

The Harvard Entrepreneurs Club
Guide to Starting
Your Own Business

The Harvard Entrepreneurs Club Guide to Starting Your Own Business

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**The Harvard Entrepreneurs Club Is a Recognized
Student Organization of Harvard College**



JOHN WILEY & SONS, INC.

New York • Chichester • Weinheim • Brisbane • Singapore • Toronto

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Published by John Wiley & Sons, Inc.

Published simultaneously in Canada.

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Library of Congress Cataloging-in-Publication Data:

The Harvard Entrepreneurs Club guide to starting your own business /
Poonam Sharma with chapters contributed by Ngina Duckett . . . [et al.].
p. cm.
Includes index.
ISBN 0-471-32628-3 (pbk. : alk. paper)
1. New business enterprises—Management. 2. Entrepreneurship.
3. Success in business. 4. Small business—Management.
I. Sharma, Poonam, 1977- . II. Duckett, Ngina. III. Harvard
Entrepreneurs Club.
HD62.5.H3739 1999
658.4'21—dc21 98-39057

Printed in the United States of America.

10 9 8 7 6 5 4 3 2 1

To Renu and Amba P. Sharma:

We've come a long way, Mom and Dad, and I hope I've made you half as proud as you have made me. But we're just getting started, right?

Preface

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Quite some time ago I began to notice a nationwide trend of college students starting their own businesses. It has been clear for a while that there is a wealth of technical knowledge and enthusiasm coming out of academia. Many successful start-ups in the computer and mass information sectors have been launched by college students and recent graduates, and this is why the phrase “the new Silicon Valley” has been coined to describe the creativity and innovation boom sweeping America’s college campuses and taking the corporate world by storm. But I do not attribute the creativity and enthusiasm boom solely to computer wizards and hard-core science majors. On the contrary, it seems pretty clear to me that college students and recent college grads from all walks of academic life (and a broad range of personal interests) have been able to start their own businesses as well.

For over a year, I have had the pleasure of serving as a director of the Harvard Entrepreneurs Club (HEC). In this position, I have been exposed to all manner of entrepreneurship, and I have become keenly aware of the interest students show in the weekly speakers that the club invites to campus. I began to think that this interest was sure to be evidence of a larger trend.

A little research proved to me that there is substantial interest in entrepreneurship all over the country among the college-going population. *Inc.* magazine’s March 1998 issue, for example, showcased stories of college students in the process of starting successful businesses. It turns out that there are numerous courses, programs, contests, and clubs that promote entrepreneurship. As interesting and well-intentioned as these programs are, however, they are also usually highly competitive, and do not provide the average college student with a good idea. And there are even fewer outlets for recent college graduates seeking advice on how to get started.

That is when the idea for the *Guide* came to me. In researching other available books and literature, I found that there existed no single manual aimed exclusively at college students and recent grads (i.e., younger people). There are how-to books on starting your own business written for women, minorities, people in Arkansas, people working from home, people on a strict budget, and so on, but no books for the average college kid or recent graduate with a lot of enthusiasm and an innate disposition

toward the entrepreneurial spirit. My fellow members of the club board were extremely supportive in this effort, telling me to go ahead and give it a shot. The *Guide* ended up being an exercise in entrepreneurship for me, since I started with an interesting idea, a lot of excitement, and no knowledge whatsoever of the publishing industry. Today, I have arrived at the book you hold in your hands. The process of writing book proposals, outlining chapters, selecting contributors, speaking with publishers and editors, and finally seeing the dream come to fruition has been enormously enlightening, fulfilling, and rewarding.

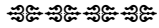
Entrepreneurship has always been close to home for me. Mom earned her master's degree in economics, and Dad in mechanical engineering. Together they have started businesses ranging from restaurants to real estate, from electrical contracting to assisted living. And there are always more ideas in the house than there are hours in the day. My parents truly are the best examples of entrepreneurship I have found to date, and they make me prouder than they will ever know. Growing up in this environment has been the best exposure to the spirit of entrepreneurship I could ever have asked for. That is where my interest began, and that is where the fuel for this book originated.

