

HOW I BUILT THIS

The Unexpected Paths to Success from
the World's Most Inspiring Entrepreneurs

GUY RAZ

with Nils Parker

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INTRODUCTION

On an otherwise normal summer Monday in 2018, my wife, Hannah, returned home from her daily run with tears streaming down her cheeks. As she came into the kitchen of our Berkeley, California, home where I was making breakfast for our boys, she pulled the earbuds from her ears and said through deep breaths, “Why didn’t . . . you prepare me . . . for this episode?”

That morning, the team at *How I Built This* — the business podcast I created and have hosted since September 2016 — released our most recent episode, about Stacy Brown and her company, Chicken Salad Chick. I had forgotten this was the episode airing that day because the lag time between an interview and its release is usually many months. What I had *not* forgotten was how much of an emotional roller coaster my interview with Stacy Brown was. And it was clear from Hannah’s reaction that it had resulted in a very powerful episode. Here’s the basic outline of the story:

Stacy starts making chicken salad out of her home in Auburn, Alabama, as a way to make ends meet after her husband walked out on her and their three children, all under the age of six. Her goal is to earn \$500 a month to pay the bills.

She finds small-time success right away selling her chicken salad door-to-door for several months, until someone calls the health

department on her. (Apparently making food out of an unlicensed kitchen and selling it in off-the-shelf storage containers, basically out of the back of your car, is, technically speaking, not legal.) In response, the health department shuts her down.

As this is happening, she enlists the help of a business-savvy family friend named Kevin Brown, who convinces her not to give up, but to double down and open a restaurant instead, in an 800-square-foot shack. The rent is \$800 a month. So with his help, she does just that, and it's successful, too. On their first day in business, they sell out of their chicken salad by 2 p.m.

The intensity of the business and their partnership brings Stacy and Kevin closer together. Eventually, they fall in love and get married. Now as partners in life *and* in business, they steadily grow Chicken Salad Chick and use the cash flow to open two additional locations in Auburn, since no bank will even give them the time of day, let alone a small-business loan.

After four or five years of bootstrapping their way to sustainability, they realize it's time to find someone who can help them pivot to a franchise model where they'll have a shot at turning a real profit and taking some cash out of the business.

Unfortunately, they end up partnering with a less-than-honorable couple to whom they foolishly, in retrospect, sell 51 percent of the company, and who threaten to fire Stacy and Kevin from their own business just a few months later when the two couples' visions for the future of Chicken Salad Chick diverge.

Unwilling to let go of all they've built, Stacy and Kevin negotiate a buyout — except the partners want a 3× return on their initial investment, which amounts to \$1.3 million(!), and they want it in thirty days(!), or they are going to take over the company, and Stacy and Kevin will get nothing(!!).

Needless to say, Stacy and Kevin don't have \$1.3 million, so they travel all over Alabama pitching to anyone who will listen to them, trying desperately to raise the money. They get nowhere until the very last day — day 30 of thirty — when a man named Earlon McWhorter, who made his money building Lowe's Home Improvement stores, calls them up after attending their pitch meeting at the Au-

burn Chamber of Commerce and tells them that he believes in them, that he loves their chicken salad, and that he will write them a check for every penny they need.

Earlon's investment doesn't just give Stacy and Kevin their company back; it propels them into a franchising model that catches fire immediately. They start opening stores all over the South. Everything is going amazingly well. And then, in the middle of their expansion, Kevin is diagnosed with stage 4 colon cancer that has metastasized to his liver. He immediately begins an aggressive chemotherapy treatment regimen and, astoundingly, never misses a single day of work.

It's the beginning of another fight. This one, tragically, they will not win. But that does not stop them. Not only do they continue growing Chicken Salad Chick, but they also start the Chicken Salad Chick Foundation to support colon cancer research. As part of their fundraising efforts, Kevin has the idea to put on a huge benefit concert at Auburn University's Jordan-Hare Stadium and to have Kenny Chesney (the biggest star in country music at the time) headline it. It's a crazy idea, but then so was a restaurant dedicated exclusively to chicken salad. He helped make that happen, so why not this?

Why not, indeed. They get Kenny Chesney. They sell 50,000 tickets. And on that night in April, they fill Jordan-Hare Stadium. Except Kevin will not be among the crowd, not in his physical form, at least. He passes away six months before, on November 21, 2015, surrounded by family.

