This is the age of the entrepreneur. But what is the reality for those on the entrepreneurial frontline? A unique selection of entrepreneurs tell their stories.

01 DALE MURRAY
An experienced entrepreneur in her own right, Dale Murray is now a business angel. She was founder of the mobile business Omega Logic and is a non-executive director of Cupcake Mum and Speede.

02 DOMINIC LAKE
Dominic Lake, one of the founders of the London restaurant chain, Canteen, always aspired to become an entrepreneur. Launched in 2005, Canteen now has four restaurants.

03 RICHARD DOWNS
Richard Downs is founder and chief executive of the ski, cruise and family holiday company, Iglu.com.

04 LORENZO CAFFARRI
Lorenzo Caffarri is co-founder and director of ubiCabs. Based in London, it offers a new way of finding taxi services online.
Ian Zilberkweit looked for a market with limited competition and potential for growth. He found the Russian bakery market.

Engineer turned entrepreneur, Jim Shaikh is founder of Yoomi, a self-warming baby feeding bottle.

Chantelle Ludski is the founder and CEO of the organic food company, Fresh!

Former consultant, Vinay Gupta, is co-founder of the world’s first neighbour-to-neighbour car rental service, Whipcar, launched in April 2010.

Former surgeon, Anil Ohi, is founder and CEO of Regent’s Park Heart Clinics.

Former investment banker Carlo Del Mistro is founder and managing director of the Gelato Mio chain of ice cream stores.

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www.london.edu/bsr BUSINESS STRATEGY REVIEW 21
The last laugh, of course, went to Mark Zuckerberg. Now a billionaire, he was chosen by *Time* magazine as its person of the Year for 2010. There were few complaints or even raised eyebrows. This is the era of the entrepreneur.

What began in the entrepreneurial melting pot of Silicon Valley as a dream for a select few has become a worldwide phenomenon. Would-be entrepreneurs fill our TV screens and, for growing numbers of young people, creating a business has become a calling, a vocation, a mission. It is the spirit of the age; the new zeitgeist.

A few entrepreneurs start out with grand visions in mind. But most simply don’t want to work in traditional corporate hierarchies. They’re willing to borrow money from friends and relatives and even run their credit cards up to the hilt to get a business off the ground.

Defining what an entrepreneur does is relatively straightforward. “A person who undertakes an enterprise or business, with the chance of profit or loss”, says the dictionary. But pinpointing what makes someone an entrepreneur is problematic. The characteristics of entrepreneurs have been debated for centuries. Like leadership, with which it is closely linked, it is hard to put your finger on what makes a successful entrepreneur.

Tim Waterstone, founder of the eponymous book chain and a successful entrepreneur, observed some common traits. Great entrepreneurs, he noted, share the following characteristics. They:

- Are inspirational leaders
- Believe their vision is right and don’t falter in their belief
- Derive energy from being the underdog
- Are driven by a strong desire to beat the competition — to defeat the enemy
- Combine enormous energy with fortitude and tenacity

### Demonstrate courage — by taking risks

### Have a deep respect for the people in their team, and value team building

### Understand how money works. Not necessarily in a technical way, but in an intuitive way.

There are many other such lists. What it takes to succeed as an entrepreneur is one of the business holy grails. What can be said with certainty is that entrepreneurs are dynamic, restless creators. They don’t tick, they buzz. “I always run through the office”, says Amazon’s Jeff Bezos. “I mean physically.”

High energy levels are vital for entrepreneurial success. There aren’t many lazy success stories out there. Energy is a prerequisite for the job. Energy drives and changes businesses both old and new. There is a difference between possessing energy and being a seriously hard worker. Maximising entrepreneurial energy is more than running fast or working harder. Anyone can work 16 hours a day. For successful entrepreneurs, how they spend their time, how they enthuse others is more important than the hours they work. Quality is vital; quantity is no longer a competitive advantage. Quantity is never quality.

The energy characteristic of entrepreneurs leads them to question what others assume. Entrepreneurs liberate energy in others. Their belief and desire to change things gives them energy and inspires others. They discover energy from the mundane, from the routine. They extract ideas to generate enthusiasm. They invent different approaches and try new things. They generate energy from themselves and stimulate energy out of those they work with. They attract people with energy.

### Essentially entrepreneurial

The second undeniable characteristic of entrepreneurs is an ability to focus energy and thinking on the issues, trends and people that really matter. Energy is channelled to the essence of what is important.

The ability to cut out the dross, the distracting stuff, has never been more important. Choice and complexity can overwhelm. The supply of information and opinions leaders receive is incredibly complex. Despite the flood of calls, the e-mail deluge, entrepreneurs make sense of it and extract the important details from the vast bulk of paper and input from a wide variety of sources. No matter what, they keep communication as simple as possible. They assiduously distil information and insights.

Simplification is a necessary evil. If you are to sell an idea in a complex environment it has to convince people… and quick. To be petite is to be perfectly formed. “Say you have a meeting and someone goes home at night and the next day there’s a ten-page memo that’s
crisp in evaluating the ideas — that’s a smart piece of work. In software, it’s not like ditch-digging where the best is two or three times faster than the average. The best software writer is the one who can make the program small, make it clever,” Bill Gates has observed.