Were it not for the encouragement of the executive board of the Harvard Entrepreneurs Club, and of Dean Archie Epps, Susan Cooke, Mike Hamilton at John Wiley & Sons, genuine friends and family who share my joy, and above all, Mom, Dad, and Kavita, this task never would have been accomplished. And of course, eternal thanks to Phillips Exeter, for helping form me intellectually. Taking the time to list everyone whose support has meant so much would fill a book. I thank each and every one of you wholeheartedly. You know who you are.

This book is devoted to the spirit of entrepreneurship. It's not about the money, the power, or the fame. It's about the rush of seeing a dream through from start to finish, and ultimately having no one to thank more for it than yourself.

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Carsten is Vice President of Publicity for the Harvard Entrepreneurs Club.

Greg Tseng Chapter 7, “The Faces of Success”
Class of 2001, Physics and Mathematics

Greg is a director of the Harvard Entrepreneurs Club, and has been inducted into the National Gallery of Young Investors.

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Foreword

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Life, as we all know, is unpredictable. Even the best-laid plans fall apart in the face of reality. Better than a rigorous step-by-step strategy, is a vision, an image of goals—but one whose details get filled in step by step as reality is confronted. I speak here from experience; each and every advance I or my company has ever made has been the result of taking small steps we had not previously anticipated.

Presumably you've picked up this book because you want to start your own business, and you're looking for "how to" guidance. Good first step! *The Harvard Entrepreneurs Club Guide to Starting Your Own Business* is a hands-on overview of Entrepreneurship 101. Originally written for college students, the guide has found a much wider audience among aspiring business people determined to make it on their own. The authors, Poonam Sharma and the Harvard Entrepreneurs Club, have drawn a comprehensive outline of the issues and fundamentals of startup entrepreneurship. Here for the budding entrepreneur is information on all the essentials she or he needs to achieve ambitious company creation goals.

The guide is targeted at young entrepreneurs. But this age refers to how experienced one is in getting new ventures going, not one's chronological age. If you're trying to start a business, do not regard yourself as a kid asking permission to get on the playing field with the pros. Think of yourself as a business person who happens to be just slightly more experience deprived than those already there. You have just as much right to be on the playing field as anyone else. You're just a little late in getting started.

Read this book. And let me give you one other piece of advice as you launch your endeavor: Love what you do! I have enjoyed going to the office every morning of my professional life, and have welcomed the opportunities and challenges that each new day has brought. If you love your work, and are willing to put forth the effort it takes (and it takes a lot), and maintain the spirit of entrepreneurship, your venture's got to be a success.

Entrepreneurship is about turning vision into reality. It's about taking an affordable, practical, market-worthy idea all the way from first vague thoughts to company name on a letterhead. It's the process of becoming a member of that elite club: Success on your own!

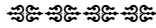
If you regard this book as your mentor, you'll work your way through some of the early hurdles to be faced in the independent business world. It will make you feel like you got great advice from a trusted friend. *The Guide to Starting Your Own Business* is thought-provoking and insightful. It's a must read.

Best of luck.

MICHAEL BLOOMBERG

August 1998

Introduction



We are delighted that you have chosen our book as one of your first stepping-stones to success. The *Harvard Entrepreneurs Club Guide to Starting Your Own Business* was conceived in the hopes of sharing and promoting our belief in the possibility of business soon after (or even before) the bachelor's. We will do our best to encourage and educate our readers as to what entrepreneurship is all about.

We are the children of the 1990s. Current college students and recent college grads grew up watching as the yuppies of the '80s realized the folly of their solely money-motivated ways. We have been warned that for women, the glass ceiling in corporate America still exists. We have been conditioned to expect a 90-hour workweek in the first few years out of college—to pay our dues. And at the same time we have been inspired by the story of Bill Gates, a computer geek who dropped out of college and went on to create and conquer the information superhighway. In this age of individualism, we have been encouraged to express ourselves. All of these influences leave us hungry for independence in our lives and control over our futures.

Are you worried about what will happen to you after college? Do you resent the idea of having to work like a dog after college, just because “that’s the way it is”? Do you see yourself as a creative person whose ideas and motivation should not go to waste? Or do you simply see a good business opportunity that you want to take advantage of? If you answered yes to any of these questions, then this book is for you. Many college students have good ideas that they just don’t try for fear of failing. But the biggest failure, as we see it, is never to have tried. Many recent college grads are dissatisfied in their work, or simply see a good business opportunity but think they are too young to be entrepreneurs. This is exactly the kind of fallacy we want to disprove. Whether you have invented a new software program in your spare time, envisioned a campus pizza delivery service, or identified the need for a job placement agency in your region, your age should not factor into the decision. All you need are the right tools and the right frame of mind—two assets we believe we can provide you with.