For Stacy, it's an unfathomably painful loss. One that comes after nearly a full decade of very high highs and incredibly low lows, in both her personal life and her professional life. And yet, Stacy, like her husband, continues fighting. She perseveres. Not just for herself and her children, but for the memory of what Kevin meant to her and to their business. Later that year, all of their effort is rewarded: Chicken Salad Chick is listed in the Inc. 5000 as one of the fastest-growing restaurant brands in America.* Today, it is a \$100 million business.

* It was number 37 among *all* privately held companies.

This tumultuous, inspiring story is, in many ways, a quintessential entrepreneurial story. It's also a classic hero's journey. If you've ever read any Greek mythology or the Bible or watched *Star Wars*, you have experience with the "hero's journey," the concept — identified by the author and philosopher Joseph Campbell — that most great epic stories follow a similar narrative arc: a hero has a crazy idea; people doubt her; she leaves the village to pursue her vision, faces untold obstacles, falls into an abyss, barely escapes death, but manages to come out the other side with whatever she was looking for and continues on her journey to an eventual triumphant return.

This is obviously a gross oversimplification of the structure of the hero's journey, but those are the basic ingredients of a great classic story. They're also the key elements of many great business stories — Stacy Brown's included. It was a discovery I made entirely by accident while taking a business school class during the year I spent at Harvard as a Nieman journalism fellow in 2008. It was in that class that I was first exposed to the case study method and to the idea that you could learn about business through stories. Time and again I found classic heroic journeys embedded in these case studies. There were calls to adventure, trials and errors, all-is-lost moments, the ultimate boon — all told through the prism of business.

What was even more surprising, to me at least, was that I was at all interested. In high school and college, I used to think that "business" was a dirty word. To me, it was the realm of hucksters and pitchmen selling cheap consumer products on late-night infomercials. Even though my generation produced people like Elon Musk and Larry Page, most of my cohort subscribed to an anticorporate, anticommercial ethos, perhaps best illustrated in a famous 1992 cover of *Rolling Stone* featuring Kurt Cobain wearing a shirt that read CORPORATE MAGAZINES STILL SUCK.

Why would I care about the story of some business? It's not like business was ever going to be my thing. Especially because I watched the ups and downs of my parents' pearl-importing business and how much time and energy it sucked out of them. I have vivid memories of my parents grinding away at the kitchen table late into the evening, combing through customer lists, making cold calls that more

often than not ended with the proverbial door being slammed in their faces — all in the service of providing a stable life for me, my younger brother, and my two older sisters.

I didn't want that life for myself. Watching my parents endure what entrepreneurship demanded of them, I could not think of any career less suited to my temperament and my interests than talking about businesses all day, let alone starting one. That's why I went into journalism, then into radio, and eventually into hosting at NPR. And yet, here I am. I have somehow managed to create or co-create five podcasts that, together, generate millions of dollars in revenue and are heard by 19 million people a month. It's a lot of work, more than I ever imagined, and to make sure it all gets done, I started a production company. An *actual* company! Who would have guessed it? In truth, I'm still not sure how it all came (or stays) together, but we're a small, nimble, tight-knit outfit, and I freely admit that I love it.

What I love most is the journey of coming up with a big idea and turning it into something tangible — though it would take me until my late thirties to start to feel even a tinge of confidence about some of my ideas or my ability to execute them. For most of my career before then, I struggled with the kinds of worries I thought charismatic entrepreneurs never confronted: anxiety, fear, imposter syndrome, even depression.

But over the course of my time doing deep-dive interviews with hundreds of business founders and CEOs for my shows, I've come to understand that, for the most part, they are just like you and me. Which is to say, they're human. They all have sleepless nights and midnight terrors. Most of them, at some point, feel like imposters. They are not natural superheroes; they are all Clark Kents. The only difference between them and you, at this moment, is that when opportunity presented itself, they went into the phone booth and put on the cape. They took the leap. That's basically it.

How I Built This was not my first leap, but it was my biggest, and the one that took the longest to make. It was a slow burn that began with the epiphany inside that Harvard Business School classroom. As a former war reporter, I knew that the most compelling human stories are journeys, and I had a hunch, now that I could see the he-

ro's journey inside most business stories, that there was a tribe out there that would relate to these journeys in a business context.

