



# Book The Very, Very Rich

## Profiles of Phenomenal Entrepreneurs, How They Got That Way, and How You Can, Too!

Mike Caslin and Steve Mariotti  
Career Press, 2000

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### Recommendation

How the rich got that way is an interesting enough topic. But an interesting topic does not necessarily make an intriguing book. Author Steve Mariotti profiles 20 well-known 20th-century entrepreneurs. You will easily recognize the names Bezos, Branson, Burrell, Kroc, Roddick, Walton, Ford and Winfrey. However, the author presents little new information about them. His profiles are short; three to four pages, and take the tone of corporate press releases. The book works best as a compendium of capitalist success stories, and *BooksInShort.com* recommends it as a student’s primer in entrepreneurial studies. Since the author shares cover credit with the charitable program he launched to help low-income teen entrepreneurs, that might be just the audience that the author had in mind.

### Take-Aways

- For most entrepreneurs, the desire to mold the future is a greater driving force than money.
- Many entrepreneurs love risk and adventure.
- The stories of phenomenal entrepreneurs are stories of vision, grit and desire.
- The same traits that inspire entrepreneurs often make them great philanthropists.
- The ability to see the marketplace implication of a new idea is the cornerstone of great entrepreneurs.
- One man’s complaint is an entrepreneur’s opportunity.
- Jeff Bezos’ first name for his new Internet company was Abracadabra, not Amazon.
- Race has been a potent motivator for many African-American entrepreneurs.
- Ray Kroc was a struggling entrepreneur when he noticed that the biggest customers for his company’s milk mixers were Mac and Dick McDonald.
- Anita Roddick opened The Body Shop because she could not purchase the beauty products she wanted in small sizes.

# Summary

## Amazing Entrepreneurial Stories

The stories of phenomenal entrepreneurs are not stories of wealth accumulation. They are stories of personal vision and of making the vision real. When you read about the lives of 20th-century American entrepreneurs, you find all types of surprises.

For instance, did you know that Ray Kroc was an economic failure until he was 57? His success as the entrepreneur who built McDonalds came afterward. What about the improbable story of Will Durant's entrepreneurial rise and fall? The founder of General Motors - the man who started what grew into the United States' largest corporation - spent the last ten years of his life managing a bowling alley. He sacrificed his wealth trying to maintain the value of GM's stock during hard economic times. What about Madame C.J. Walker? She was a cleaning lady until she was 43, but she became the "first self-made woman millionaire in America." You'll also find stories of early success. Steve Jobs and Steve Wozniak became "overnight successes in their early twenties" with a little company called Apple. Jeff Bezos found success with the Internet. And, Bill Gates and Paul Allen started a little software company in their teens and are doing OK by anyone's standards.

### Jeff Bezos of Amazon.com

Jeff Bezos' credo for success is "work hard, have fun, make history." While working at a Wall Street company, Bezos saw firsthand how computers were changing the financial services industry. When he read a report that the Internet was growing at an annual rate of 2300% he decided to leave his job and start a company that utilized this growing technology.

“Most great entrepreneurs have not been motivated by a desire for wealth, but by a vision that they felt compelled to make real.”

He made a list of 20 products that could be sold online. After further review, he settled on books as his first product because he knew he could offer an unlimited selection without the cost of opening stores. He chose Seattle as the location for his new business because he wanted to be near several major book wholesalers. He went to work on a business plan and the development of database programs. By 1995, his site was up and selling books. Today Amazon is the third-largest bookseller in the world. As of 1999, the company had more than 13 million unique customers and was selling more than 57,000 books a day. When you ask Bezos about the threat of established players such as Wal-Mart competing on the Internet, he is nonplused because, as he says, Amazon has "more experience than anyone else in online shopping." His key to success is to "focus obsessively on the customer."

