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Karmaloop,
with some
of his avid
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BusinessWeek SmallBiz



WINNING
HAND
page 30

FRONT LINE

27 A Whole New Hill

What the Democrats' midterm rout means for small business

29 Bankers Aweigh

Banks may love small biz, but entrepreneurs say the feeling isn't mutual

30 Play Nicely, Now

Skunk Studios finds that not everyone wants shoot-'em-up video games

31 A Prize Outlook

Nobel winner Edmund Phelps on entrepreneurs' place in the economy, at home and abroad

32 Star Search

How to get a celebrity to use your product—and tell the world about it

34 Loan Survivor?

The SBA 7(a) program, a boon to entrepreneurs, needs a boost

35 Knockoff Central

Even companies savvy about doing business in China have to worry about counterfeiting



POOL
PARTY
page 78

36 How Big is Small?

The SBA is about to change rules on which government contractors qualify for small-business set-asides

36 Retiring Ways

Women entrepreneurs aren't nearly as prepared for their golden years as their male counterparts, an online survey finds

38 Whiz Kids

Under 25 and raking it in: A chat with winners of BW Online's Best Entrepreneurs Contest

42 Wait Till Next Year

What the experts see for small business in 2007: More mergers, a rush of online expansion, and no relief in health-care costs

COLUMNS

20 Family Inc.

Encouraging family business leaders to see themselves as resources

22 Digital Manager

Thumb-thing good: Flash drives have morphed into virtual mini-laptops

24 Jump Start

Great leadership means clear focus, eloquently conveyed to the ranks. How to achieve it

DEPARTMENTS

14 Feedback

Reaching into the mailbox from the Fall 2006 issue

18 Editor's Memo

Listening to customers—yours and ours

35 One Thing

Even the Trumps of the world can lose focus. The Donald is wiser now

78 First Person

Like father, like son: James Murdock owes a lot of his success at Endless Pools to Dad's creative streak

79 Net Worth

ChinaSprout is focused and profitable, but can it grow and stay that way?



DEAR SANTA... page 80

80 Gift Guide

Visions of guitars, woodworking courses, and other goodies dance in entrepreneurs' heads

82 Time Out

Entrepreneurs are natural creators. So are musicians. Hence the many business owners who play in bands

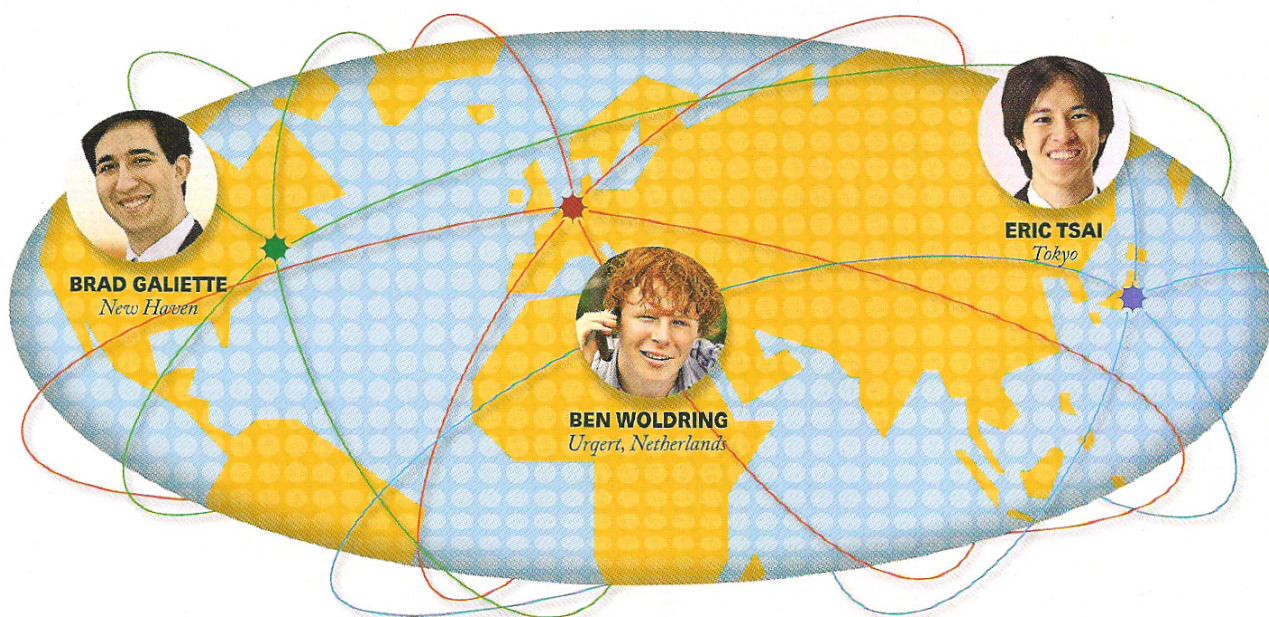
87 Bookshelf

Megaretailing hurts small companies, Stacy Mitchell writes in *Big Box Swindle*. But you can fight back