We are frustrated by the fact that many bright college students seem to see successful early entrepreneurship as an elusive and unrealistic goal. We don’t believe it is ever too early to be a success. A large part of what makes a good entrepreneur is energy and spirit. Many people have that

energy and spirit in or shortly after college, and we don't think it should go to waste.

The *Guide* is meant to serve as an introductory survey of the steps involved in the process of successfully starting a business. Targeted specifically at college students and recent grads, the book addresses issues such as financing and business plans in a way you can easily understand, and clearly explains the best options available to you. We aim to encourage you, and lay out the issues you must be prepared to concern yourself with as you strive to be a successful entrepreneur.

Background and Purpose of the *Guide*

There is a growing population of entrepreneurially minded college students who don't want to wait until they are older to start making their dreams a reality. Although precise figures are hard to come by, the article mentions that "rather than partying, many college-goers are settling down to serious business" (p. 20). This increased interest in business and entrepreneurship has been met in part, and is evidenced by, the growing number of courses in entrepreneurship offered at U.S. colleges. In 1997, according to *Inc.* magazine, "an estimated 400 four-year colleges and 600 community colleges offered at least one course in entrepreneurship" (Beck, 1998, p. 52).

Many special programs have also been created through universities and otherwise to encourage the entrepreneurial spirit. For example:

- The University of Iowa recently established and began offering a new Technological Entrepreneurship Certificate. This type of program encourages students, and is an example of where today's youth are or would like to be headed.
- The Washington University Hatchery was founded in 1996 by a professor who wanted to give students the chance to learn from and work with local entrepreneurs as mentors in drafting business plans. The plans are then reviewed and evaluated by an advisory board.
- An initiative by Harvard Student Agencies, called the Let's Grow Contest, encourages students to submit business plans in an annual competition. The winner is awarded \$10,000 to be used toward the implementation of his or her plan.
- In 1996 the American Health and Beauty Aids Institute awarded two essay winners from historically black colleges free attendance to its annual Entrepreneurial Leadership Conference.

All of these programs are evidence of the trend, but they do not reach the masses. The important question is, Where is all of this interest in

entrepreneurship coming from? The image of the college dropout with a knack for computers who went on to become a computer industry magnate as well as a household name (i.e., Bill Gates) resonates in the minds of college students eager to come up with equally successful ideas. And it's not just the computer geniuses. Students all over the United States, with ideas ranging from delivery services to mail-order pies, from cutting-edge software developments to research outsourcing, want to make their dreams a reality. But they don't know where to start. The foregoing programs are examples of how established forms of encouraging college entrepreneurs necessarily excludes students who simply want to start businesses in their spare time because they recognize a particular niche or a need for a service in their community that has not been addressed.

Purpose

Many students' ideas remain unrealized because the students are put off by the thought of researching the issues of legality, financing, marketing, and so on, which are necessary in any such endeavor. Until now, there has been no sourcebook tailored to the constraints and obstacles facing these young entrepreneurs. The *Guide* is targeted at this audience, and at promoting the entrepreneurial spirit. Its purpose is to bring together all of the necessary information in one comprehensive manual to hopefully show students that their aspirations are possible, realistically manageable, and worth striving toward.

Audience: The *Guide* is not for everyone. We do not hold your hand and walk you through the entire process of a new business start-up. Rather, we explain to you what entrepreneurship involves, laying out some of the entrepreneur's tools and areas of concern, and tell you the stories of 10 successful entrepreneurs.

The *Guide* is meant for highly motivated people with great ideas and good heads on their shoulders, who are capable of balancing two major responsibilities at once. Starting your own business is a major project to undertake at any age. Being an entrepreneur is time-consuming, and you will have little free time, especially if you are also holding down a job. Before deciding to start your own business, consider the following questions, and answer them honestly:

- Can I devote a lot of time to the business without letting my grades or job performance suffer?
- Will I be patient enough to work on the project for months before it takes off?
- Do I have the people skills necessary to establish a successful business?

