

The Dirty Little Secrets about Being an Entrepreneur

A new book helps would-be entrepreneurs evaluate "Should I?" instead of "Could I?" own my own business.

Is entrepreneurship a dream come true or your worst nightmare? If you think you'll be left behind by staying on the job path instead of jumping on the "start your own business" bandwagon, think again. So many people are rushing into the entrepreneurial land grab right now (dubbed the "start-up bubble") that it rivals the internet bubble of the 1990s. But it's a dangerous trend when entrepreneurs haven't done the math and necessary preparation.

That's the big message of business strategist **CAROL ROTH**, who says with up to **90 percent of businesses failing** within the first five years — as well as millions of entrepreneurs overwhelmed and overworked — it's time to take off those rose-colored glasses before you invest your time, money, and energy into a business venture that may not be right for you.

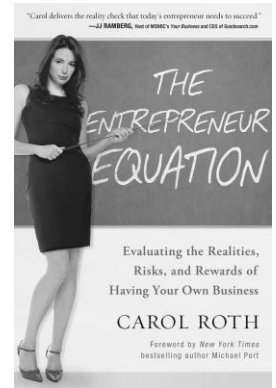
In *The Entrepreneur Equation: Evaluating the Realities, Risks, and Rewards of Having Your Own Business* (BenBella Books, 2011), Roth offers refreshing tell-it-like-it-is advice and practical tools to help wannabe entrepreneurs assess whether they really have what it takes to own a business, or whether they're about to make a regrettable career mistake that's akin to "marrying a bad kisser."

Using exercises that help you evaluate your true motivations, personal and professional skills, commitment, connections, and risk tolerance, among other qualities, Roth guides readers, step-by-step, through a process that enables them to identify aspects of themselves and their business plan that need improvement — before launching full speed ahead into a business venture.

The Entrepreneur Equation can help you save time, money, and effort by avoiding business ownership when the time is not right for you. It also shows readers how to:

- Look at what's behind your drive to start a business — and evaluate which of those motivations are truly practical.
- Evaluate the risks and rewards of a new business idea — or even an existing one.
- Assess if the timing is right — based on your finances, experience, personal obligations, and more.
- Learn whether your dreams are best served by a hobby, job, or business.
- Find out what it takes to be a successful entrepreneur in today's competitive business environment.
- Acquire the tools you need to increase your likelihood of success.

For employees thinking of quitting their day job, mompreneurs looking to add extra income, hobbyists, or struggling business owners looking for a practical way to realign their business model, *The Entrepreneur Equation* offers both a reality check on starting a business and a detailed roadmap that prepares you for the journey.



The Facts:

- 60 percent of businesses don't earn a profit over their lifetime.
- Many of the 22 million self-employed individuals work more hours and earn less, just for the "privilege" of working for themselves.
- Despite incredibly high failure rates, over 6 million people start a business each year.

For more info, contact:
CATHY S. LEWIS
CLEWIS1333@AOL.COM
(845) 679-2188
CSLEWISPUBLICITY.COM

About the Author

CAROL ROTH is an investment banker, business strategist, popular media personality, and the author of *The Entrepreneur Equation: Evaluating the Realities, Risks, and Rewards of Having Your Own Business* (BenBella Books, 2011).

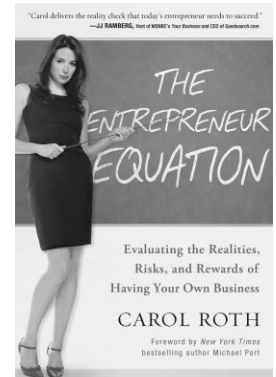
After graduating magna cum laude from the Wharton School of Business, Roth has helped businesses grow and increase profitability over the past 15 years. For her clients — who've ranged from "solopreneurs" to multinational corporations — she has raised more than \$1 billion in capital, completed hundreds of millions of dollars in merger and acquisition transactions, secured high-profile licensing and partnership deals, created brand enthusiast programs, and more.

Known for her sassy, sharp-witted, and slightly irreverent business advice, Roth has become a popular TV personality on such venues as Fox News, MSNBC, Fox Business, and WGN TV Chicago. Roth draws from her broad business experience to provide advice ranging from the basics (*hobbies don't always make great jobs*) to the bold (think *firing your customers*). Her fresh, tough-love style, which she calls her Spinach in Your Teeth® philosophy, says you should only take advice from someone who respects you enough to tell you the truth — even if it's not pretty.

Roth's *Unsolicited Business Advice* blog at CarolRoth.com was recently named one of the Top 10 small business blogs online. Other media ventures include the LA-based TV production company Snackaholic, which is currently developing a show around Roth's life as a business expert and personality.