Entrepreneurs are adept at crystallising ideas. Small and clever. It is always easy to make things complicated; far harder to make things simple. Distilling messages inspires. It renders hazy generics uplifting.

Networked to the hilt
The third ingredient in the make-up of today’s entrepreneurs is that they are wired and networked to the hilt. Facebook is not only an entrepreneurial inspiration, but a useful business tool.

No surprise. When it comes to new technology they get it in a way most big companies can only dream of. “The nerds have won,” management guru Tom Peters proclaimed when the market valuation of Microsoft exceeded that of General Motors.

But while large organisations paddle hard to keep up with the technological current, entrepreneurs embrace it with something approaching abandon.

Again the crucial difference is one of focus and perception. Entrepreneurs regard technology as crucial in a number of key areas.

First, technology allows for cost effective organisation. Forget about all that mortar, all those bricks. Entrepreneurs are as comfortable working from their bedroom or a local coffee shop as a tower block. Second, it facilitates constant communication. ‘To distil things down, you have to talk a lot in the first place.’ Third, it enables flexible working. Technology switches work on, whenever, wherever. Entrepreneurs don’t regard this as the tyranny of the BlackBerry but the freedom to make choices about when and where you work. And, four, it gives you a direct route to customers. Technology delivers you to the living room of the consumer every moment of every day. Add on the networking powers of social networking and it becomes clear that entrepreneurialism and technology are inextricably linked as never before.

Positive thinking
To top off energy, entrepreneurs are natural enthusiasts. For them the job itself provides a reservoir of energy. The job matters. Business is a vocation — a calling. They want to work with other highly motivated people. They are passionate about work. They blur the divide between business and private lives. They bring their emotions to work along with their iPads.

“Some people think enthusiasm at work is childish. We reject that notion. Emotion, enthusiasm, energy, passion, whatever you call it, is the lifeblood of entrepreneurial activity,” write Matt Kingdon, Dave Allan, Kris Murrin and Daz Rudkin, the founders of the innovation consultancy ?What If!. “Too many managers have erected barriers to protect themselves from these very emotions. We believe that in time, creative revolutionaries will swarm over this barricade. They will demand to know why emotions are excluded from a large proportion of people’s lives. They will throw off the chains traditional managers have shackled themselves and others with. Yes, we are passionate about this.”

Paradoxically, energy and enthusiasm are not hard work. Really effective energy doesn’t look as if it is energy at all. It looks energy-less. Great energy slows time — look at great athletes. They appear to have all the time in the world.

The human side of enterprise
The next important element in entrepreneurial DNA is that they value the human dimension. While previous generations paid lip-service to the idea, today’s entrepreneurs know that people make the difference.

Empathy is matched by emotion. “People have an enormous need for art and poetry that industry does not yet understand,” says Alberto Alessi, founder of the eponymous company. Emotion affects every business everywhere. Entrepreneurs believe that the ability of managers to understand and manage their own emotions and those of the people they work with is the key to better business performance.

So, what it takes to be an entrepreneur is demanding and multi-faceted. But, it is also for many people throughout the world an irresistible — and often incredibly fulfilling — temptation. To better understand the nature of this temptation, we asked 11 entrepreneurs about their experiences, as well as their hopes and fears. Their candid views, thoughts and concerns give a glimpse into the zeitgeist.
Shuffle board: I moved into finance very early on because I was good at maths and so you get shuffled into a career path you don’t really give too much thought to. Looking back I would like to say that I did it because financial skills underpin so much of modern business, but I don’t think I had that in my mind when I started out as an undergraduate at Price Waterhouse at the age of 17.

Skill shortages: You have to be the visionary, you have to be the motivator, you have to be a good staff manager, you have to keep a lid on costs, you have to manage your investors, you have to look out for the competition and ultimately you have to deliver a product and service that somebody wants to buy. We are not all perfectly formed in our skills base. I think good entrepreneurs surround themselves with good people.

Starting points: I think it was just naked ambition which got me going along an entrepreneurial route! In my mid-twenties I’d progressed quite quickly through a more traditional career path in chartered accountancy and then moved from the professional to commercial world, becoming a financial controller and running my own team. I remember thinking I really have to build my own business one day. It’s a control freak thing to be honest and I do think this is more nature than nurture.

Desire: Some people have an absolute determination and stubbornness to be entrepreneurial whatever that means. They just really want to run their own business and I don’t know why that is but you do have to have that as an entrepreneur. You have to really, really, really want it because once you start on that path of building an entrepreneurial business everything else goes by the wayside.

Profit and loss: One of the things I see with businesses is that they grow to the point where they have some revenue but they’re not at the point of profitability. That’s a very, very risky point in a business’s lifecycle. That’s when control is necessary. Entrepreneurs, at that point, often don’t fully understand their own businesses. They lose control of their costs, they lose control of product quality, they forget to keep an eye on the competitor or there’s some fatal flaw which ultimately deals a blow to them. Another point of potential business failure is where you have entrepreneurs who can’t let go.