### Richard Branson of Virgin Group LTD.

With his long hair, goatee and blue jeans, Richard Branson is known as the "Billionaire Balloonist" for his attempts to circumnavigate the globe in a hot air balloon. He started his first business, an "alternative culture" magazine, at age 16. This early success - he sold more than \$10,000 dollars in advertising for the first issue and persuaded Jean-Paul Sartre and John Le Carre to write articles - led Branson to start other companies including Virgin Records and Virgin Airlines. His understanding of alternative culture inspired Branson to produce an original recording called Tubular Bells, which sold 7,000,000 copies and was used on the soundtrack of the movie The Exorcist. He signed recording contracts with the Sex Pistols and Boy George, building both acts into worldwide sensations.

“Where most people see irritations, entrepreneurs see opportunities.”

Branson's management style is to keep his companies small and to challenge his employees. He believes a work environment with high expectations encourages people to excel. He leverages his vision by joint venturing with other companies that share the same vision. When asked why he takes on giants in the industries he enters, he replies, "We're a company that likes to take on the giants. In too many businesses these giants have had things their own way. We're going to have a lot of fun competing with them."

### Thomas J. Burrell of Burrell Communications

The struggle to be the first in a market was the challenge for Thomas J. Burrell, who founded the United States' first black-owned

advertising agency in 1971. His company was formed to create ad campaigns to reach certain ethnic and racial demographics. Burrell saw that the country was changing in ways that corporations would need to understand to remain competitive. He knew that large corporations' ad campaigns would need to reflect the values of African-Americans and other groups who were being ignored by those companies. He designed campaigns to attract these dormant markets by delivering messages about the client's products in "emotional envelopes" that were relevant to the groups he targeted.

“The most successful entrepreneurs have turned out to be those who were highly motivated to create businesses that they believed would improve people's lives.”

Burrell's career in developing and delivering messages started in high school when an aptitude test he took revealed his artistic and persuasive abilities. When he asked his teacher what this meant in real-life terms, he was told to look into advertising. His first job after school was working in the mailroom of a Chicago advertising agency. He was the only African-American at the agency. Those early days led him to start his own agency. He knew that racism was strong in America. His vision was to create a company that would not be limited to serving black clients. He still envisions a day when an agency owner's skin color is irrelevant. His personal view of life reflects this vision. He says, "The important thing is to enjoy yourself and continue to work. I know life is a journey, not a destination."

## **Robert Johnson of BET Holdings, Inc.**

Robert Johnson's personal goal is to launch an effective, direct attack on racism in the media. The founder of BET Holdings, Inc., Johnson started with equity and debt financing of half a million dollars. He built the Black Entertainment Network (BET) into the largest U.S. media company that focuses on portraying black Americans through their own eyes. His media empire includes BET Network, BET Arabesque Films, Emerge and Young Sisters and Brothers magazines and a partnership with HBO.

“As is so often the case, the struggling entrepreneur has a chance encounter and sees an opportunity that becomes the basis for his fortune.”

Johnson's work ethic was established as a child. His parents taught him that you have to do things for yourself and you have to have confidence in yourself. At college and graduate school Johnson excelled, graduating sixth in his class from the Woodrow Wilson School of Public Policy and International Affairs. For his first media industry job, he was public affairs officer for the Corporation for Public Broadcasting. Within a few years, he became vice-president for governmental relations at the National Cable Television association (NCTA). Johnson's hard work in building his career and his media empire has lead him to fully embrace capitalism as a powerful tool for change. Johnson believes "black people will become powerful in this country through control of economic wealth." He believes that the acquisition of economic power will result in a decrease in racism.

## **Anita Roddick of The Body Shop, Inc.**

Anita Roddick was irritated. She could not buy small size containers of everyday cosmetic products. She was paying too much for fancy packaging, responding to false needs the cosmetic companies created in the minds of consumers. Her irritation led her to start a company that delivered what she couldn't find in the marketplace: honest cosmetic products sold at honest prices in accessible sizes. Roddick believes that the great joy of entrepreneurship is finding out what is wanted and making it happen.

“The entrepreneurs profiled in this book did all become very rich - but each one has said that a desire for money, alone, would not have been sufficient motivation for them to have overcome the obstacles they faced.”