That was how the idea for *How I Built This* evolved. And like the birth of the show, most of the ideas you will read about in this book didn't begin with a big explosion either . . . but rather with a little spark. A spark that got nurtured, sometimes very slowly, until one day the person who would eventually bring that idea to life woke up to realize the thing that used to get them out of bed in the morning was no longer the thing that fired them up. It was something else now.

An idea, as it was for Lara Merriken, Gary Erickson, and Peter Rahal, who all wanted to make a better energy bar.

A desire to strike out on their own to see if they could do it, as it was for Angie and Dan Bastian when they moved back to Minnesota from Florida and decided to buy a \$10,000 kettle corn starter kit that would eventually become Angie's BOOMCHICKAPOP.

An opportunity that leverages one's skill set and experience, as it was for Randy Hetrick of TRX, when the homemade workout system he'd cobbled together to stay in shape while deployed overseas as a Navy SEAL captured the attention of his fellow SEALs, and then his friends, and then other fitness fanatics, including one very famous Super Bowl-winning quarterback.

Or sometimes, *a lucky (and perfectly timed) pivot*, as it was for Stewart Butterfield when the internal messaging system his team developed to help build a massively multiplayer online game (MMOG) actually turned out to be more promising than the game itself. The game was scrapped. The messaging system became Slack.

In short, this book is for people who aren't natural-born entrepreneurs or even entrepreneurs at all, but instead are dreamers whose lack of experience is inversely proportional to the force of their ambition and the momentum of their desire to bring something new into the world and to make the world a better place. People who are idealistic but may not have found an idea worth going out on a limb for just yet. People who appreciate success if it comes, and who can find ways to learn from failure when it happens (oh, yes, failure will happen). People who learn the hard way — through

experience — though the wisdom in those lessons may not always be immediately self-evident to them. People who still have no idea how they ended up where they are, with a product or a service, with employees and customers, but who want to make a real go of it, because they don't want to let anyone down, least of all themselves.

This book is organized to help those people — people like you and me, like Stacy Brown — succeed. It is the product of in-depth interviews with hundreds of the most successful and inspiring entrepreneurs from across the business landscape — from the food industry to consumer packaged goods to the tech world, and more. It is a synthesis of the lessons I have learned from those founders, and it is structured to follow the path we took as we traced their entrepreneurial hero's journeys from the call to found their businesses (part I), through the tests and trials of their growth phases (part II), and finally to their destination as the mature, global brands we know today (part III). My goal is to pull back the curtain on entrepreneurship, to shed light on the black box of entrepreneurial success, and to provide an architecture for how to think creatively about building something, whether that's an idea, a movement, or, of course, a business.

Each chapter explores a discrete moment that nearly every founder faces in the life of their business — from coming up with an idea to getting their story straight; from finding funding to finding a co-founder; from pivoting their product to building their culture; from surviving catastrophe to figuring out how to grow and scale a business that lasts and leaves them feeling good about who they are and what they have done for the world.

That said, not everything in this book will apply to your specific situation. Maybe you are trying to build something small. Maybe you don't want to scale. Maybe you're an employee trying to build something *inside* your company. And that's totally fine! This book is not an all-or-nothing proposition. I just hope you're able to find something in these pages that leaves you with a sense of both possibility and relief, since almost every story in the book describes a real problem that needed to be solved and an entrepreneur who found a way to solve it.

My hope in structuring the book in this way is to show anyone who has the courage to pursue an idea but is struggling with the fear of failure, that every mistake that could be made in business has been made, that solutions to your problems have already been found — many of them by the founders you will meet in the pages to come — and that to learn from other people’s mistakes instead of going through them yourself is, perhaps, the only shortcut that exists in all of entrepreneurship.

Now that you know how I built this book, let’s dive into how these brilliant innovators, entrepreneurs, and idealists built some of the world’s greatest businesses, so that one day soon, you can build your own.

Let’s start writing *your* hero’s journey.

Guy Raz
Spring 2020

PART I

THE CALL

ENTREPRENEURSHIP ISN'T VERY NATURAL. It defies many of our most human instincts. Our desire for security. Our fear of crazy risks. Our tendency to go with the flow and not make too many waves. As much as we think of ourselves as unique individuals, we also like to fit in and to be chosen — by those who fit in and were chosen before us.

And yet, there is always that one person we know who goes the other way. Who embraces a different set of instincts. The kind that have driven humans for millennia to leave home, to push boundaries, and to build. For most of history we have called that kind of person an explorer. But in the twenty-first century, with the frontiers that are still open for exploration no longer physical, but technological, social, intellectual, and economic, we have given that person a new name: *entrepreneur*.