Most recently, Roth has partnered with SCORE, a national nonprofit with 13,000 volunteers dedicated to the mentoring and success of America's small business owners. To support the organization's efforts to help create 1 million successful new businesses by 2017, *The Entrepreneur Equation* is available as a gift donation. All donated books will be sent directly to SCORE's 350 chapters throughout the United States.

Roth also appears regularly as a speaker at business events and conferences around North America and is a guest blogger for a variety of high-profile websites. She lives in the Chicagoland area.



Are You Fired-Up?
Do you have the
Finances,
Inspiration,
Responsibility profile,
Experience,
Dedication, and
Unbridled **P**assion for
entrepreneurship?

FIRED-UP® is Carol Roth's 5-step system for assessing if you have what it takes to be an entrepreneur. It gives those with true passion the confidence to pursue their dreams...and tells those who shouldn't be entrepreneurs not to quit their day jobs.

For more info, contact:
CATHY S. LEWIS
CLEWIS1333@AOL.COM
(845) 679-2188
CSLEWISPUBLICITY.COM

Are You Ready to Be an Entrepreneur?

Follow these 10 steps to put your business goals in check

Step 1: Define your motivation.

Ask yourself why you *really* want to start a business. Are you looking to get rich quick? Do you want to showcase your talent or service? Are you tired of your boss taking credit for what you do? These are *not* reasons to start a business. On the other hand, if you love the idea of running an entity, if you like creating systems and procedures, adore servicing customers, and if you thrive on wearing many different hats and balancing responsibilities, then entrepreneurship may be something to look into.

Step 2: Say hello to your new boss.

Wait, I thought I was in charge now. Not exactly. When you start your own business, you are no longer in control. And, you may not have the freedom you think you do. See, you are controlled by your customers, investors, and lenders — and you are personally responsible for answering to all of them, all of the time.

Step 3: Evaluate how well you work with others.

Many people dream of opening a business as an escape — from the annoying coworker who won't leave you alone, or from an overbearing boss. But having a business doesn't mean you no longer have to interface with people. In fact, it's the opposite. To get clients, investors, and others to help you with your business (including accountants, lawyers, and more) you'll need to keep your people skills sharp.

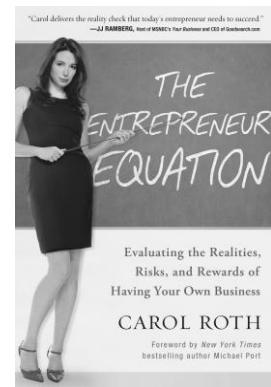
Step 4: Add up your responsibilities.

Owning a business is very much like raising a child. It's a 24/7 job. Will you be able to respond immediately when your "child" has an emergency? If anything happens to the business (including a loss of your investment money and income), how will it affect your family or home life? Consider the worst-case scenarios when evaluating your responsibilities and impact to your current lifestyle.

Step 5: Look at your management and industry experience.

Being able to manage employees and vendors is the type of entrepreneurial skill you'll need to acquire *before* starting your own business. You'll also need to know your industry inside and out, including aspects you may not be familiar with or may not even like, including marketing, accounting, and more. Don't have the experience you need? Spend time working in a similar company, shadow a business owner in your industry, or accept an internship. Test the waters first with a trial run *before* you start your own company.

– more –



Top Myths About Entrepreneurship

- It's glamorous to work for yourself.
- It's easy to do and you can make quick cash.
- You have total control and are your own boss.
- You can finally do what you love.
- You'll have more time for friends, your family, and hobbies.

For more info, contact:
CATHY S. LEWIS
CLEWIS1333@AOL.COM
(845) 679-2188
CSLEWISPUBLICITY.COM

Step 6: Take stock of whom you know.

Business comes down to not *what* you know, but *whom* you know. If you don't know many people, you may be tempted to overlook just how important it is to network and be connected. But good connections are worth their weight in gold. They will get you interest from investors and lenders. You'll receive better financing, prices, terms, and conditions from business suppliers and professional services. And you'll receive more customer referrals.

Step 7: Be honest about your relationship with money.

Are you financially responsible? Do you have any money to invest in your business, or will you be relying on others? Do you panic about spending money or avoid financial risk at all costs? Don't expect your relationship with money to change just because you've opened a business. Opening a business requires money — enough for you to start, operate the business and to live on — as well as sound financial management.

Step 8: Assess your personality type.

Do you prefer the "status quo" and like to avoid the unexpected? Can you handle a life of highs and lows — including *financial* highs and lows? Could your savings and bank account handle financial lows as well? If you are a person who likes stability and control, or if you prefer when things go as planned, the roller-coaster ride of a new business may not be right for you.

Step 9: Examine the marketplace and your competition.