In order to start a business successfully in college, you must be a go-getter. Are you up for it?

The Harvard Entrepreneurs Club

We thought that since you have entrusted us with the responsibility of your entrepreneurial education, you would like to know a little bit about us: who we are, what we do, and where we believe we as a club are headed.

History

Founded in 1994, the Harvard Entrepreneurs Club (HEC), which can be reached on the web at www.clubhec.org, represents the first effort on Harvard's undergraduate campus to bring the idea of self-employment into the grasp of students here at the college. The *Unofficial Guide to Life at Harvard* (Halliday, 1997) describes the HEC as "an undergraduate organization devoted to exploring issues of entrepreneurship, business management, and the corporate environment. Our aim is to educate students about business by exposing them to entrepreneurs, executives, professionals and professors through a series of seminars, field trips and social events throughout the academic year. Invited speakers address a wide range of interests (venture capital, MBA programs and recruiting) and represent every industry, from beverages to health care to toys" (p. 62).

We have grown substantially from an original core group of a few pioneering students interested in the world of entrepreneurship to the current mailing list of over 300 students. Since its inception, the Harvard Entrepreneurs Club has made its presence known through weekly seminars showcasing CEOs, financiers, and entrepreneurs. From this base, the club has expanded to offer various workshops and informational sessions on such relevant topics as writing a business plan, financing, marketing, and so forth. Aside from this, we have recently added a series of special events that target members of the local community. We have also promoted social functions that bring together the various business-oriented clubs on campus, allowing members to share ideas and perspectives on critical issues pertaining to the world beyond Harvard.

Mission Statement

What follows is the formal statement of purpose for the HEC, as it has evolved over the years.

HEC: The Voice of Real Business at Harvard

On a liberal arts campus where economic theory and classes are the closest a motivated and curious student can get to the issues of the real business world, there exists a demand for an organization which can help

bridge the gap between the classroom and the boardroom. The Harvard Entrepreneurs Club is devoted to exploring issues of entrepreneurship. Our goal is to act as a resource for students who wish to learn more about business by furnishing links to entrepreneurs, executives, and other professionals through a series of seminars, workshops, field trips, and social events throughout the academic year

The Harvard Entrepreneurs Club attempts to create an opportunity for interested members of the college community at large to share and enhance their understanding of today's business world. We strive to make the best minds and bodies of knowledge available to our members, spanning a broad range of industries and interests. We hope in this way to introduce members to the wealth and breadth of opportunities and avenues which are available for them to explore. We believe that hearing the personal stories of men and women who have succeeded and are succeeding in the business world is crucial to our members' ability to see entrepreneurship as a realistic possibility for themselves. Along those lines, we also try to emphasize the idea of starting your own business. We recognize that companies large and small were started by individuals with an entrepreneurial spirit, and we seek to foster that individualistically entrepreneurial spirit and provide members with the necessary knowledge to pursue their goals. We will work toward accomplishing the goal of reaching our diverse local community through many means: we will be innovative in our projects, creative with our ideas, and above all, informative and substantive in our events. We believe that students from all backgrounds can benefit from the efforts of the HEC, and our challenge will be to dispel the mystery behind business in the real world and make it as accessible as possible to students everywhere.

Executive Board, 1997–1998

Reena N. Rupani	President
Cameron Kinloch	Vice president of seminars
Ngina Duckett	Vice president of activities
Carsten Schwarting	Vice president of publicity
David Park	Vice president of finance
Poonam Sharma	Director
Greg Tseng	Director
Eric Nguyen	Director

Departments

Each department of the HEC encompasses a series of responsibilities and duties. The members of the executive board work with committees of HEC members, to accomplish their goals as stated below.

Seminars: Seminars are the weekly bread-and-butter function of the HEC on campus. We try to maintain variety in the type of speakers we

invite, and have been very successful thus far. During our evening meetings, our speakers are free to address any topics they feel may be relevant to our members. Typically, speakers explain a little about the path they took to rise to the level of success they have achieved. They recall some of the obstacles they have faced along the way, and the difficult decisions and trade-offs they have had to make. A question-and-answer session is offered at the end of each seminar, allowing the speakers to make their knowledge and expertise available to attendees in an informal fashion. It is an opportunity for undergraduates to gain access to important executives with whom they otherwise would not have the chance to speak. Students see, through the personal stories of these distinguished speakers, that they, too, can do it.

