

# Entrepreneurs

If you were asked to name an entrepreneur, who would come to mind? Would it be a tech wizard who founded a software company that revolutionized the way friends communicate? Or would it be one of the 19th or 20th century industrialists who built a business that still plays a major role in the American economy? Maybe you would think of a person who produces handcrafted items in a developing country to export to developed nations? Or is the first person who comes to mind the owner of the boutique, the repair shop or the restaurant in your neighborhood?



## What Is an Entrepreneur?

An entrepreneur is a person who brings together productive resources to produce a good or service and then assumes the risk of taking that product or service to the marketplace. The entrepreneur has an idea and takes the initiative to act upon it. A healthy economy has many entrepreneurs who are opening new ventures, but not all entrepreneurial work is the same.

Some entrepreneurs create entirely new ventures to sell products or services that are new to the consumer, or they revolutionize a process or system that transforms the way a business operates. These entrepreneurs are innovators, and the companies they build can create jobs, increase income and offer new investment opportunities, all of which increase standards of living by keeping an economy growing.

Fred Smith is a good example of an innovative entrepreneur. In 1965, as a student at Yale University, he wrote a paper that described the need for an airfreight company that would deliver packages with a guaranteed arrival time. He realized that businesses could change the way they operated if shipments arrived at the door when they were needed. In 1971, he established Federal Express, and two years later he began operations with only 14 planes. Within 10 years, the Tennessee-based company had reached

\$1 billion in revenue. By 2011, the company offered express shipping in 220 countries and territories. In a 24-hour period, the fleet routinely traveled nearly 500,000 miles while its couriers logged 2.5 million miles a day – the equivalent of 100 trips around the earth.

Larry Page and Sergey Brin are also innovative entrepreneurs. They met at Stanford University in 1995. While they were in graduate school, they developed an Internet search engine that would allow users to search the rapidly expanding number of webpages that were being created and posted to the World Wide Web. Page and Brin coined the name Google, after the mathematical term for a 1 followed by 100 zeros. In 1998, the pair received a \$100,000 check from an early investor, incorporated the company and began to grow the business around the search engine. In that year, Google indexed 26 million webpages, and just two years later, the number had grown to 1 billion. Since then, the number of unique pages on the web has grown exponentially, and the Google index catalogs billions and billions of pages. In 2010, the company had revenue of \$29.3 billion, and the founders were worth more than \$17.5 billion each.

In February 2004, less than a decade after Page and Brin began their search engine venture, Mark