Board talk: As a non-executive on a board, the biggest role is to act as a sounding board, coach or mentor whatever you want to call it. Typically, I come in once a month for board meetings and a couple of times during the month to speak to the founder to help build the business and spot the risks. Having been through it myself, being the founder or the entrepreneur myself and in other businesses being the non-executive director, I see that regardless of sector all businesses go through the same broad things. Obviously you do get challenges that pertain to particular industries but typically the market moves around you and you have to respond to that. You run out of cash, a key staff member goes AWOL, these management problems crop up again and again in business. My role is really to help the CEO, guide them, making sure they’re on the path towards the business objectives but also try and lift their head a little bit above the day-to-day and look at these more strategic issues.

Green fingers: Money is a motivation. People say, I put five years of my life into this and I really want to be able to get to a certain figure. All entrepreneurs seem to have a figure in their mind. It might be £1 million or £5 million but it is a figure which would make it all worthwhile for them.
Many rivers to cross: If you have a good idea and you have customers that say it’s a good idea then okay your business model might not be quite right or maybe the staff that you’ve got aren’t the best or the technology needs tweaking, but you just keep reshaping and remodelling things until you get it right. Good entrepreneurs are incredibly resourceful.

Angel seeks entrepreneur: I look for businesses that are unique and address a need. The second thing is really about the entrepreneur. Entrepreneurs have to pass the Australia test. If you’re at Heathrow sitting happily in your seat waiting to take off for Australia and someone walks down the aisle and sits next to you and introduces themselves what’s your immediate reaction? Do you think, ‘I’ve got 23 hours with this person’ or do you think, ‘They sound interesting, I’m interested to learn more about her or him’? We all go through ups and downs with our entrepreneurs and so if the entrepreneur passes the Australia test then you’re pretty sure you can live the next six to eight years with them.

Exiting: People used to say three to four years to exit but it’s more like six to eight years before exit. The worst piece of advice I got was from a business angel who invested in my business. When we hit profitability, he advised us to sell the business quickly and go on to start our next business. And my co-founder, who was burned out at the time, thought ‘Oh yes, that’s a great idea, we’ll do that’ and that became the focus. I went with it but your ambition to build a business again quickly becomes very, very muted.

My motivation: I just love business. I am most comfortable in a meeting room or a board room just talking to other people and thrashing out ideas and talking about the mechanics of the business model and how are we going to commercialise something. That’s where I love to be and that’s what gets me out of bed.
intensively farmed and your eggs were actually free range organic eggs and your chicken was organic, there was a swelling interest in that among the mass market. Out of all of this we saw ourselves as raising the quality of food on the high street. This became our mission statement and one of our key drivers.

**Selling the idea:** Then we had to go and sell it. None of us were independently wealthy and we needed some money. That’s where what I had learned at business school really kicked in — in terms of structuring a business plan, doing your due diligence, writing it and presenting it. It meant I had the language; could define not only the strategic side of what sort of business it was going to be, how we were going to deliver it; and actually challenge the numbers.

**The competition:** There are something like 7,000 restaurants in London. It’s a ridiculous number, but any business is competitive. Actually, it’s a very complex and modern business because it’s not just about making great food, it’s about delivering a great experience, which means it’s about people. Behind the scenes it’s about technology and finance. The days of a single chef opening his own restaurant have gone because it’s become sophisticated. You’ve got an Electronic Point of Sale system, stock management, HR control; these are the things your business lives or dies by.

**Team play:** If you’re on your own you can’t look at everything. You can’t be sitting in the kitchen looking at the numbers, thinking about health and safety and delivering proper support to your team and training them so that they, in turn, give your customers a good time.

**The people factor:** We have about 140 employees now. The customer experience is totally driven by those guys. We always try and make sure that our core team understand that people come to Canteen in their scarce free time and we’re there to make sure it’s as good an experience as possible.

**Tasteful training:** Managers in the restaurants do tastings with the team and they explain that, for example, our chicken comes from a farm where they catch them the night before so they are sent to us fresh. It’s constant, gentle pressure. You can’t tell people something once and think that it will sink in because there’s so much else going on.

**Slow cooking:** We were raising money in 2005 and many investors were very focused on growth, quick growth. We said no, if that’s what you’re after you’re not the right investors for us and we’re not the right company for you.

**Accelerating:** The plan is to get 15 restaurants in the next five years. There comes a point where you can speed up your growth, but we always felt that it wasn’t within the first five or six units. You want to expand good business practice because it’s very difficult to retrench when you’ve got a set working culture and processes in place.

**It really is about people:** The people side is a very satisfying part of the business when you get it right and when you get it wrong it’s quite painful. I was asked what was our most valuable purchase or acquisition this year, and I said it was our Operations Manager because she has had a massive impact.

**What it takes:** A lot of it’s attitudinal. You have to have the confidence and the ability to see beyond today and recognise that you can achieve what you want to achieve. You’ve just got to work out how to do it. It’s a combination of confidence and a willingness to try.

**Living with the risk:** We’re constantly reviewing what if scenarios. In our business cash flow’s very important so we monitor it closely. If it looks like it’s going to be difficult then you manage that situation.
Growing up: Businesses and entrepreneurs grow up. Your working style and the balance of what you and the business do evolves. The first two or three years are totally full on. But that’s not sustainable. You can only ignore your friends and family for so long! You eventually need to get things in balance so you can recognise when you’re near the edge and then do something about it. I found that taking a holiday can allow other people to grow.