The entrepreneur is a person who strikes out on their own to reach these frontiers of progress, aware of both the risks and the rewards of going it alone. They are driven to discover what might be found out there. They feel the call to make

something out of what they find — something new, better, faster, more efficient — and to make it accessible to the rest of us in a way that we can use. It could be a product or a service or an idea that spurs its own kind of exploration, starting the cycle anew.

It doesn't matter. What matters is that anyone can be an entrepreneur. Entrepreneurs aren't chosen, they are made. *Self-made*. You could be an entrepreneur. Maybe you already are. Maybe you have already heard the call: Of an idea that gets you excited. Of a problem that needs a solution. Of a friend who needs help that you are uniquely suited to provide. Either way, what follows is a critical set of things to think about as you prepare to cross the Rubicon of entrepreneurship into truly uncharted territory.

Be Open to Ideas

People start businesses for all kinds of reasons. They do it to satisfy a dream or to solve a problem or to fill a void in the market. Some people want to improve on something that seems obsolete, and others want to reinvent an entire industry. There are literally dozens of on-ramps to the entrepreneurial journey. But no matter which one you take, at some point you are going to need an idea. Something specific. Something concrete and unique and new. An idea that makes life better or more interesting and delivers on the reason you wanted to start a business in the first place.

Sounds simple enough, right? After all, ideas are a dime a dozen. Or at least that's what many of us are led to believe: That ideas are easy and abundant. That what matters is *execution*. And all of that is true to some extent. It's just not the whole truth, because coming up with a *good* idea is hard. Good ideas are hard to find and hard to get right. But once you find one, they are also very hard to turn away from. That's what makes good ideas so intimidating. Not that you won't ever find one, but that one day you will, and when you do, it's very possible that your life will never be the same again.

So where do you find one of these good ideas? Where do you look? *Can you look?* Or do you have to wait for the angels to sing in your ear and the light bulb to go on over your head? Some people are lucky,

and this epiphany happens for them early. An idea hits them out of the blue and sends them on their way. For most of us, though, it isn't so simple. We have to look for a good idea, or at least be open to receiving it.

It's one of the eternal entrepreneurial questions: Can you actually find a good idea, or does it have to find you? The answer is the same for both options: yes.

Chef and restaurateur José Andrés told me that ideas happen “when you are actively moving and searching.” When I asked him how he came up with his first restaurant concept in the early 1990s — a small-plates restaurant called Jaleo that revolutionized Washington, DC, dining, and then launched a thousand competitors nationwide — his answer was simple: “I was looking.”

Lisa Price, on the other hand, wasn't actually looking for the idea that would become Carol's Daughter, her beauty brand, which the makeup and personal care giant L'Oréal would eventually snap up for north of mid-eight figures in 2014.

“I thought that I had found the career that I was going to do for the rest of my life,” Lisa told me. A graduate of the High School of Music & Art in New York City, she was in her late twenties and had just come through a decade-long gauntlet of unrewarding clerical jobs — first at American Express, then at the United Nations, then in health care — along with a brief and emotionally devastating attempt at a singing career in between. She was living with her soon-to-be husband in a one-bedroom apartment in Brooklyn when, in the late 1980s, through a friend, she found herself in what she thought was her dream job: writer's assistant on *The Cosby Show*.

This was, of course, long before the tragic drama surrounding the show's eponymous star that has changed how we think about everything Bill Cosby created. *The Cosby Show* was then the most popular sitcom on television, and for African Americans arguably one of the most important television shows ever made.

“It was particularly incredible being an African American woman and what that show meant to me and my family,” Lisa told me. “To see African Americans depicted in such a positive light, and for me to be standing in the Huxtable kitchen the morning of my first ta-

ble read, as I'm listening to the cast read the script, I could have just floated off at that point."

In the years that followed, she could have floated off to any number of television production jobs: script supervisor, production coordinator, producer. "And that is what I thought I was going to do," she recalled.

Then one day Lisa read an article about one of the greatest — and apparently best-smelling — musicians of all time. "I'm a huge Prince fan," Lisa said. "And this article talked about how he always smelled very good. And the reason for it was he kept an assortment of fragrances on his bureau. He put Chanel No. 5 in his boots."