Before you leap into entrepreneurship, take a hard look at the marketplace and your competition. Is your market saturated with successful businesses? Is your industry littered with so many *bad* businesses that it's developed a bad reputation? Both good and bad competitors will influence just how successful your business will be. You will need to market and brand your business to shine above the good competitors, and to make up for the bad ones.

Step 10: Test your scalability.

The most successful businesses rely on automation and delegation. Will other employees be able to do your work? If not, can you teach others what to do in an easy-to-follow format? If your business relies on your skills — and your skills alone — you might have a successful *job*, but not a successful *business*.

5 Ways to Gain Industry Experience on the Cheap...

- Take on a job in your target industry as a manager to gain valuable business experience.
- Work your way up in a similar company, even if this means taking a few steps back in your career.
- Interview potential customers or take on a job in customer service.
- Take on an internship at a competitor's business. Evaluate their systems and business structure to determine what works, and what doesn't.
- If your industry involves a product instead of a service, develop, build, and test prototypes to try out the product's appeal and function.

Test Your Financial Personality

Which of the following personality types are you?

Have you had an honest conversation with yourself about money? If you haven't, now's the time to start. It takes money to start or buy a business, and it takes even *more* money to continue to operate the business and to support yourself and your family. How you view and handle money will often determine if your business succeeds or fails. Here are three of the most common money personality types:

The “No Money” Personality

Even if you are able to beg and barter your way into starting a business, not having money is an immediate roadblock to entrepreneurship. Business is risky, and part of the risk is putting your own money on the line. Franchisors will require you to invest your own money or to have a minimum net worth. Investors and venture capitalists will require that you contribute your own money, too. And even if you find investors, the more money they contribute, the more ownership of the business they will require, and the more rights you will give up.

Start saving: Focus on a tangible milestone, such as a working prototype. Scale back and start a smaller business to test it out at first. Or simply take the time to save as much as you can before you start your business.

The “Super Spender” (a.k.a. Financially Irresponsible) Personality

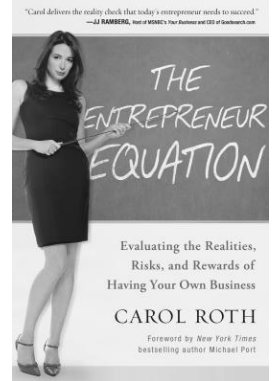
If you can't manage your own finances, then you shouldn't be an entrepreneur trying to manage a business. Being financially responsible isn't something you can learn overnight, so either take steps now to get your finances in order (and keep them in order), or you may want to reconsider if being an entrepreneur is truly for you.

Get your finances in order: Pay down your credit card debt. Make sacrifices so you can save. Skip luxuries. Plan ahead. These skills will not only help your business, they are important life skills too.

The “El Cheapo” (a.k.a. Frugal) Personality

Do you get uptight thinking about spending money? For an entrepreneur, this can be a significant hurdle, because business involves financial risk. If you are cautious or stingy with your money, you'll most likely need extra time to evaluate the long-term implications of any investment you are going to make.

Assess your own tolerance to risk: Determine, ahead of time, how much of a return you would need to risk your salary and/or savings. Could you make this same return somewhere else with less risk?



The Truth about Venture Capitalists and Angel Investors

- VC firms fund less than 1% of businesses each year.
- Investors won't invest without rights in your company, which may include the right to remove or replace management — including you!
- VC firms and angel investors look for 30 to 50% returns on their money each year.

For more info, contact:
CATHY S. LEWIS
CLEWIS1333@AOL.COM
(845) 679-2188
CSLEWISPUBLICITY.COM

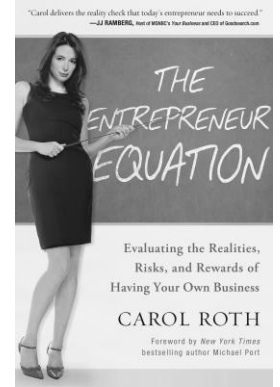
Should You Make Your Hobby Your Business?

Take this quiz to find out.

- YES NO If you could only pursue your hobby — and nothing else — 24 hours a day, seven days a week, would you still enjoy it?
- YES NO Is there a demand for your hobby? Is the demand local, regional, or national?
- YES NO Is there enough of a demand for you to work full time?
- YES NO Can you rely on your hobby for a steady paycheck?
- YES NO Would you be able to make at least the minimum wage per hour in profit vs. sales?
- YES NO Would this paycheck make you a full salary? Would you be able to depend on it for your sole source of income?
- YES NO Can you afford to pay staff and others who need to be paid for what they do — and not expect them to discount or donate their time?
- YES NO Even though you understand your hobby's product or service, do you understand the other aspects of running a business, such as how to manufacture or market the product, etc.?