Recharging: You can also tap into energy from other people — whether they are non-executive directors or others. You need to reflect on what you have achieved and what needs to happen. You look for energy and enthusiasm wherever you can get it.

Growing into the future: When I encounter someone with a business plan, I realise how far we have come. There is a lot more for us to do. We started off in skiing; then we entered the cruise market and that is now bigger than our ski business. We took our knowledge and were able to apply it to this new sector. We are the largest ski retailer in the UK and the largest online retailer in cruises. There is still a lot more potential and opportunities in Europe to develop.

Small is bountiful: I had the idea for Iglu back in 1998. We have been in existence for over a decade and have grown but we are still small and nimble in the way we think. By nature we are very anti-corporate. We are still non-bureaucratic and not meeting oriented even though we now have 120 people.

Have faith: For an entrepreneur, belief is seven-tenths of the job.

Additional funding: At the end of 2009 Matrix Private Equity Partners invested £4.3 million in Iglu.com. This bought them a 35 per cent stake. This enabled us to buy out two of the initial institutional investors and gave us a much clearer run into the future. Now we are entirely debt free.

Patience: It has taken much longer than I ever thought it would to reach this stage. But, in other ways we totally under-estimated where we would be in 2011. After all, when we started out there was no Google or Facebook. The world has changed. Now online commerce is bigger than the UK construction industry. Even the government now appreciates the importance of online commerce as a sector.

The glass?: Entrepreneurs are optimistic by nature. They want to change things.

An education: My previous experience was all about finance. What I have learned is the importance of people. You have to get the right people and then keep them motivated. It can be highly destructive if you get it wrong. You really need a complementary combination of skills. It was one thing we took for granted early on in the businesses’ development.

Toddling: The other lesson I have learned is not to run before you can walk. We expanded into France and elsewhere without having the right people.

You look for energy and enthusiasm wherever you can get it.

VCs: You have to remember that VCs are separate organisations with their own objectives. If their goals change you have to be aware of the implications. VCs aren’t all the same. You have to do your homework.

Making money: We became profitable in year four and have made a profit ever since, apart from one year. When you’re not making money you don’t have control and that’s when you are vulnerable.

Motivation: I always wanted to start my own company. I felt passionate about the technology, I was a keen skier and I wanted to change the industry. That desire for change is an especially important element in our story and for entrepreneurs more generally.
**Motivation**

**What it Takes**

**LORENZO CAFFARRI**

Lorenzo Caffarri is co-founder and director of ubiCabs. Based in London, it offers a new way of finding taxi services online.

Lorenzo Caffarri

My route: I ran IT projects in a large supply chain company. I liked what I was doing, but sometimes at large companies it’s not so easy to progress as fast as you would like. I thought I could do better and have more of an impact by running my own business. Basically I am trying to make it simpler for people to find taxi services through smart phones which should make the industry more efficient as a whole.

The motivation: When you’re running your own company you decide on everything and you have a much more diverse role rather than being in a niche. I definitely find it much more rewarding. In doing something you like day in and day out, there is real excitement although it is a lot of work: I work seven days a week, 16 hours a day.

The process: One project worked on in my previous job was a business-to-business aggregation platform for transportation services. The ubiCabs idea emerged from that and it was developed further after chatting with a group of five or six MBA colleagues, where we bounced ideas off each other for about two to three months.

The opportunity: I think it’s a great opportunity, but it’s very hard to take to market because it’s a very low margin business with a lot of customers and little revenue per customer. This means acquisition costs can take months and months to recoup.

My skills: I was an engineer before doing an MBA and really didn’t have much financial knowledge, almost zero, and subjects like strategy and marketing I didn’t really know much about either. I knew how my job worked, basically managing projects and optimising processes. That is where my strengths lay, but the rest was not my cup of tea. As an entrepreneur you have to do everything — from the legal side to accounting, marketing, business development and IT design. You have to be a man of 1,000 talents.

The C word: There is a big thing with confidence. Making this kind of jump is not easy so you need confidence in the idea and you have to believe in yourself.

Tomorrow: At the moment we service only London but we want to expand to the UK and internationally. We went live in November 2010 and are now looking for funding. As an entrepreneur you think, I’m putting all my time and life into it because I love the idea and it’s something that can become really, really big (the UK taxi market is worth £4-5 billion a year). We have a target of at least 30,000 active users by the end of the first year. It’s a network scale business, so if you don’t reach that minimum scale it’s very hard to make the business profitable.

Lessons: Everybody says you have to allow for double the time, half the demand and double everything else. That’s true.

You cannot look at the stats, you have to think you will be the one who does it.

Living with failure: The percentage of start-ups that don’t succeed is very high. Everybody thinks that it’s going to happen to other people. We are optimistic, but the emotional ups and downs take a lot out of you, it’s exhausting. I recently met a well known investor who said no, we’re not going to invest now. After hearing something like that, you begin to think whether it really is such a good idea. You need to just forget about it and move on. The danger is you start to over-analyse and never move forward.