Activities: We have tried to be innovative in the HEC's efforts to broaden its appeal to a wide audience, and to add variety to hosted events. Toward that end, the activities department has organized field trips to local businesses and offered special workshops on finding financing for your business. In addition, the activities department strives to bring its creativity to bear on the weekly seminars. This is accomplished, for example, by such program enhancements as a guest performance by members of the Harvard-Radcliffe Ballroom Dance Team to supplement a seminar given by the founder of an acoustical consulting firm.

Publicity: Originally, the publicity department was only responsible for the creation and distribution of posters to advertise weekly seminars and events. This was the only vehicle through which the community was privy to information about the HEC and its events. In true entrepreneurial spirit, however, the vice presidents of this department have recently taken publicity to the next level by initiating the design and implementation of a web site. Search the Harvard Home Page at www.harvard.edu, using the keywords "Entrepreneurs Club," for links to HEC pages. Other avenues of publicity include a weekly HEC newsletter, distributed via e-mail to all members. The newsletter provides detailed information on upcoming speakers, panels, workshops, and related points of interest.

Finance: The vice president of finance earns that title above and beyond the title of treasurer for a number of reasons. The Harvard Entrepreneurs Club is about taking initiative and being proactive in what we do. Toward that end, the finance department does more than simply manage the money—this department helps find innovative ways to get the money and to manage it effectively. For example, the department sponsors movie screenings for the college, drafts grant proposals to the university activity office, and supervises the investment of club funds.

Directors: The two elected directors are voting members of the board and are engaged in special projects throughout the year. It is at their discretion which projects the HEC will undertake, and they are expected to be creative and diligent in their efforts to benefit the HEC. They must be self-starters who have the ability to aspire toward larger ends. This book is just one of the projects recently undertaken by a director. The position represents an opportunity to use creativity and energy toward a goal with the support and encouragement of the club.

Special Events and Projects

The club has had an exciting year with the help of an extraordinary board in 1997–1998. Here is a sampling of some of the special events and long-term projects we have initiated and undertaken:

- *Style '97.* In the fall of 1997, the activities department worked with the directors to coordinate a fashion show to supplement a seminar by two self-employed designers. The theme behind the show was that “fashion is about self-expression of your own style. Being an entrepreneur is about being your own boss. Entrepreneurial fashion designers decide to be their own boss in their own style.”
- *HEC web site.* The creation of our own up-to-date web site represents an effort to make our presence known and felt, and to make ourselves available as a resource in the information supermarketplace. We are interested in keeping up with the current state of technology, and have actually begun learning the skills necessary to start a web site almost from scratch. This is proof of the fact that the HEC is dedicated to the idea of hard work and proactive about making our dreams a reality.
- *College liaising.* We feel that our resources can benefit both undergraduate and graduate students, and we wish to encourage all interested people to attend our meetings and be a part of the HEC experience. For this reason, we have begun contacting entrepreneurial organizations on other college and graduate school campuses in order to set up a mutually beneficial network of business-minded students. We feel that by pooling our resources and ideas, we can become an even better source of information and activities for college students everywhere.
- *Business packet.* In an effort to establish meaningful links with respected members of the business community, and to simultaneously enhance our fund-raising efforts, we have recently created a formal HEC business packet. This information folder is our first attempt to directly contact corporations and let them know what we do, in an effort to gain corporate sponsorship. In return for their supportive

donations, we offer a wide range of advertising services—on campus, through our newsletter, and on our club web site.

