, market responsiveness, and innovation.) And imitation is the sincerest form of flattery.

Number 23

Because big companies still keep Dilbert in fresh material.

Number 24

Because big companies now ask you a completely different set of questions. Just in the last six or nine months we've been flooded--a fire hose of opportunity. We do virtual concierge services and virtual call centers, so it makes sense we'd see a spike from clients who are

focusing more and more on customer retention, customer loyalty programs, capturing more dollars per customer. The spike is partly just dollars loosening up, but it's more than that. When my board asked me, 'Where's this coming from?' I began to register how differently our prospective clients--all big companies--were approaching us. It used to be: 'Are you stable? How little are you? Are you real?' Now that's gone. No one cares. Instead we see in prospects this greater willingness to turn to small companies for innovative ways to address their business processes. They're fascinated, you can feel it in them personally. You'll be on a sales call and they'll be asking, 'What are you doing?' 'What's new?'

They're sending people to study us. There's this greater curiosity to hear from you and learn. We're a point of interest and admiration now."

Mary Naylor, CEO, VIPdesk, Alexandria, Va.

Number 25

Because we're not rookies anymore. In 25 years of entrepreneurial expansion we've learned that it's possible to be a long-haul entrepreneur with a balanced life, not just an unhealthy, self-sacrificing sprinter.

Number 26

The ongoing work of Peter Drucker.

Number 27

The broadbanded, Wi-Fied, video-enabled, international-boundary-eradicating, cost-reducing, market-expanding, ever-stereophonic, and cyber-educating Internet.

Number 28

Because even the government believes in you now. For years an entrepreneurial company competing for governmental contracts was likely to face high hurdles and low interest. The field has become more level. Now you get to play.

Number 29

Because you don't have to be a charismatic leader anymore, whether you happen to actually have charisma or not. You can choose another style. You can be an antiheroic leader; you can give others room to lead; you can be an organizational architect instead.

Number 30

Angels. More of them. More like you. In 2005 there are 225,000 active angel investors, putting \$22.5 billion in play (up from \$18.1 billion in 2003). In 1996 there were 10 formal angel investment groups; today, at least 200.

Number 31

Because you're not the kind of CEO who's being dragged into court and made into a poster boy (and they are boys) for scandal, greed, and breached ethics. Those are the big-company guys,

the guys with the eight-figure golden parachutes, the guys whose antics have nudged public faith even further in the direction of their opposite number: the creator of the new. (Don't blow it.)

Number 32

Because this time experience counts. There was a time you could raise funds simply because you had an idea related to 'dot-com.' And then the bubble burst, and distrust developed. Entrepreneurs were a little suspect. And why not? Everyone felt misled. But that period has run its course; you could feel it fade in the last year and a half or two, and people are now turning to entrepreneurs as the fabric of the economy--the real engine of growth--but in a more measured way this time, which is healthier. Today, you have to have a solid value proposition, plus not just a theory but some experience, some work.

What's good, though, is that if your business has that kind of story, people really want to hear it. In my company, for instance, we've always been trying to prove a real business model, and now people want to hear what we've really done--the ups and downs, the pitfalls, what we've learned. We lay it out. It's real. And there's a whole new appreciation for that kind of approach. Which makes all the difference."

Joseph E. Fergus, CEO, COMTek, Chantilly, Va.

Number 33

Because no one is against "the ownership society" anymore. Republican or Democrat, right wing or left, the term has become just a part of the language--and now everyone in government feels pressure to get behind it. Putting everyone, from all sides, on the side that's yours.

Number 34

The rise of entrepreneurship education. Classes proliferate. Programs proliferate. Demand for teaching exceeds the supply of teachers. At the university level, funded chairs in entrepreneurship are being established faster than they can be filled.

Number 35

Because a brilliant program called the National Foundation for Teaching Entrepreneurship--the brainchild of onetime schoolteacher Steve Mariotti 20 years ago--has thrived. Businesses are being built by kids. More than 100,000 of them.

Number 36

Money. Venture funding is up, angel investing is up, private equity backing is more available, even big corporations are putting more resources into VC-like research and development programs. There's capital out there. It needs you.

Number 37

EBay--which has provided millions of people with a real-time, honest-money correspondence course in market economics. (And made it fun.)

Number 38
jetBlue.

Number 39
StartupNation, a weekly syndicated radio show for entrepreneurs.