It takes three: Jay Patel joined me after a few months. I’m the person behind the product and the idea, he is more the public face of the company, working more on the marketing, business development and in PR. He’s complementary. You need that. We are now looking for a CTO, a co-founder to make it three and have a complete team. I think that’s the right number, and it would free up my time to focus on growing the company.
Frustration as inspiration: I was an investment banker and just didn’t view myself as an entrepreneur with a burning need to create a new company or to do my own thing. I helped build a team in my bank and that team was then largely laid off. This big disappointment helped me realize that if you work for a large company, you can build something, feel that you have partial ownership but it isn’t ever really yours. Frustrated, I thought of other things I could do. At first, I thought of it as another way of doing deals, other things to raise money for, which sectors might be interesting to engage in.

The team factor: Losing my banking team really bothered me. I’d had so many colleagues working with me and suddenly they were all gone. A client of mine and a LBS course provided an eye opener: I became interested in taking a mass market product and, with a bit of thought, marketing and cleverness, moving it from lowish to higher margins. I started thinking about sectors that were big, but not affected by recession. I started thinking about things like food and bakery and shops. I ended up creating two bakery-angle businesses in London with two friends and partners. Today, we have combined sales of over 30m sterling.

Fast rising: Though the businesses were doing really well I realised that I had overlooked an important factor: I had chosen to set up businesses in a sector which is very, very competitive in the UK. It’s great being in London as a retail customer because there are hundreds of different fashion brands, food offerings and restaurant chains. But for an operator it’s really tough: there’s so much competition. Everyone is copying everyone else and it’s really hard. I realized I was never really going to make a huge impact. Selling food in Britain is just insanely difficult.

To Russia with dough: In a discussion with an old friend Russia came to mind. It is a market with little competition and huge potential. Going there, I found that the market is way bigger than I thought with competition really limited, more limited than I thought possible. It’s also easier doing business than I thought. I feared lots of bureaucratic nightmares and corruption, but it isn’t quite like that when operating a small business.

Uncertain times: But Russia has an uncertain market. At the end of 2008 the recession hit Russia and the rouble dropped 30 per cent in ten weeks. The cost of our imported goods skyrocketed. I hadn’t appreciated working in a place with double digit inflation and prices always changing. Nor had I appreciated working in a country so far away from “home”. Importing products to Russia and finding local producers is very hard because you only get a short time to produce high quality food. So, the daily grind is really tough.

Job creation: Even so, I enjoy it. I set this thing up with a friend and now we have just over 600 employees in Russia and the companies I helped start in the UK employ over 1000 together. That’s an amazing privilege. My partners and I have really created employment and I am proud of that.

Returning to investment banking: I don’t know if anyone will hire me after all this time. I’d be a better banker now and much better able to recognise a problem but also true value in a client company.

Building for the future: I’ve learned that it is very hard to actually sell a company, let alone to build it future-proof. But in the meantime we just build. I think we’re not even at a tenth of our potential size.
Patience: The plan was we'll nail the design development in a year, and it took us three. It's actually quite a complex system with air and milk and feed and heat, and all the rest of it. With babies, you take the milk and put it on your wrist to see if it is warm enough. Now, that test is for body temperature. If you want it for breast milk temperature, that's slightly cooler. But still we had a target. There's no point heating up to 28 degrees, because parents would reject it. We had to get to 32-33 degrees. And that was the benchmark. If we couldn't get from fridge milk temperature to 32-33 degrees, there wasn't a product.

You're constantly selling yourself to yourself, to your wife, to your family, your employees and investors.

Fluid thinking: I'm a fluid dynamicist. I wanted to get into consulting or move across into big corporate management so I did an MBA. In the second year I started getting interested in entrepreneurship. It was 2002 and there were lots of people younger than me running round with one-page business plans and getting funded. That got me thinking. It started dawning on me that I could actually do this.

From engineer to entrepreneur: It's a big leap from the mindset of an engineer to the mindset of an entrepreneur. It did take a few years. Entrepreneurs are always assessing the riskiness, not avoiding risk, but just assessing it and understanding the risk-reward balance in everything they do.

Sell, sell, sell: What I've learned about being an entrepreneur is you have to sell. You're constantly selling yourself to yourself, to your wife, to your family, your employees and investors. Over the years I've become adept at telling the story of our own products and telling our own story. You pull out those elements that you think may be most appropriate for the time. I have had quite a chequered career. I started off as an engineer, and then went into engineering consulting, did a PhD, then I was an academic and then worked for BMW.

Starting up: Intelligent Fluid Solutions was the first business I started. It was out of that business that I was able to incubate the yoomi bottle idea. It needed some incubation because it was a new technology. Intelligent Fluid Solutions (IFS) is a virtual prototyping business. Rather than put a car in the wind tunnel, I would put the car on the computer and use very complex software to model the flow over it. So we wouldn't have to put the car in the wind tunnel, we wouldn't have to make prototypes, using the results from the analysis we would jump straight to a more mature design. What we were able to do with IFS was apply that high level technology to something as (what we thought was) mundane as a baby bottle.