88 My Office

Wherever there's a Civil War reenactment, Joe Hofmann is surely nearby

(TOP) ROGER HAGADONE; (BOTTOM) BILL CRAMER/WONDERFUL MACHINE



STARTUPS

SmartYouth.com

BW'S UNDER-25 STAR ENTREPRENEURS **BY JEREMY QUITTNER**

THIS YEAR, BUSINESSWEEK ONLINE'S second annual Best Entrepreneurs contest searched the globe for entrepreneurs under the age of 25 in North America, Asia, and Europe. The winners, chosen by Web site readers, all see the Internet as the place to stake their claim. Brad Galiette founded Polaristar, a profitable online advertising, marketing, and hosting service, from his dorm room at Yale University in 2003. Eric Tsai jumped ship from an investment banking job to start listings site eriQoo.com in Tokyo in 2006. Ben Woldring, who lives in Utrecht, the Netherlands, is the veteran of the group: He dreamed up Bencom, a comparison site that helps consumers find the best rates for cell-phone plans and utilities, when he was only 13. Here the three winners talk with Staff Writer Jeremy Quittner.

Q: Did you always want to start your own business?

BG: I grew up during the tech boom of the 1990s, and I became intrigued by the interplay between technology and business. I entered a lot of student

technology competitions, including ThinkQuest, where teams created educational Web sites. When I got older, I wanted to translate what I was doing into the real world by starting a business.

ET: I was a trader in fixed income at Credit Suisse. They wanted to send me to Hong Kong, and I wanted to stay in Japan. My only option was to jump to another company or start my own.

BW: I think you have to have entrepreneurship in your blood. I started my company at the beginning of the mobile-phone phenomenon, when everyone in Holland wanted a mobile phone.

Q: Did the dot.com boom and bust affect you?

BG: I found it exciting. For the first time there was an area of innovation where you needed mainly intellectual capital. It was easy to take a concept and run with it. The general public could go to their computers and see what the excitement was about. I was

exploring the new technologies and wondering how I could contribute to the innovation of my time.

ET: I knew about Yahoo!, and what inspired me was that its founder was Taiwanese. I did not know too much about what they did or how they made money. Then I went to the U.S. and used the Internet a lot. My father had investments in Internet companies, and when they collapsed, a lot of our assets disappeared. I realized this industry is high-risk and high-return, and I started thinking about my own company.

BW: I started my business in 1998, before the hype. I was dealing with telecom providers, and it was the first time they had advertised on the Web. I had a lot of contracts for one year. Then the bubble burst and many of my advertisers went bankrupt or had financial troubles.

Q: How did your own companies come about?

BG: In 2003, online advertising started to grow again. It was mostly search ads, and I started thinking that display ads might have a promising revenue model.

ET: I looked to Yahoo and Google and realized that they were portal sites that focus on search engines that give you some direction. So my company aims at giving people answers.

MAP BY ALBERTO MENA/BW; PHOTO BY (WOLDRING): STUDIO PLUS

BW: I was really interested in mobile telephony. I saw what a jungle it was when I went with my father to search for the best mobile plan and prices. I thought if this was published on the Internet, it would be clear for everyone, and I could make money with it.

Q: Do you think your individual countries support entrepreneurs?

BG: Even though it may be harder for younger people to get credit, we live in a nation where anyone who wants to start a business can. The financial infrastructure is there, and there are loans and lines of credit with interest rates that are low enough to make it possible. I think it is really possible to live the American Dream.

ET: In Japan, large companies dominate the market, and it is very hard to fight against them. But small ventures are popular, and there has been a boom in entrepreneurs in the Internet industry.

BW: Dutch people are really tradesmen and entrepreneurs. But we are not like the U.S., where many people have that American Dream to start their own business.

Q: Do you have mentors? Where do you go for advice?

BG: I pretty much forged ahead on my own. A lot of what I've learned came from teaching myself from a number of resources, mostly books and online sources. I read business publications and watched business shows. My father and I have a really good relationship, and he is general counsel for the company. I also learned a lot from ThinkQuest and some of my high school teachers.

ET: I go to my father. When I described my idea for the company to him he did not have much knowledge, as this industry is quite innovative for a guy who is close to 50. But he was able to give me advice on managing a company because he has an auto parts company.

BW: There is a network of top entrepreneurs in Holland, from owners of Internet businesses to cheese farmers. We get together a few times a year.

Q: What will your business look like in 5 to 10 years?

BG: I'm setting up the company in product groups and see it expanding through the groups. I hope to hire managers for those groups who will also come up with ideas to grow Polaristar. I'd like to take this as far as it can go.

ET: I would like it to become a holding company that might include a real estate business and possibly a cell-phone provider or finance company.

BW: Digital TV is an upcoming market in Holland, so we may also add this to the comparison site. We've already expanded into Belgium but are looking at moving into other countries.

@SB For more on our Under 25 contest, see businessweek.com/go/sb/under25