She opened the first Body Shop in Brighton, England. Many of the enlightened practices the company is known for today exist because Roddick opened that store with little working capital. Since she couldn't afford to purchase a large stock of bottles, she told her customers to bring back their used bottles for refills. She couldn't afford to put perfume in all her products, so she placed a tray of perfumes on the counter and permitted customers to add the one they wanted. Finally, as a response to the cosmetic companies' false product claims, Roddick handwrote cards describing the contents of her products and how they worked. These were the foundation of store's philosophy of giving the customer honest information.

## **Sam Walton of Wal-Mart**

Sam Walton believed in the power of deep discounting. He believed that he could sell more products if he could figure out how to sell them at lower prices. Even knowing that he would make less profit per sale, he knew that he would make a greater total profit. Walton's discounting so revolutionized retailing that he is considered the Henry Ford of his time.

“Burrell called his advertising philosophy ‘positive realism’.”

Wal-Mart is the largest retail organization in the world. Starting with one store in a little town in Arkansas in 1962, Walton increased his business, which had 1,821 Wal-Mart stores, 680 Supercenters and 453 Sam's Clubs by 1999. In addition to low price, Walton gave his customers excellent customer service and guaranteed satisfaction. He understood that people want to know that if they shop at his stores, they get product security at a better price, and it is low prices that bring customers to shop at his stores week after week.

## **Oprah Winfrey of Harpo, Inc.**

When she was 12 years old, the queen of daytime talk shows told her father that she would be "paid to talk" when she grew up. After six years of co-hosting a Baltimore morning talk show, Oprah moved to Chicago in 1984 to take over its lowest-rated morning show, A.M. Chicago. In three months, her mix of lightweight women's topics and hard-hitting controversial topics moved her show to first in the ratings. By 1986, she launched The Oprah Winfrey Show in national syndication. Today, it is American's most popular talk show.

“The best entrepreneurs love risk and adventure, and possess great vision and drive.”

In addition to her daily talk show, Winfrey has expanded her business clout through her ownership of Harpo, Inc. Winfrey uses Harpo to extend her brand into all areas of entertainment including movies, cable and Internet content. Although she acknowledges that she is an entertainer, Winfrey uses her media access to present highly charged social problems to the public. She is known for discussing political issues and personally painful topics without exploiting them for their shock value. As she has said, "I see my TV show as a great forum for teaching. It is the biggest classroom you could ever imagine."

## **Steve Wozniak and Steve Jobs of Apple Computer**

Working out of a garage with \$1,300 in seed money Steve Wozniak and Steve Jobs helped create the computer revolution in the U.S. Their credo was to create products that were of the highest quality, both in design and function. Jobs convinced his parents to let them work out of the family garage and they started building computers for a small store in Mountain View, California. In their first year (1975-76), they sold 175 Apple I computers.

“Gates has indicated that his foundation will focus on health and education.”

The next step in the development of Apple Computer was to find venture capital. Jobs found an investor and the three men each had 26% ownership in the company, selling the remaining 22% to other investors. They decided to build a new computer. The Apple II, which was introduced to hobbyists at a local computer trade show, was the first "personal computer to provide color graphics and come in a light plastic case." The year was 1977.

“Profit sharing was just one of Walton's motivational innovations.”

The company then experienced great ups and downs. Wozniak left the company for personal reasons in 1981 and Jobs was forced out by then CEO John Sculley in 1985. Apple's Macintosh, personal laser writer and PowerBook notebooks were huge hits during the 1980s but the company suffered from a lack of internal direction and from direct competition. It started to decline in the early 1990s. In a bold move, Jobs returned to the company in 1997. Since then Apple has regained some of the luster it had in those early days.

## **About the Authors**

**Steve Mariotti** is the author of numerous books on entrepreneurship. He is the founder of the National Foundation for Teaching Entrepreneurship (NFTE), an international nonprofit organization that introduces low-income teens to the world of business and entrepreneurship by teaching them how to develop and operate their own small businesses. **Mike Caslin** is the CEO of NFTE.