The idea: That goes down to my wife. My first son, Daniel, was born prematurely. He was an emergency caesarean and by the time we got him home we were fixated on feeding him every two hours or every four hours. My job was to take the expressed milk from the fridge at night, warm it up in a pan of hot water, watch it for ten to 15 minutes, and obviously I'd fall asleep. So I then put it under the tap — too cold, too hot, too cold. My wife basically said, you're an engineer, do something useful, fix this. Being a fluid dynamicist, you think well, it's a baby bottle, surely there's a better way of doing this.

Fruitful lunching: David Hartwanger and I decided one afternoon not to go back to work after an IFS team meeting at a restaurant. We took the afternoon off and, being engineers, rather than talk about anything else we talked about this project. After about three hours on the back of a napkin, we started sketching something we thought might work. And that was the genesis. That was back in 2003. Once we filed the patent, I then invested in writing a business plan. It took me three months of Sundays in early 2006.

Funding: Over the period of months we got probably about six angels
Out for coffee: I’m the archetypal accidental entrepreneur, having no research nor planning. It was really just meant to be a little coffee shop and that’s how it started. But, due to a whole variety of factors, not least of which was the fact that UK coffee shops, sandwich shops and organic markets were all suddenly growing, it grew. We wrote a business plan for a retail rollout of stores modelled on what we started and, now, ten years on, we are doing something quite different although the core is still the same: well made, best quality, healthy food on the go using organic ingredients with no preservatives. What’s changed is we don’t have our own retail outlets any more. We now supply other retailers.

Learning as you go: The retail model never really worked for us. We could never get the scale. Our overhead structure didn’t cope with the small number of stores. We got up to four stores and we just weren’t making money. Then we were given opportunities to provide people, like Sainsbury’s and Boots and so on, with our branded products, so that’s the route we went down, and that’s worked with a lot of success. We had a really, really good run up. For four or five years we grew like crazy. But, we’re now revising the plan. That’s what recessions do, they make you rewrite your business plan!

How I got here: I come from a corporate law background, but my dad had his own business for years. He was a successful businessman, despite having no education beyond high school. My brother also runs his own business. So clearly we are an entrepreneurial family, but I went down the academic and corporate route.

Beyond analysis: Sometimes if you think about things too carefully, you can over-analyse them and you end up with an analysis-paralysis scenario. In
And now: It’s a very labour intensive process. We’ve got about 80 people. We’re all in one big kitchen in North West London. We’ve got sandwich makers and cooks, drivers and a team in the office. It’s a real mixed bag of skills, but it’s a basic production business.

The future: We’re seeing more and more opportunities in food service, and by that I mean anything from feeding office workers to hospitals and schools, and leisure centres, museums and zoos. Tapping into that whole thing about health is a growth opportunity for us.

Half full: What other way is there to be? You can be optimistic, but you also need to be realistic and say, I can’t do this on my own, I need to bring some external help in to help me with something. That’s part of growing up really. Sometimes it’s good to get an external perspective. It’s about recognising that you don’t have all the answers.

Fresh thinking: I’m in the middle of doing something that I want to see through. I think we’ve got a good business. We’ve got a great brand. People love the brand, they love the products, and we need to build on that. We’ve got such a fantastic platform to do something much bigger and that’s a great challenge.
Along for the ride: It’s a roller coaster every day, and you can have the highest desires one day, and the next day you’re cursing yourself for getting into it.

The big idea: Tom Wright and I worked together and we had quite complementary skills. We were interested in doing something together. The general idea that we were captivated by was the misallocation of resources and excess capacity. We wanted to tackle excess capacity where it affects the most people. We settled on trying to tackle this for cars. The home rental market has seen ideas like this for many years — there have been timeshares and more recently you have online companies which basically use a peer-to-peer vacation rental model. We thought we could get rid of some of the excess capacity through the neighbour-to-neighbour rental of cars.

The opportunity: We started this business because we think it’s something that should exist because there’s a huge amount of wastage. The car industry has suffered from decades of overcapacity. There are 29 million cars in the UK and on average they’re only used an hour per day. It costs an obscene amount of money to own a car and, in these times especially, people want to make the most of what they have. People increasingly value things like accessing services and experiences more than physically owning goods. And the car is just another one of those things.

In development: All things considered it was pretty rapid. We came up with the idea in February 2009, started fundraising in April and set up a limited company in June. At that time, we started working with the insurance community to develop a product that worked so that both the owners and the drivers could be insured. That was a long process. It took about ten months to put it together.

The challenge: Our biggest challenge is that we’re trying to change behaviour. At business school, you learn that this is exactly what you shouldn’t do! We have to educate the market. It’s not just about telling them about a new shampoo bottle, it’s educating them that something new exists, how it addresses the problem, and then getting them to try it and making sure it’s good enough that they want to keep coming back more and more. It’s normal for people to be a bit wary at first, so they might read about it in one or two places, and they might talk about it with their friends. Then they might register and there still might be a lag, and they might use it. Now we’re seeing there’s lots of recurring people on the system. We’re active in 450 towns in the UK.

Fundraising: I don’t think raising funding is ever an easy process. We were fortunate in that we met Delta pretty early on in the process and we liked the things they were saying. So even though we met with other venture capital firms after our initial meeting, we were hoping that we would attract investment from them. But, even so, it was certainly difficult. We essentially raised money based on the story we told.

Entrepreneurship is about execution. Completely. An idea will only take you so far.