Lisa happens to love fragrance. She always has. But her fascination had never gone much beyond the appreciation of a consumer. Prince made her realize that fragrance was so much more than an accessory. It was a form of creative expression. *An art.*

"I just loved the idea of this blending of fragrances and creating these unique scents," she said, reflecting not just on an interest that she shared with Prince (which was obviously totally cool) but also on the moment that really got the ball rolling for her.

Over the next few years, Lisa started to read and research the different kinds of scent notes in perfumes — top notes, heart notes, base notes — and how to combine them. She learned the art of application. "The way that your fragrance lasts on your body is you layer it," she explained to me casually during our conversation, as I'm sure she'd done for thousands of people before me. "You wash with it, you moisturize with it, then you spritz it on." Early on she tried blending drugstore lotions with various fragrances from her collection to make her own scented moisturizer, but she only ended up making a mess. "They weren't balanced from a chemistry perspective, so things would just separate," she said. Eventually, browsing the shelves of a new age bookstore with her husband one Sunday afternoon in Brooklyn's Park Slope neighborhood, she came across a book on essential oils that also included recipes for things like massage oil, hair oil, creams, balms, and butters. Everything she liked.

"I thought, 'This is great, I can make my own lotions,'" Lisa recalled. "The recipes were very bare-bones, and they used things like

paraffin and lanolin, which I wasn't too crazy about using. I wanted to use beeswax, and I wanted to find cocoa butter. So I used the skeleton of the recipes within the book, and then I just started adding my own combinations. I could go back and tweak it if something came out runny or too thick or too oily or too stiff, and adjust the recipe accordingly."

By the early 1990s, Lisa had her formulas down: Lotions and body butters that held together just the way she wanted. Lotions she could actually use. Now, if you are anything like me when Lisa first told me this story, you would assume that these first lotions were the beginning of the Carol's Daughter empire as we know it. Not quite. In those first few years, none of Lisa's creations were for public consumption. They weren't for sale. They were only for *her*. They were made with fragrances *she* liked, with ingredients like aloe vera and cocoa butter that *she* preferred, that addressed the moisturizing needs of *her* skin. This was her hobby, after all. *It was for fun*. She wasn't trying to please anyone else. She was, well, scratching her own itch. Why *wouldn't* her creations match her preferences? Plus, it wasn't like she was making this stuff as a diversion from, or a fast track to, a different life. She was very happy with her career.

"I was ecstatic. It was wonderful," Lisa said. "And I think because I was very happy at what I was doing with work, when I had my downtime I didn't have that desperate feeling that you feel when you're like, 'Oh, God, I'm finally not at work, and I just want to relax and veg out.' So I became creative when I was at home."

The sheer joy of tinkering and stretching her creative limits sustained Lisa all the way through the end of *The Cosby Show*, which went off the air in 1992. She spent the next year as a freelance production assistant, bouncing from show to show until the summer, when the television business in New York traditionally gets very slow and work dries up. That's when her mother, Carol, suggested Lisa try to sell her lotions and creams at their church's upcoming flea market.

It was May 1993, and Lisa thought it would be nice to make some money and contribute more toward household expenses during the summer lull. But still she was skeptical: "I said, 'Really, Mommy? Do

you think people would pay for this?” We know the answer to that question now, and with hindsight it seems self-evident. But in the moment, Lisa’s apprehension would have been a totally reasonable reaction for someone who, for the first time, was being asked to think about her personal creation as a product marketed to other people. *As a business idea.*

In this way, at least as entrepreneurial stories go, Lisa Price is the most like the rest of us. She was so passionate about what she did, it was so intrinsically rewarding just as an activity, that it didn’t even occur to her to take the next step with her idea — to sell it, or to turn it into a business. It was almost weird for her, as her response to her mother clearly illustrates, to even think other people would be interested.

I’ve heard numerous variations of this story from a number of entrepreneurs. I even lived it myself when, in a nod to the growing popularity of the podcast, we decided to take the show on the road and do live interviews in big theaters. I mean, for the majority of my career, I have come to audiences as a disembodied voice through their car radio speakers or their earbuds. No one wanted to *see* me, I thought. For weeks, often months, before each of these initial live events, I worried whether enough of our fans would be interested in watching two people talk onstage. I wondered aloud to anyone who would listen, much as Lisa Price did to her mother, whether people would actually pay for this. And not just the \$50 for a ticket, but also the cost of childcare and parking and all the other things that go along with a night at the theater.