Past Speakers

Here is just a brief sampling of the wide variety of distinguished speakers whom the Harvard Entrepreneurs Club is proud to have attracted to campus:

Speakers from 1997–1998

Louis Kane	CEO and founder, Au Bon Pain
William McDonough	Executive vice president, Boston Federal Reserve Bank
Marvin Traub	Former CEO, president (for 40 years), Bloomingdale's
Jacqueline Morby	Venture capitalist, TA Associates
Angelo Troisi	Senior vice president, entrepreneurial consultant, Lee Hecht Harrison
Thomas Livelli Sr.	Biotech entrepreneur

Speakers from Past Years

Steve Bacque	<i>Inc.</i> magazine's 1993 Entrepreneur of the Year
Jill Fadule	Director of Business School Admissions, Harvard Business School
Eliot Feiner	Founder, Boston Chicken; CEO and founder, Brew Moon
Tom First and Tom Scott	Cofounders, Nantucket Allserve (maker of Nantucket Nectars)
Dr. Bob Gaugh	Cofounder, CG & Associates (strategic consulting firm)
Professor Myra Hart	Founding officer, Staples; assistant professor of entrepreneurial management, Harvard Business School
Gary Hirshberg	CEO, cofounder, and president, Stonyfield Farm Yogurt
Erick J. Laine	President and chairman of the board, ALCAS Corp.
Don McLagan	Founder, CEO, and president, Desktop Data, Inc.

Allen Morse	Chairman of the board, Harvard Pilgrim Health Care
Milan Panic	Founder, CEO, president, and Chairman of the Board, ICN Pharmaceuticals; former prime minister (1992–1993), Yugoslavia
Rebecca Mark	CEO, Enron (international energy development company)

Future of the HEC

The recent successes that the Harvard Entrepreneurs Club has enjoyed have served only to increase our enthusiasm for the future. We are excited about all of the plans and projects currently under way, and strive constantly to find new ideas and projects to work with. As we move forward into the twenty-first century, we have a vision of where we would like to be headed. With the support of corporate sponsorships, we hope to expand our range of services and invest in an HEC-based start-up. With the help of our counterparts on other college campuses, we hope to build a national network of business-oriented clubs. With the publicity from this book and our new web site, we hope to begin to expand our area of influence well beyond the confines of these ivy-covered walls. And with the enthusiasm of readers like you, we hope to make a real contribution to student efforts to become entrepreneurs while still in school. We appreciate your faith in the HEC, we support your interest in entrepreneurship, and we encourage your endeavor to strike out on your own and make a name for yourself. There is nothing like the feeling of being your own boss. And much like you, we the Harvard Entrepreneurs Club promise always to seek bigger and better things.

Reminder: School Regulations

When starting a business in college, it is very important to keep in mind that you may be subject to the regulations of your university regarding the right to operate a business, the use of university facilities, and so on. For example, Harvard students are responsible for familiarizing themselves with all of the rules set forth by the college regarding extracurricular activities and businesses. Harvard's *Handbook for Students* (Stewart, 1997) lists specific guidelines for student organizations and clubs. These guidelines pertain to many aspects of starting a business. We include them here to illustrate our point that university policy can be a major factor in your college-based start-up.

General Requirements

There are a number of general requirements under which undergraduate organizations are allowed to operate on Harvard's campus (as adopted by the Committee on College Life). These rules state that organizations must maintain their local autonomy and consult faculty members at the beginning of each term. Members must be students of the university, and all officers must be undergraduates. These organizations may not duplicate the missions of previously existing groups, and they must provide specific documentation for the dean's office. Organizations are required to notify the college of changes in their leadership or constitution. There are many more regulations, and we encourage Harvard students to familiarize themselves with them. The following extracts are from the *Handbook for Students*.

Relations to Harvard University and Radcliffe College

- No organization shall be allowed to appear on a commercially sponsored radio or television program.
- No organization shall in any publication, radio or television broadcast, public performance or otherwise purport to represent the views or opinions of either Harvard University, Radcliffe College, or their student bodies.
- No organization may act so as to endanger the tax-exempt status of either Harvard University or Radcliffe College.
- Until approved, no organization shall be permitted to use the name of "Harvard" or "Radcliffe" or imply through its title or otherwise a connection with the University.
- No organization may be connected with any advertising medium, including the press or other public forum, which makes use of the name of Harvard or Radcliffe.

Solicitation

Solicitation in University buildings and on University property must have prior approval of the proper authority. Permission for each of the following activities must be obtained from the appropriate office:

- Sales of subscriptions.
- All other sales.
- All solicitation must be carried out between the hours of 9:00 A.M. and 9:30 P.M. on weekdays only. Exceptions may be granted by the Office of the Dean of Students.
- Masters may deny permission to carry on the above in their houses.
- Permission of the Dean of Students must be obtained in order to solicit during Registration.

