

Catching the entrepreneurial spirit

By Wade See

Many people dream of owning their own business — of being their own boss. From Henry Ford, to Sam Walton, to the tired old man who shuffles to his family store everyday only to listen to the dull ring of an empty cash register, men and women have risked their life's savings, and sometimes their lives, in order to make it big, or to just eke by in the world of business.

Texas A&M University students are not immune to the entrepreneurial bug. With every new event and trend comes another T-shirt. There are always sunglasses, posters, key rings and flowers on sale in the MSC, and the number of businesses jammed into the confines of Northgate increases every year. Each business competes viciously for the students' loose dollars. Some win, most lose.

Students can learn more about the entrepreneurial spirit through a campus club, the Society for Entrepreneurship and New Ventures (ENVE), says Jeff Prevost, ENVE president. ENVE was created to give students advice about going into business and assuming the risks and gains associated with it.

"We're not there to baby the kids," he says. "It's their show. We're there to provide them with information as needed."

ENVE also acts as a club sponsor for members wanting to sell on campus. In order to sell anything on campus, it must be associated with a campus club.

Vicki Greene, conference coordinator, says the first step to selling anything on campus is to come to the scheduling office in Rudder Tower to fill out a concessions permit. She says they also need to see a sample of what the student plans to sell. It must be in good taste, she says.

Prevost says selling on campus takes more than just getting a permit. Sellers need to know their market and predict trends.

"Many people go out of business because they didn't foresee the environment," he says. "A&M is a very particular environment."

He says students pay close attention to detail. Sometimes sellers forget to dot their i's and cross their t's on their T-shirts, and they have a hard time selling them.

Most of the ventures that ENVE members undertake begin small. Prevost says they usually start with \$50 to \$60 worth of merchandise and then re-invest profits back into the business. T-shirts are the most cost-consuming ventures, he says.

"The spirit of what we're doing is that there are a lot of ways of going into business without going to a bank and asking for a major loan," he says.

Prevost describes two types of entrepreneurs — those who have money and those who don't. The "don'ts" have to be more creative to get it, he says. It's harder to start ventures with little money, but that makes it

more challenging, he says. What distinguishes an entrepreneur from everyone else?

"It has to come down to self confidence," Prevost says. "(Working for someone else offers) no big chances of zipping up, and no risk of losing everything. A stable income appeals to a lot of people.

"An entrepreneur doesn't like to work for another person. The thing about working for yourself is that you answer to no one but yourself. (In big business), if you work 10 times as hard, you're not going to get paid 10 times as much. When you work for yourself, there is a greater chance of direct rewards. The chance of failure is greater, but so is the chance of success."

While many people look upon entrepreneurs as compulsive gamblers, Prevost says calculation is the key difference between the two.

He says gamblers thrive on risk and don't know when to stop. A successful entrepreneur is different.

"If pulling out is better, then giving in is also part of the entrepreneurial spirit," he says. "Sometimes a gambler doesn't know that. He does risky things without calculating them. An entrepreneur has to calculate or he will be a very poor entrepreneur."

He says running a business is hard work, and it's not always rewarding.

"We would rather accept a few failures to accept the rewards we get in the long run," Prevost says.

Beside being a good source of learning, entrepreneurship is vital to the nation's economy.

George Rice, ENVE adviser and professor of management, says entrepreneurship is the source of all business.

"All big businesses were once small businesses," Rice says. "It was all started by someone. In the beginning, it was entrepreneurship. Without that, where would we be?"

"Somebody has to have the dream. Somebody has to have the willingness to risk his life's savings and his energy and perseverance to put something together and make it run."

Students join ENVE to experience entrepreneurship, but it can also help them if they want to work for someone else in the future.

"Entrepreneurship is aimed at starting an ongoing business," Rice says. "It's not aimed at preparing you to work for someone else. However, if you know how to run your own

OLD-TIME SNO-CONES



Photo by Mike Mulvey

J.D. Joyce, a senior political science major, formed his own snow cone business five years ago.

business, you ought to know a little bit about helping to run someone else's. Running your own business is probably the best training you can get to become a manager of any kind."

Several government programs have been developed to help entrepreneurs make a go of it. The Small Business Administration (SBA), the Service Corps of Retired Executives (SCORE), and, locally, the Small Business Development Council (SBDC) and the Chamber of Commerce all work to make business start-ups more successful.

SCORE is made up of retired businessmen and entrepreneurs who are knowledgeable about starting and running businesses. It conducts two seminars a month on the fundamentals of starting a business, covering topics such as things to look for in a lease, hiring employees and finding a location and a market.

Sydney Schachtmeister, a SCORE volunteer, says the first thing he tells clients wanting to start a business is to go to a SCORE seminar.

The first order of business should be in securing the appropriate permits, he says. Every retail store needs to register its company name, get an Internal Revenue Service number and get a state sales

tax number. Some businesses may require special permits and licenses.

Lack of a business background and poor store locations are common pitfalls trapping new entrepreneurs, Schachtmeister says.

"If you don't locate your business where there are compatible businesses you're going to starve," he says. "You can't locate a dress shop where there are factories just because the rent is cheap."

Many people come to Schachtmeister with the idea of starting a restaurant, and he asks them what experience they have.

"They say, 'My wife has cooked for 27 years,' " he says. "I ask them what has that got to do with the restaurant business?"

People starting businesses must also consider pricing, inventory control, money control and lease negotiation.

Schachtmeister says the first thing a person should do is hire a lawyer and an accountant familiar with retail business. Setting up the business's books is important, he says.

"Everything depends on books," he says. "You have to know where you stand."

One of Schachtmeister's clients was doing \$20,000 worth of business a month and losing money. The client had not kept any record of his inventory and had let his employees order more as they



Photo by Fred D. Joe

Billy Moreland demonstrates the use of a video camera that can be rented from his store, It's Showtime.