If the answer to any of these questions is “no,” it's probably best that you enjoy your hobby during your leisure time.

Many people try to turn their hobbies into businesses. If you're determined to take your hobby to the next level, start out with a “jobbie” (a hobby disguised as a business), which will allow you to test out interest in your products or services on a small scale, *before* you quit your day job.



Is Your Business a "Job-Business"?

Ask yourself:

- Is your business entirely dependent on you?
- Is it difficult to replace you, or to find employees who can do what you do?
- Are you unable to scale up or sell the business?

If you've answered “yes,” you have a job-business. *You* are the business, and the business is not worth anything without you.

For more info, contact:
CATHY S. LEWIS
CLEWIS1333@AOL.COM
(845) 679-2188
CSLEWISPUBLICITY.COM

Do Women Entrepreneurs Face Special Challenges?

Can business be beautiful? Business strategist Carol Roth says yes. She is part of a new wave of female entrepreneurs who believe being beautiful is not something to hide when branding yourself — even when it raises some eyebrows. “It gets your customer’s attention and is representative of the modern female entrepreneur,” says Roth — who believes branding should be bold, provocative, and memorable.

While beauty can be advantageous for women entrepreneurs, there are also challenges inherent in being female. Here are eight to pay attention to:

Take me seriously. Angel investors and business colleagues sometimes assume a business venture is merely your “side-project” or hobby.

Value my offerings. More than men, women tend to play down their services or are uncomfortable with charging what they are worth. If you don’t believe in your value, your customers won’t either.

Think big. Women aren’t thinking big enough. It’s smart to focus on realistic goals such as profit-loss margins, but female business owners should think in terms of conquering their market.

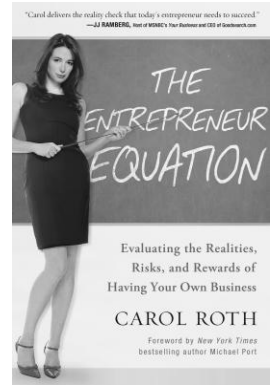
Like me or hate me. Wanting clients to like you is human nature, but women entrepreneurs tend to go overboard by being too nice and too giving of their valuable time.

Fear not. The fear of going after something and being rejected seems stronger in women because they are taught to be safe, while men are taught to be risk takers.

Give myself a break. Women are harsh critics of themselves, which can sometimes make normal obstacles become insurmountable.

Delegate. Because women are naturally talented in a variety of areas, they step up when projects need to be completed or gaps filled. Women need to delegate tasks and share responsibilities.

Focus. Women are accomplished multi-taskers, but when running a business, you can be more productive by developing a laser focus — concentrating on one important aspect of your business development at a time.



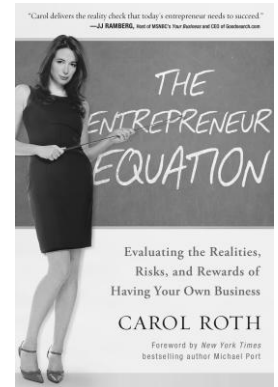
Female Entrepreneur Facts:

- Over 52% of new businesses are started by women.
- The average women-owned business with at least one employee does \$88,000 in sales on average, vs. more than \$1.8 million for men.

For more info, contact:
CATHY S. LEWIS
CLEWIS1333@AOL.COM
(845) 679-2188
CSLEWISPUBLICITY.COM

Suggested Interview Questions

1. What's the Spinach In Your Teeth® philosophy?
2. Can anyone be an entrepreneur?
3. Does everyone have what it takes to start a business?
4. What's the most important question an aspiring entrepreneur can ask him or herself?
5. What should someone who is thinking about leaving a job to start a business ask himself?
6. What are the biggest myths about business ownership and entrepreneurship?
7. How do you know if it's a good time to start a business (especially given the current economy)?
8. Why do so many businesses fail?
9. What's the value of a business idea? How much are business ideas worth?
10. What's the difference between a jobbie, a job, and a business?
11. How can you "stack the odds" to make your chances of succeeding in a new business greater?
12. Why do women-owned businesses have less success than businesses owned by men?
13. What can women do to improve their success in business?
14. What are the biggest mistakes entrepreneurs make in writing business plans?
15. What is FIRED-UP®?
16. What's The Entrepreneur Equation?



Did you know...?

- 99% of new business owners underestimate the cost of starting a business.
- Raising capital takes 3 times longer than new entrepreneurs think it should.
- Businesses typically need 1.5 to 2 times more funding than initial projections.
- A healthy business should make at least a 10% pretax profit in most industries.

For more info, contact:
CATHY S. LEWIS
CLEWIS1333@AOL.COM
(845) 679-2188
CSLEWISPUBLICITY.COM