The Use of the Harvard or Radcliffe Name and Logo

The University's Office of Patents, Copyrights and Licensing controls the use of Harvard's name and logo by all commercial companies as well as by Harvard groups and organizations. Students or student organizations interested in using Harvard's name or logo must first receive permission from the Office of the Dean of Students. Those wishing to use the Radcliffe name or logo must also receive permission from the Office of Communications at Radcliffe. Once final approval is secured from the Office of Patents, Copyrights and Licensing, t-shirts, posters, mugs or other approved objects bearing Harvard's name or logo may be produced.

Development

Any organization wishing to raise funds outside the Harvard University Campus—whether from an individual or from an organization—must receive prior approval from the Dean of Students. Registered organizations must also obtain permission of the Dean to solicit support from its alumni/ae and may request alumni/ae information for the purpose of development through the Office of the Dean of Students.

Harvard Student Agencies

Harvard Student Agencies (HSA) is an independent corporation managed exclusively by Harvard students. The only University-approved vehicle through which students can operate businesses on the college's campus, HSA offers a tremendous amount of resources and guidance for entrepreneurially minded students. Besides the businesses that it owns and operates, HSA runs an annual business plan competition, the Let's Grow Contest, in which students can gain money and recognition. Their purpose and background are summarized on their web site (<http://hsa.net>):

Harvard Student Agencies was born out of Gregory Stone's idea to start a business incorporating the businesses that enterprising students operated out of their dorm rooms, without University supervision. The business formed from the three objectives of: providing employment opportunities to the needy Harvard community, providing valuable services/products to the Harvard community, and providing business experience to students. While fulfilling these objectives, HSA grew into a prosperous business.

Throughout most of its forty-year history, numerous ventures were created to broaden the range of business opportunities available to students. Since HSA's inception it has become the world's largest student-run corporation encompassing eleven agencies and its subsidiary, Let's Go Inc. with over 1,200 student employees. While accomplishing this success, HSA still maintains its founding objective of financing education through student employment and enterprise in its new location at 67 Mount Auburn Street, Cambridge, MA.

While we have done our best to summarize the main campus regulations affecting student-run businesses at Harvard, this section is not meant to serve as a comprehensive account. We advise Harvard students to consult the *Handbook for Students* for more detailed information, and to familiarize themselves with the procedures and rules specifically regarding Harvard Student Agencies, and its relationship to their prospective business. You are urged to contact the appropriate offices and agencies on your campus. Familiarizing yourself with the rules by which you are playing is the best way to make sure that you do everything correctly, right from the start.

Topics Discussed in the *Guide*

This guide represents a very exciting project for us, and is the result of many long hours of blood, sweat, tears, and coffee on the part of the writers of this book. We have exhausted every avenue, consulting hundreds of sources to pull together a highly informative start-up guide. This book is not meant for everyone. We have gone to great lengths to make it user-friendly, and included many anecdotes and examples in order to make it more pleasurable for our readers.

Our intent was to create a guide that lays out all of your options. We wanted to make your transition from mild-mannered college student or college grad to energetic entrepreneur as manageable as possible, by putting all of the basics together into one easy-to-understand manual. Here is a synopsis of what is to come.

Chapter 1: “Think Like an Entrepreneur,” ***by Poonam Sharma***

The entrepreneurial spirit is hard to define. It includes optimism, hard work, and a love of business for business’ sake, not money’s sake. Successful entrepreneurs are not afraid of failure, because they see it as a mere bump in the road. Chapter 1 describes the qualities we have observed in many entrepreneurs so that you may evaluate yourself. The chapter also suggests creative ways to look for business ideas—right in your own backyard. Next, the chapter debunks a few of the common entrepreneurial myths, and explains why they are myths. The chapter concludes with a number of dos and don’ts to keep in mind along the way.