Number 40
Because entrepreneurship is a way out, a way through. In processing interviews in New York City Family Court, kids still say they want most to be NBA basketball players--but the second most commonly stated goal is "to be an entrepreneur."

Number 41
Because one-to-one marketing still works better for small businesses than big ones.

Number 42
Formal peer groups, too. The Entrepreneurs' Organization (which was the Young Entrepreneurs' Organization before changing its name in June) now boasts 550,000 members in 120 chapters in 40 countries.

Number 43
Because it's still easier to balance your life when you own a successful business. And more people than ever wish they could arrange that balance for themselves.

Number 44
Because in the '70s you could differentiate and build a business by inventing something that big companies weren't brave enough or visionary enough to try (Apple Computer). And you still can.

Number 45
Because in the '80s you could differentiate and build a business by enriching your products and services with information, establishing a bond with customers no corporate competitor could match (Smith & Hawken, The Body Shop, Ben & Jerry's). And you still can.

Number 46
Because in the '90s you could differentiate and build a business by blowing up and reinventing sales channels in ways established corporations will never be flexible enough--or structurally divorced enough from the status quo--to attempt (Dell, Amazon). And you still can.

Number 47
Because in every decade you could differentiate and build a business by running an organization in strange new ways, unleashing yourself and your people by sharing equity or opening the books, or putting authority in the lowest hands, or experimenting with heroically

unconventional environments, or leveraging teams, networks, and alternative workstyles, or by embracing any of a hundred other managerial strategies of unexpected provenance. And big-company managers, unlike you, still can't.

Number 48

Because, bizarrely, even Simon Cowell has spotted the bandwagon. In development is The Million Dollar Idea, a reality TV program by the American Idol producer, in which nine contestants will each get \$50,000 in seed capital to launch a venture, with the winner being decided by America's vote.

Number 49

Because the paper isn't blank--and copying is encouraged. This is Todd Harff, president of Creating Results Strategic Marketing in Occoquan, Va.:

"I don't have time to make all the mistakes myself, and I'm too impatient not to capitalize on other people's ideas. That's all good, though, because of how it's gotten so much easier to learn from the history and mistakes and proven ideas of others. That's why I like being in TEC [The Executive Committee, a peer group and counseling organization]. And the Internet, too, has enormously altered how easy it is to research articles, case studies, and management ideas. When you're hitting your head against the wall, you almost always can find out about someone else who hit his or her head against the same wall and figured out an answer. It gains you a lot of ground fast."

Number 50

Because once it was unions that looked out for workers. And now, if you're good, it's you.

Number 51

Because once it was schools that effectively ushered outsiders into U.S. economic life--preparing immigrants and the unfortunate. And now, if you're smart, it's you.

Number 52

Because so many of the changes that bring opportunity also pose threats. Vanishing borders, technological enfranchisement, the ascendancy of ideas over resources--trends that enable everyone to compete with everyone--are the kinds of developments that will benefit those who capitalize on them, but will swamp those who don't. Entrepreneurs are positioned to do the capitalizing.

Number 53

Because Kathy Ireland (who sells a billion dollars' worth of clothing and home furnishings a year) and Christy Turlington (who has started three businesses) can be your role models. Used to be, it was plenty for better-seen-than-heard fashion models to claim aspirations to acting. Now even wanting to direct isn't enough. Today it's about launching a business.

Number 54

Or George Clooney, if that's more your style. He and three partners have announced plans to open a Las Vegas casino.

Number 55

The Small Business Administration, which despite whatever politics surround it continues to lend business owners increasing amounts of money. Through the third quarter of 2005, lending through the SBA's 7A program was up 19.5% over 2004. And 2004 was a record year. As were 2003 and 2002 before it.

Number 56

Because nowadays even companies that aren't entrepreneurial want to appear to be. Big beer producers label fake microbrews and airlines invent brands that look "independent." Why the dissembling? Seems consumers don't trust the big guys so much. Consumers trust you. (Again we say: Don't blow it.)

Number 57

Martha Stewart. Seriously. Remember when she was merely the doyenne of taste, content to help us put style into our lives? Now comes (to your local bookstore soon) Martha's Rules, not an autobiography but "a handbook for developing a business from scratch utilizing advice and expertise from the woman who built a billion-dollar brand by turning a great idea into a well-organized, well-run, creative, and debt-free company in just a few years." Now Martha wants to help us put entrepreneurship into our lives. Call it the mega-mainstreaming of entrepreneurship.