As luck would have it, we sold out nearly every one of those early live shows, and each time it happened, it was a genuine shock to me. Because when you’re not looking for a good business idea, it just doesn’t seem real when one finds *you*, even when the proof is staring you in the face. This is especially true, I learned in talking with Lisa, when the idea involves a consumer product. Products are things on shelves in stores, with labels and bar codes on them, and prices that end in “.99.” In 1993, Lisa was making these lotions in her kitchen and storing them in Tupperware containers she had in the

cupboard. She didn't have *names* for them — they were just whatever they were. And let's say she took her mom up on this crazy idea to set up a table at the flea market, what was she going to sell them in?

Of course, none of that was really important. Those issues would be easy enough to address with a little bit of time and ingenuity (for example, she used old baby food jars as packaging in the early days). What *was* important was something Carol understood that Lisa had never really considered: *her stuff really worked*. And Carol would know. Lisa produced a number of lotions specifically for her mother and for her younger siblings, and they worked brilliantly. Carol's skin had never looked better, and her kids' dry, irritated skin had never felt better. These lotions may have started as a personal passion project that gave Lisa a creative outlet, but soon enough they served a greater purpose. They solved real problems: hers, her mom's, and her siblings'. Her customers, if they were out there as Carol believed, would benefit from her products in much the same ways.

And that is the key to finding an idea, whether you are actively on the hunt for one or simply open to the possibility. No matter what kind of business you are thinking of starting — whether it's a product or a service, whether it's your side hustle or your main thing, whether it's for men or women, kids or adults — the intersection of personal passion and problem solving is where good ideas are born and lasting businesses are built.

Trusting her mother's instincts, Lisa invested \$100 in materials, table rental, and flowers for decoration, and then put her items up for sale for the first time. And guess what? She sold out. But just like the creative process up to that point, this, too, was all about fun. It still wasn't a business.

Then, in August of that year, something revelatory — possibly fated — appeared on Lisa's TV screen. I'll let her describe it, because it's too good not to share in its entirety.

"I was watching an episode of *The Oprah Winfrey Show*, and she was talking to people who had started businesses with little or no money and one person said, 'Well, you have to know that you're passionate about what you do. If you're not passionate about it, you will quit before you make any money.' And I remember thinking, 'I'm re-

ally passionate about this stuff. I like doing this.’ And then somebody else said she would define passion as, if someone woke you up out of your bed in the middle of the night, would you go and do this thing? And I honestly could answer yes to that question. And I remember sitting on the edge of my bed and saying, ‘Wait a minute. Maybe this could be a business.’ And that day was the day that I realized this just doesn’t have to be a hobby. This can be more.”

Actually, a lot more.

As the summer drew to a close, and buoyed by her success at the church flea market, Lisa expanded her marketing that fall to street fairs, arts and crafts festivals, and other flea markets throughout the city’s five boroughs. But it wasn’t raw entrepreneurial ambition that spurred her expansion. It was the two greatest forms of organic growth: repeat customers and word of mouth. Or to put it another way, it was Lisa’s passion reflected back to her in the form of consumer demand.

“People would call and say, ‘Hey, I bought a jar of cream from you at such and such street fair, and I’m running out. How can I get some more?’ And I would look at my schedule, and if I knew I was going to be home on a Saturday, I said, ‘Well, I’m working the rest of the week, but if you want, come by my apartment on Saturday. What time would you like to come by?’”

And when those people came to her apartment, they almost never came alone.

“My husband called it the ‘sister-girl network.’ Somebody always brought a friend with them. And if you brought a friend, you’d get a free gift, or I’d give them [a discount],” Lisa said, recounting the early growth of Carol’s Daughter. “It was all that grassroots kind of stuff.”

This is where so many aspiring entrepreneurs get tripped up when thinking about startup ideas. They forget about igniting this kind of passion in their customers and instead use only their own passion as the North Star for their search. Passion is important — you will never hear me say otherwise — but the trouble with passion by itself is that it can lead you down rabbit holes that only you care about, or to problems that only you have.

Watching a few episodes of the immensely popular business tele-

vision competition show *Shark Tank* is all you need to do to see this phenomenon play out in real time. There was the funeral concierge service called Good Grief Celebrations; the custom bobblehead company called The Bobble Place; a better tanning and massage pillow called the Podillow; an energy drink for women called Cougar Limited; a ticketless coat-checking system called CoatChex; and, perhaps the idea most diametrically opposed to Lisa Price's scented skin care products, the No Fly Cone, a flytrap that used dog poop as bait to catch annoying flies in an effective, nontoxic way.