Ball juggling: We didn’t have an operational product before we raised the money. Conversations with the insurance community are that much stronger when you have funding and, likewise, conversations with investors were stronger with positive interest from the insurance community. It’s a challenge for all entrepreneurs. It’s just a matter of juggling lots of balls to get to the launch.

Teamworking: We have a really small team at the moment. We have three full time people including Tom and myself, and then we’re fortunate to
From theatre to boardroom: I put down the scalpel and picked up a spreadsheet. It wasn’t something I’d dreamed about. People say it’s a great insurance policy — you can always be a doctor — but you can’t, really. People thought I was a bit mad, really, having done all the hard work and becoming a fully qualified medical professional. People never really understood what I was doing. I knew whatever career route I decided to go down I had to make it work.

Bean counting: I had a small family and that was probably my biggest motivator. My second baby was actually born just as I started my MBA. I was taking a lot of personal and certainly financial risks. I didn’t have two beans to rub together. I had to mortgage my house twice. I was literally playing credit card roulette for probably the first two or three years of my business. It was really a struggle and that was a key driver.

What it takes: You need to be determined, and you need a lot of hard work, passion and commitment. I think you need a certain amount of confidence as well.

Difficult beginning: It’s the proverbial entrepreneur’s dilemma. No one would give me a contract without me showing I had a cardiac catheterisation laboratory and I couldn’t get one without a contract. My epiphany was one day having a shower. I thought there must be spare capacity in the healthcare system and maybe I should look around the NHS. I was very fortunate to find the only spare cardiac cath laboratory, which was sitting in the grounds of London’s Harefield Heart Hospital. I couldn’t believe my luck. These things are like Thunderbird; they arrive on the back of a trailer, plug into three-phase power and have hydraulic slide-outs creating an operating theatre for the cardiologist. I’d only ever seen machines like this in the first Gulf

The working day: You’re always thinking about things so you wake up in the morning, start doing some work, get home at night after working all day, and do some more work. That’s just the way it is. You always have a notebook at hand, and you write things down as you think of them. It is difficult to turn off, especially if it’s the early stage of the business. I think it has to be like that in order to push yourself and make things better, there’s a finite period of time that you have to make any entrepreneurial business a success.
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Jump starting: That's where we got going. They only used the lab one day a week. I used it the other six days and started winning contracts and taking it to other NHS trusts. One of the other key driving factors was I knew that people were dying. Back in 2000 people were waiting 18 months for a basic diagnostic test, a coronary angiogram. My father waited 15 months for his test on the NHS and I felt this was wrong. In America, where I spent quite a bit of time looking at the industry, there'd be class action litigation if you waited more than two weeks. There's a one per cent mortality rate for people who wait more than 12 months. The payoff curves are very clear, you wait and you die if you don't have the operation.

Changing markets: From a business perspective, cardiology and cardiac services are very interesting because they have very high barriers to entry, there is a burgeoning demographic need and there's only a very finite pool that can do these sorts of operations. I could see that a lot could be outsourced to private hospitals and private players. That's pretty much what we've been doing now for the last seven to eight years, tackling NHS waiting list initiatives in partnership with cardiac centres.

A+I entered into a rental agreement for the original laboratory and was cash-flow-positive after week one. After a year, I went out and started buying my own equipment and putting my own buildings together. The Americans are always five or ten years ahead of us. The same laboratories that were needed here were no longer wanted in America. So I got on a plane and started importing them. I would literally drive the labs to Virginia, put them on a ship and bring them across to Liverpool. I brought the buildings across because they're hugely valuable and very specialist buildings no one was making over here. I realised that if we could get the buildings over and then equip them with brand new equipment we had a very interesting proposition. GE, Siemens and Philips said to me you can’t do this, you cannot bring these things across from America, they just won’t work. And the more they said that the more I wanted to do it. To me it just seemed like the obvious thing to do.

Spontaneous combustion: I was making it up as I went along. I still owned 100 per cent of the company, so I had a lot of flexibility. I could truly think long-term.

Job satisfaction: I think I got very lucky. I can probably count on one hand the number of days I've woken up in recent years thinking I don't want to go to work. It's been that enjoyable for me. I'm sitting in my office in Wimbledon, but you might find me with my work overalls on in one of my labs assisting in a procedure or talking to a CEO of a large NHS trust. You have to be so versatile. I think it's that versatility that makes the job and my life so interesting.

Horses for courses: If I’m talking to medical professionals, I obviously play on the fact I’m one of them. If I’m talking to a bunch of financiers, again, I will probably tend to play the medical card more, because that seems to be the area in which they’re usually lacking in knowledge. I can also step out and talk business to doctors and healthcare to businessmen. Having a foot in both camps is definitely unusual. I was surprised how unusual it was. I thought there’d be a lot more people out there like me, but actually, there isn’t.

Persuasion: What's helped me is definitely my ability to communicate and hopefully persuade people. Having the support of my wife and family was important for me. I was very clear with my own family that what I was about to do was going to mean that we’d have quite a few dark days, if not dark years, when first starting out, with no money. That was very useful and I'm still happily married. Times were very hard.