Chapter 2: “Marketing Your Product,” ***by Ngina Duckett***

Corporate businesses are those which aim to provide goods and services to other businesses or to the community at large. This requires precise planning and direct research of the particular demographic

you intend to target. Campus businesses are those which intend to serve the college community exclusively. This market is more easily targeted but requires an equal amount of research. Chapter 2 explains why your idea may not initially sound as good to customers as it does to you, and why it is important to research the trends in and preferences of your target market. Financing and marketing methods are secondary to the question of whether your product will sell. The consumer is king, so consumer tastes are a major priority. Identifying and targeting these tastes is important. After you have identified your target market, you need to think about marketing methods. The chapter concludes by describing the major components of a marketing plan and how to put your plan together.

Chapter 3: “Financing Your Dream,”
by Anthony Perrault

Contrary to what Tom Cruise might think, it is not very easy to convince banks to “show you the money.” When you are seeking financing, especially as a college student or recent graduate without much in the way of collateral or business expertise, you need to be creative in how you go about looking for money. Chapter 3 describes different sources of financing you can pursue, such as venture capitalists, angel investors, commercial loans, and credit cards, and discusses the pros and cons of each.

Chapter 4: “The Business Plan,”
by John Turlais

A prerequisite to starting a business today is the writing of a business plan. Far from being only a means by which to raise capital, a well-written business plan serves as a start-up company’s blueprint for execution. Within its pages, prospective investors will discover the company’s philosophy, plan of action, expected challenges, and hopes for future success. Not ironically, the process of writing a business plan often proves just as revelatory for the young entrepreneur. By researching and outlining the company’s market competition, strategies for implementation, and financial predictions, the entrepreneur discovers through the business plan the golden path to vast fortunes and, as the case may be, the potential pitfalls or barriers to entry. Chapter 4 provides you with a step-by-step analysis of each major section of the business plan, helpful hints on writing and researching the various sections, and a sample winning plan. Careful consideration of this material coupled with intense dedication will reward you with a business plan that will both acquire the needed funding for your company and serve as your torch in navigating the business jungle.

Chapter 5: “The Importance of Industry,”
by Steven Chang

Chapter 5 stresses the importance of research in the industry of your choice before and during the process of launching your start-up. The chapter concerns competition, contacts, and trends. It shows you how to take advantage of the available resources from local libraries, government agencies, and the Internet to have a realistic prediction of how your idea will fit with the industry. Sometimes even the best ideas fail due to poor industry conditions. Keeping abreast of industry trends and being aware of the big picture could mean the success or failure of your business. The chapter explains industry trends and predictability, and concludes with basic information on economics and questions you should ask yourself before you begin conducting industry research.

Chapter 6: “Protecting Yourself,”
by Carsten Schwarting

Depending on your idea, you may or may not need to think about legal protection. But you do need to consider your business’s legal structure. Chapter 6 explains in detail the different ways in which you can legally structure your business, from sole proprietorship to S corporation. It also provides an overview of copyrights and patents, and describes the process of protecting your ideas, including ways that you can save money.

Chapter 7: “The Faces of Success,”
by Greg Tseng

At this point, your entrepreneur’s tool kit is pretty complete. We have supplied you with knowledge on marketing, financing, business plans, industry, and legal issues. Chapter 7 rounds out the *Guide* by presenting the personal stories of students and recent grads who have successfully started their own businesses. The 10 people profiled come from all over the United States. Their businesses range from 3-D display technology to painting services, but the founders have one thing in common: the entrepreneurial spirit. The stories aim to attach real people and real businesses to the ideas and techniques discussed in previous chapters.

Chapter 8: “The Business Ethic,”
by Poonam Sharma

In the last chapter of the book, we want to leave our readers feeling energized. But it is also important that we leave you thinking realistically. It would be irresponsible of us to baby you—you are young, but not that young. Chapter 8 discusses the key components of a winning business

ethic, and encourages an approach to business that is best suited for the college student's lifestyle. There really is no formula for success. Hard work, perseverance, and realistic expectations really do pay off. They are not just catchwords. It takes a confident, realistic, well-prepared individual to deal with the stress of numerous rejections before success actually comes. Setting a timeline for yourself is only half the battle. Some entrepreneurs find instant success, but the majority need to be more patient. The chapter concludes with questions you should ask yourself before you begin your journey on the road to success. Remember, if at first you don't succeed, try, try again.

Conclusion

Now that we have provided you with a brief overview of the topics to be discussed, we hope you enjoy our guide. We bid you a successful trip. Jump in!