

How to start simple, profitable business

Why the recession may help teenage entrepreneurs

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Unless students have been living under a rock for the past year, they already know that the economy is falling apart. With many companies losing money and laying off workers, it is not exactly an ideal job market; especially for an unskilled teenager.

But do not give up on that dream of purchasing a used car just yet, for there is still hope. Despite the deep recession

America finds itself in, Cincinnatians still require basic goods and services.

There are several reasons why the current economic condition would be beneficial to potential high school entrepreneurs.

The recession has caused many people to rethink the value of what they pay for. If a new business opens that provides cheaper goods than what they are paying for, they would be more likely to switch.

Also, the many businesses that are closing provide opportunities for new businesses to take their places.

Teenagers do not have to live off of the profits of their business or feed a family with it, making it nearly impossible for the venture to 'fail.'

Typically, most businesses run by teenagers include only themselves. Not having to pay employees allows the owner to sell his product for a lower price than what a larger, more traditional business would sell it for.

Also, a businesses that teenagers will start will not be required to pay taxes, saving the business money and increasing the profit margin. Starting a business as a teenager is like making a down payment on the future.

It provides invaluable real world experience for getting a 'real' job as an adult.

It may even help one get accepted into college. Colleges would be impressed by a student's initiative and may be accepted over someone else who scored higher on the SAT

So why not start a business? There is little to lose and everything to gain.

Your best work always comes from working hard on something you're passionate about.

-Mr. Jeff Goldstein, entrepreneur



photos courtesy of staff

JOEY CRUSHAM, 10, turns in his application to **Tom Smith**, a manager at Midwest Sports Tennis Outlets. Jobs are scarce for SHS students. Although Midwest Sports says that it is hiring, many of its positions are already filled by high school and college students. "If I do not get the job, I will probably try and mow lawns for people or something like that," said Crusham.

Babysitting referral service

Parents of young children are constantly looking for quality babysitters. Set up a web site with potential babysitters that parents can view. Then, charge the babysitter for connecting them with a customer.

Love music?

If one own's large speakers rent them out to prospective party hosts. As long as the equipment remains intact by the end of each night, renting out party equipment is another easy way to make money while doing very little hard work.

Animal lovers

Advertise a house as a place for neighbors to leave pets when they go out of town instead of the kennel. Convince pet owners that the house can offer more individual attention for their pet than the competing kennel in order to succeed.

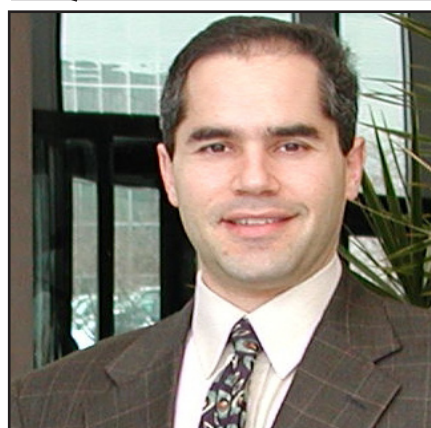
Tutor neighbors, classmates

If one excel's at math or any other school subjects, help peers and younger children to succeed. Teenage tutors can make anywhere from \$10-\$20 an hour, which is much more than what McDonalds pays.

Personal grocery shopper

Enjoy shopping for groceries? This could be a good choice. Relieve neighbors and relatives of their chores while making some money at the same time. The elderly are also potential customers.

Q&A with Mr. Jeff Goldstein, President, CEO of Ingenuity Advisers



photos courtesy of jeff goldstein

What is the product that you sell called and what is it supposed to do?

Repelle Hair Color Stain Shield is used by mostly women or their hair stylists to keep hair color from staining their skin.

How did you come up with this idea?

I learned of a product that was used in furniture plants to protect people's skin from furniture stain and thought, "there must be other things that people would want their skin protected from." Then I did some research with people and hair stylists and found out that hair color stains skin, and there weren't good products

out there for preventing or removing the stains.

Is the recession making it more difficult for you to market your product?

The recession is making it harder to sell new products and to get financing for small companies. You just have to keep fighting through that.

What advice could you give to a teenager thinking about starting a business?

One, starting a business successfully requires a good idea that people want, a product that delivers what they want, PLUS a way to make,

market and sell the product profitably. Two, new businesses always take longer and cost more than you think. Three, No entrepreneur would ever start a business if they listened to every objection that comes up. Your best work comes from working hard on something you are passionate about.

What kinds of businesses do well in a recession?

Tough economic times make it more important than ever to make sure your product delivers something people really want at a better value than other options.

How is it different to start a business during a recession?

You have to work harder and have more reasonable expectations. New customers may take longer to find. Good value is key – but value is in how you "frame it". They'd rather pay the lower amount up-front. So you have to deliver good value and be creative in how you talk about it.

Five easy steps to starting business

1 Determine your strengths

This is the most important step in starting a business, because it is sure to fail if the owner does not enjoy working on it. For example, an art lover could make pretty beads and trinkets and sell them at a flea market.

2 Plan your strategy

Any business, no matter how small, needs a plan in order to succeed. It is imperative to decide what product or service to offer, the cost to produce it, and the target customers.

3 Spread the word

This may seem obvious, but if the product or service is not advertised, it will not attract customers and make money. Advertising may mean creating a flyer or by simply talking to friends and relatives about the business.

4 Start small

Be patient once the business is officially open. On average, it takes a business two to five years before it becomes profitable. Obviously, it will not take anywhere near that long before it starts making money, but it is unrealistic to expect customers to start lining up immediately after the business opens shop.

5 Keep customers happy

Once the business has a steady base of customers, continue providing them with the best customer service possible. These customers can be great advertisers for the business if they are happy with its services. By talking about the business positively to their friends, the business will soon have an even larger number of customers.