Aligning the stars: I was probably very naive, looking back. My business segment was very complicated because there were so many things happening which weren’t in my control, particularly around politics. No matter how good the idea is, sometimes in life the stars just aren't in alignment. So, timing is really important.

Splitting the atom: Entrepreneurship for me is similar to an atomic model. The nucleus is all the personal traits — the passion, the ambition, the confidence. Then you've got the inner electrons spinning around generating ideas. It's all very well having the ideas and getting things started but you also need all the administrative skills that help make better ideas happen. I think that's something that continues to be a challenge for me in terms of growing the organisation. The very outer electron shell is made up of the principles that help define the company — trying to treat all our patients, and the people we work with, with compassion, integrity and kindness. I’ve always tried to go out and say we want to provide a world-class cardiology service to all our patients because I think that’s really what they deserve. It's something that we probably don’t see enough of in healthcare.
The pleasure principle: I do enjoy it. Economically it’s not great at the moment. But, the work satisfaction is way better than it’s ever been before for me. I’m doing what I like and doing it how I like and I have all the flexibility that I can desire. Nobody really does it for money. The challenge is to build something new and to see it grow. Whatever happens, I don’t really see myself working in a standard professional organisation any more. I will probably start up something else. It’s a risk, but I prefer being self-employed.

The biggest thing to learn is perseverance; to stick to your decisions and try to carry them through.

The four seasons: During the winter we are more careful with our purchases and we prepare for next year. So far, every year we have doubled in size. So we had one store in 2008 and then two in 2009 and it’s four now, and we are trying to double again in 2011. So it takes a lot of work because we are upgrading our systems and doing lots of training. We are really focused on making the company more professional.

What I have learned: Thousands of things really. The biggest thing to learn is perseverance; to stick to your decisions and try to carry them through. Being an entrepreneur you often hear people saying “No” to your face. You have to be able to carry on. Then I’d say the importance of the team. No entrepreneur is a lone wolf; there’s always a team working. You need to have a great team to sustain the business and to help it grow, because otherwise it will not work. At the moment there are 27 of us, including five people on the management side.

How I got here: My family are all public sector workers so there’s no entrepreneurs in the family and most of my friends are from professional backgrounds. I had the idea of becoming an entrepreneur, but didn’t really have a role model or any experience.

The fratellis: I worked at Lehman Brothers and people sometimes ask what skills from Lehman Brothers I now use. Financial modelling is always quite helpful — though it’s not really required to be an entrepreneur. But bankers and investors like being able to speak to me about technical financial terms. My financial models for Gelato Mio are quite complex for a business my size.

The first gelato: 1st July 2008 was the official launch of our first store. I thought about an IT or online company, but I didn’t really have any valuable experience in technology. Thinking about food, being from Italy, I think I have a big advantage on the product side. I had some contacts in the food sector in Italy and so I managed to start the company quite easily. If I didn’t have that kind of background it would have been more difficult. So, I chose a field that I felt I had the resources to go into and that I liked.

WHAT IT TAKES

CARLO DEL MISTRO

Former investment banker Carlo Del Mistro is founder and managing director of the Gelato Mio chain of ice cream stores.

www.gelatomio.co.uk

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Yin and yang: Innovation and entrepreneurship don’t necessarily go hand in hand. I’m inspired by technological or information innovations, but I’m very sanguine as to how one actually delivers an operable potentially profitable business. What excites me is putting the two together. Occasionally the entrepreneur is the innovator. Very often they’re not.

Team Inc.: It’s about putting a team around you. So, if I’m looking at university-based spinouts, it’s really about assembling management expertise and entrepreneurial drive around technologies. It’s a difficult thing to do.

Getting to sale: What interests me is bringing a business from a relatively early stage to a stage where it is profitable and saleable. I’m not necessarily good at running a large business and that doesn’t really interest me. What interests me is bringing a business, which I’ve identified as having a real opportunity, to become a profitable success.

What do you do?: I saw Lord Sugar, who presents the TV series The Apprentice, being interviewed. He said that you don’t say you’re an entrepreneur, other people say you’re an entrepreneur. And I think that’s an interesting way to look at it.

The e in youth: People are looking at starting and building businesses earlier in their careers. Increasingly, the challenge is to match youthful drive with the finance and advice essential to build successful businesses.

What it really takes: You have to know your sector and really understand how you take it from A to B, and also where your skills leave off.

We all sell: Sales drives everything. Sales and marketing, desire drives everything. You can create the new wheel but if you can’t sell it… One of the big issues is that too many people still think sales is not exactly a dirty word, but it’s not quite a clean word either. That’s a big inhibitor. You have to be able to sell, you have to be able to identify the strength and weaknesses of an organisation, and you have to be able to lead.

Silicon inspiration: There is something in the culture of the US which doesn’t attach a high negative on failing. The key thing they do well in the US is that they have a far better developed relationship between the financing, the access to management expertise, access to legal expertise and innovation. They’re better at bringing all of these elements together.

What interests me is bringing a business to become a profitable success.

Unworldly: There are a lot of people out there with great ideas. The people who have ideas are often very unworldly in terms of the reality of bringing a great idea to market.

Freshening up: You keep fresh by being out there. It’s not an armchair life. Patience is something you never learn, at least I don’t. Grit your teeth and grind down your molars!