One of the judges, Daymond John (whom we will meet later, in chapter 3), immediately identified the central challenge of that particular idea. "So the dog has to defecate outside, and you put the trap over this, and that attracts the flies. But if you clean up the dog's mess and put it away . . . you're kind of creating the problem by leaving the poop outside, aren't you?"

The product's inventor, a Colorado-based horse trainer named Bruce Gaither, who was tired of dealing with horseflies all day, gave an impassioned answer to the question, but the explanation wasn't convincing enough for any of the Sharks. Passion for the idea may have gotten Bruce out of bed every morning, and it surely helped him persevere whenever he felt like he might quit, but it was never going to sell his product, nor would it make the Sharks any money, because customers don't pay for passion. *They pay for things they can use.*

The same month the episode of *Shark Tank* with Bruce Gaither aired, Paul Graham, co-founder of the startup accelerator Y Combinator and a kind of entrepreneurial Confucius, wrote a long essay titled "How to Get Startup Ideas" for his blog. It opens with a discussion of problems and reads like Graham had just watched Bruce on *Shark Tank* and was talking directly to him.

"The way to get startup ideas is not to try to think of startup ideas," Graham wrote. "It's to look for problems, preferably problems you have yourself . . . It sounds obvious to say you should only work on problems that exist. And yet by far the most common mistake startups make is to solve problems no one has."

The reason this mistake happens so often, as far as I can tell, is that looking for problems — *looking for ideas* — tends to take time,

sometimes a fair amount of luck, and always hard work. If you aren't searching smartly, or at least open to the possibilities and perspectives around you, it becomes that much harder to find something that works.

Bruce Gaither found a problem to solve — he got that part right — it just wasn't a problem enough people had. It was, in many ways, a solution in search of a problem, or as Daymond John might have put it, a solution that required Bruce to create the problem he was trying to solve.

Lisa Price, on the other hand, was open to her mother's perspective, she heeded the advice in that *Oprah* episode, and she managed in the process to solve problems that not only she had, but that millions of African American women and other people of color also had, though that was not her original intent.

"I was not deliberately saying this is for African American women. I was deliberately saying this is for dry skin, and subsequently, when you have more melanin in your skin, that dry skin will show. You look dull. You look a little bit gray. You look, as people say, ashy. And you cannot get away from that. And that's how I probably at that time ended up with that audience of people who were more brown, because they found something that took away that ash."

There is a name for a person who creates something purely out of passion: *hobbyist*. There is a name for a person who creates something out of passion that solves a problem only they have: *tinkerer*. There is a name for a person who creates something out of passion that also solves a problem they share with lots of other people: *entrepreneur*.

At one point or another, Lisa Price was all three of these people. Prince turned her into a passionate hobbyist. Experimenting with ingredients to solve her dry skin problem made her an inveterate tinkerer. Once she combined her passion as a hobbyist with her problem-solving skills as a tinkerer, and then applied that to the needs of the women of Brooklyn and beyond, what she ended up with was a great idea. What she built was an amazing business. What she became was . . . an entrepreneur.

But there was an additional layer of genius to Lisa's lotions as

well. They didn't just solve the problem of dry skin for women of color; they created a brand-new market that Lisa could dominate. "This was not something that you could walk into a drugstore and say, 'Oh, look at that. This is fantastic,'" she remembered. "It wasn't there. There was definitely a community that was not being served."

And now it would be. A community that continued to grow in size and purchasing power and would ultimately demand more and better options in other areas as well; including skin care brands like Bevel, designed for *men* of color by Walker & Company,* which was founded in 2013, just a year before L'Oréal's acquisition of Carol's Daughter. That's twenty years of steady growth in a segment of the market that had been systematically ignored for generations.

The French novelist Victor Hugo famously wrote in 1862, "One withstands the invasion of armies; one does not withstand the invasion of ideas." Lisa Price, open to inspiration from all quarters, identified this surging idea whose time had come before anyone else. Then she embraced it and made the decision to harness its power and lead the charge into a new market, all from the front.

* We'll meet Tristan Walker, the founder of Walker & Company, in chapter 15.