Number 58

Any or all of the ever-multiplying websites that can put us into hotels, airplanes, theaters, or rental cars in seconds--and cheaply.

Number 59

Your iPod--Steve Jobs's personal object lesson in the market-moving power of design, the kind of design that any daring entrepreneur (unbridled by committees, convention, or consensus) has the freedom and authority to attempt.

Number 60

Because it's still the likeliest, fastest, and best way to get rich.

Number 61

Because you can decide, if you want, that getting rich is beside the point and focus instead on accomplishing something else entirely.

Number 62

The BlackBerry

Number 63

Because fortune favors the brave--more than ever. In the words of serial company founder and strategic planning consultant Lanny Goodman, of Management Technologies in Albuquerque:

"The risk of making bold moves is less than it's ever been. The traditional risk-reward equation has flipped. It's maintaining the status quo that's dangerous now. Strategy, products, services, organization design, whatever--it's not breaking the mold, not adapting to new opportunities, that will hurt you. Think about it: We've been running our companies with a set of assumptions and tools that are a hundred years old. They were developed by some very bright and capable people, but it was a time when capital was scarce and expensive and talent was plentiful and cheap. Today just the opposite is true--and the old tools don't work anymore. Doing almost anything that breaks the legacy of 'check your brain at the door and do what we tell you to do' is likely to be an improvement. And is there anyone better positioned to break that legacy than an entrepreneur?"

Number 64

Because it's possible, if Scott Cook, founder of Intuit, is right, that simplicity is the virtue consumers now seek above all others. Simplicity in products, in business relationships, in services. Don't keep adding features, capability, complication, Cook hears them saying--make it easy for me. Give me only what really matters, what I really need. Make it simple, and I'll pay you for it. And big companies, so full of people whose job is to add something, have a hard time with simple. Simple requires a breakthrough. Simple is entrepreneurial work.

Number 65

Because as Drucker famously said, just because a thing has been done doesn't mean it's been invented. To be invented, a thing has to have been done over and over; it has to have been replicated. Entrepreneurship, finally, has been invented. Reinvented, in fact, though...

Number 66

...that doesn't mean it won't be reinvented again.

Number 67

Because the best and brightest in the pool of potential employees find you more attractive than at any time before.

Number 68

Because it's not for everyone.

Number 69

Because, despite that, anyone can try.

Number 70

Because customer service, despite the years of lip service and the scripting of client "care"

interactions, can offer entrepreneurs a larger competitive advantage than ever. When I was a carpenter in a crew and only imagining my own business, I looked forward to the client contact--working with customers one-on-one to solve their problems. I knew I would like it, but I had no idea it would be as rewarding as it is, or that we'd be stepping up to it at a time when customer service in our everyday lives is so bad in spite of all the management BS over the years. Technology in particular seems to have turned customer service into a line of happy talk and useless phone trees instead of anything like real service. So now real service is valued more highly than ever. People crave it, which makes everything about our work better. Our customers have become friends. You get so much in return for serving them well. They're so good at referring us--and only to people they think are 'our kind' of job--that we don't even market or do bids anymore. Giving great service turns into job security, and quick payments, and working relationships that enrich your days."

Noel Ripley, co-founder, Ripley & Thorne Construction, Hingham, Mass.

Number 71

Because, if your company does well enough, you're virtually guaranteed a book deal.

Number 72

Because this list is incomplete and could extend longer if that would be seemly.

Number 73

Because of some reason spectacularly your own that you too rarely acknowledge. Take the occasion to name it. (And if you don't mind, send it to us: mail@inc.com.)

Number 74

Because, again, when the reasons are accumulated, we can see themes. It's good to be an American entrepreneur right now because of how universally accepted being one has become; because of the unprecedented availability of help; because so many barriers to competitive entry have fallen; because the basis for competition is no longer resource-richness alone; because more than ever a natural competitive advantage accrues to those practicing long-term commitment over short-term fix. Because it costs less and yields more. Because an increasingly anxious and chaotic, sometimes indifferent, and usually uncontrollable world keeps presenting new day-to-day problems, and being an entrepreneur keeps being the best day-to-day solution.

Number 75

Because, in the end, being an entrepreneur is more than ever the way you can choose your path and find the deep satisfaction of walking it. You can earn your days without being beholden. You can make something, affect the world, leave something behind where once nothing stood. You can turn work into meaning for yourself and for others. You can be proud. You can leave a wake. Come good or ill, you can assume responsibility for yourself, and be

whole, and be who you were meant to be.

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