

ENTREPRENEURSHIP

With increased awareness and resources, entrepreneurship is becoming an increasingly attractive option for women.

WHAT IS ENTREPRENEURSHIP?

An entrepreneur is a person who has possession over a company, enterprise, or venture, and assumes significant accountability for the inherent risks and the outcome. More and more women are considering entrepreneurship as an alternative to more traditional occupations as entrepreneurship (1) allows women more freedom and control over their schedules and (2) allows them to pursue personal passions and dreams.

WOMEN ENTREPRENEURS

- Between 1977 and 2002, the number of women-owned businesses in the US increased 834% with 6.2 million women-owned firms in 2002!
- The Center for Women's Business Research also says that 10.1 million firms are 50% owned by women and these firms represent 40% of all privately held firms.
- Every 11 seconds a woman leaves corporate America to start her own business.

WOMEN ENTREPRENEURS SUCCESS STORIES

- **Mary Kay Ash, founder of Mary Kay Inc:** Originally a door to door saleswoman, Mary Kay Ash quit her desk job at Stanley Home Products after 25 years and started her own small beauty consulting firm in 1963. Today, Mary Kay Inc. has over 350,000 consultants and earns over \$1 billion a year.
- **Sara Blakely, creator of Spanx:** After graduating from FSU with a degree in Communications and \$5000, it took Sara Blakely only four years to create a \$150 million empire. After being turned down by several manufacturing mills who told her that her project 'made no sense' and 'would never sell', Blakely persisted until her product was featured on Oprah, The Tyra Banks Show, CNN and more and she was named Ernst & Young's 2002 Entrepreneur of the Year.
- **Maxine Clark, founder of Build-a-Bear Workshops:** After 20 years of retail experience with various companies, Maxine opened her first store in St. Louis in 1997. There are now 200 Build-a-Bear stores nation-wide.

ENTREPRENEURIAL MYTHS

- **Myth: Most entrepreneurs take large uncalculated risks starting a company.**
Truth: Most entrepreneurs are still risk-averse, just less so than others. Still, entrepreneurs work to share risk with others such as employees, suppliers and customers.
 - **Myth: Most successful companies feature breakthrough technology.**
Truth: Two thirds of companies on the Inc. 500, a list of the 500 fastest growing companies compiled by Inc. magazine, are *not* technology based. Most successful companies are simply based upon better execution of known products or services.
 - **Myth: Most successful entrepreneurs have extensive track records/experience.**
Truth: 40% of Inc. 500 founders had no prior experience and 33% were unemployed.
 - **Myth: Most successful entrepreneurs start with millions in venture capital.**
Truth: Venture capital is focused more on research and development for Biotechnology and internet firms. In 1999, only 4,000 of the 700,000 startups that year received venture capital. Instead, most entrepreneurs rely on their personal savings, credit cards and their families.
 - **Myth: Entrepreneurs are born not made.**
Truth: Like anything, entrepreneurship is a discipline, and knowledge can be acquired through models, processes and case studies.
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FINDING CAPITAL

- **Venture Capital Funds.** Venture Capital Funds are a type of private equity capital typically provided to immature, high-potential growth companies.
- **Isabella Capital.** Inspired by Queen Isabella of Spain who invested in Christopher Columbus, this capital funding focuses on early stage women-led companies and companies in women-aimed markets. Learn more at www.fundisabella.com.
- **Springboard Enterprises.** The mission of this organization is to (1) accelerate women entrepreneurs' access to the equity markets, (2) promote the success of companies fostered in Springboard, and (3) increase equity investments in women-led ventures. Learn more at www.springboardenterprises.org.
- **Other organizations to consider:** The Glass Hammer; MBE Capital Call; Capital Connection; ACCION USA Small Business Loans; Women's Economic Ventures; WomenBiz.gov

ENTREPRENEURIAL STAGES

- **Stage 1: Getting the idea.** This is more a process than an outcome. And, it is important to be realistic about your ideas. Although an idea may be interesting it does not necessarily represent a good opportunity.
- **Stage 2: Getting Founders' Commitments.** Finding 2-3 co-founders is necessary at this point so as others are invested in the success of this venture with you.
- **Stage 3: Quit your Day Job.** Stop thinking, start doing. Without an income, your incentives to act increase dramatically. Just remember, don't burn bridges when you leave, entrepreneurs should keep all the contacts available to them!
- **Stage 4: Create the Business Plan.** This is an important analytical tool.
- **Stage 5: Fill in the Management Team.** Networking becomes important as you try to attract talent.
- **Stage 6: Raise Your Starting Capital.** Consider above-mentioned options.
- **Stage 7: Cash in the Bank.** Sign legal contracts with investors to make things official.
- **Stage 8: Find a Home.** Location, location, location! Also consider size, rent and image.
- **Stage 9: Starting up.** Stage of great risk, find staff and begin to produce your product.
- **Stage 10: Finding Secondary Capital.** Leverage your company's equity and raise cash to inject funds into your firm. Marketing and branding is very important here.
- **Stage 11: Launching the Product.** Culmination of all your hard work!

CHARACTERISTICS OF AN ENTREPRENEUR

- Commitment and Determination
- Leadership
- Opportunity Obsession
- High tolerance for risk and uncertainty
- Creativity and adaptability
- Motivation to excel

GAINESVILLE RESOURCES

- **Center for Innovation and Development Incubator:** *Supports entrepreneurs through access to business development resources, shared office space, administrative and technical support, and available professional meeting space.* (<http://www.sfcollege.edu/cied/entinc.shtml>)
- **UF's Center for Entrepreneurship and Innovation:** *Information on Entrepreneurship Events in Gainesville and Graduate-Level Small Business Consulting.* (www.cba.ufl.edu/fire/entrepreneurship/)