

Approved: 2/7/94
Date

MINUTES OF THE SENATE COMMITTEE ON EDUCATION

The meeting was called to order by Chairperson Dave Kerr at 1:30 p.m. on February 3, 1994 in Room 123-S of the Capitol.

All members were present except: Senator Anthony Hensley (Excused)

Committee staff present: Ben Barrett, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Avis Swartzman, Revisor of Statutes
LaVonne Mumert, Committee Secretary

Conferees appearing before the committee:

Liz Koch, Chair, National Foundation for Teaching Entrepreneurship Advisory Board
Steve Mariotti, National Foundation for Teaching Entrepreneurship Founder and President
Cindy Kelly, Divisional Director, National Foundation for Teaching Entrepreneurship
April Shelton, President of A & S Tutoring Service
Cesario Rodriguez, Manager/Owner of Wichita Experts Tutoring Service

Others attending: See attached list

Senator Frahm made a motion that the minutes of the February 2, 1994 meeting be approved. Senator Emert seconded the motion, and the motion carried.

Liz Koch, Chair, National Foundation for Teaching Entrepreneurship Advisory Board, introduced the Young Entrepreneurs of Wichita Program sponsored by the Charles G. Koch Charitable Foundation and the National Foundation for Teaching Entrepreneurship, Inc. (NFTE). She said that NFTE takes a market approach to solving problems of gangs, drugs and teen-age pregnancy. The NFTE program is in ten cities in the nation, and the Wichita program started three years ago. Mrs. Koch said the Kansas program has been used as a model and leader for other programs throughout the country.

The Committee saw a video describing the NFTE program which introduces young people to business fundamentals through classroom instruction and activities such as field trips. NFTE graduates have a high percentage of business formation, high rates of securing employment and increased high school graduation rates.

Steve Mariotti, NFTE Founder and President, described how the NFTE program grew out of his experience as a New York City special education teacher and his realization that the at-risk curriculum drives youth away from the school system. He stated that there are 1.5 million youth between the ages of 15-21 who have dropped out of school and are unemployed. In developing NFTE, Mr. Mariotti incorporated MBA programs and input from well known American entrepreneurs. He listed some of the benefits of the program which has 2,500 participants a year:

- Dramatic increases in positive attitude, self respect and courtesy
- Significant improvement in basic math, reading, writing and communications skills
- Lower teen pregnancy rates among NFTE-trained females
- Increased understanding of regulatory barriers to business formation
- Positive media coverage of at-risk youth in legal businesses

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON EDUCATION, Room 123-S Statehouse, at 1:30 p.m. on February 3, 1994.

Mr. Mariotti noted that inner city kids who are raised under a lot of stress develop many of the skills necessary to become good business people. He stressed that the greatest problems he encounters in his efforts are caused by local, state and federal regulations and the complexity of the tax codes.

Cindy Kelly, Divisional Director, National Foundation for Teaching Entrepreneurship, provided details of the Wichita program. The program lasts 14-16 weeks and includes 40-80 hours of classroom instruction at six sites. The classes take tours and students are taught to buy wholesale, sell retail, keep good records, etc. After completing the course, graduation ceremonies are held. Ms. Kelly illustrated some of the results of the Wichita program shown by pretesting and post testing of students. She noted that NFTE is a catalyst in bringing businesses into active involvement in education. Students are encouraged to enter into follow-up activities after graduation.

April Shelton, a NFTE graduate and President of A & S Tutoring Service, said the program was very inspiring and helped her establish career goals. She said it is a great opportunity for young people to develop basic business skills.

Cesario Rodriguez, a NFTE graduate and Manager/Owner of Wichita Experts Tutoring Service, said the NFTE program teaches basic skills needed in everyday life and gave him the opportunity to start his own business.

The Committee received a packet of information regarding the NFTE program (Attachment No. 1).

The meeting was adjourned at 2:30 p.m. The next meeting is scheduled for February 7, 1994.

SENATE EDUCATION COMMITTEE

TIME: 1:30 PLACE: 123-S DATE: 2/3/94

GUEST LIST

<u>NAME</u>	<u>ADDRESS</u>	<u>ORGANIZATION</u>
<u>Don Clements</u>	<u>Wichita</u>	<u>Wichita Public Schools</u>
<u>Jacque Dakes</u>	<u>Topeka</u>	<u>SQE</u>
<u>Libby Quaid</u>		<u>AP</u>
<u>Craig Grant</u>	<u>Topeka</u>	<u>HNEA</u>
<u>Ann Yaw Zandt</u>	<u>Topeka</u>	<u>KDHR</u>
<u>Cesar Rodriguez</u>	<u>Wichita</u>	<u>NFTE</u>
<u>Cynthia Kelley</u>	<u>Wichita</u>	<u>NFTE</u>
<u>April Shelton</u>	<u>Wichita</u>	<u>NFTE</u>
<u>S. Marzetti</u>	<u>NY</u>	<u>NFTE</u>
<u>Riz Koch</u>	<u>Wichita</u>	<u>NFTE</u>

EDUCATION

Teacher trains inner-city entrepreneurs

BY ROB DILLARD

Eleven-year old Darryl Foster can spot a potential customer from across a crowded room.

"Do you like candy?" shouts the owner and sole employee of Candyman as he pulls bags of M&Ms and assorted other candies out of his satchel.

Candyman was doing brisk business following Monday's luncheon at the Inc. 500 Conference. At that luncheon, Darryl and six teen-aged owners of small businesses who got started with the help of the National Foundation for Teaching Entrepreneurship received a standing ovation from a banquet-hall full of people who appreciate entrepreneurship.

In 1982, Steve Mariotti, a former New York City high school teacher, established the non-profit NFTE in an attempt to steer inner-city young people away from drugs and prostitution and toward more legitimate lines of business.

"I wanted to give these young people some self esteem by helping them start their own companies," said Mariotti, who had started a couple of companies

himself before going into teaching.

STREET SMARTS

Mariotti developed the idea for NFTE after he was mugged on the Lower East Side of New York City. He wondered why a gang of young people would attack someone for a mere \$5 when they could make far more than that if they simply went to work. Then he realized that the best-paying jobs in the inner city were in the drug business.

"[NFTE] holds the hope for the future of this country and the possible turnaround of the nation's inner cities," Mariotti said. "Inner-city kids are

truly gifted entrepreneurs because they live under very difficult circumstances. They have developed street smarts, what I call business smarts."

In areas of this nation where 1 out of every 13 young men is killed before the age of 25, and where 28 percent of the young women become pregnant before they turn 18, Mariotti said programs such as NFTE are critical to the survival of cities.

"I really don't know what I'd be doing," said Daniel Harris, who operates

Underground Sound, a company that installs car-stereo systems in Wichita, Kan. "I'm really making something of myself."

NFTE set up a branch in Wichita in January thanks to a contribution from Charles Koch, head of Koch Industries. The foundation also offers a program in East Los Angeles during the summer and would like to expand to every major city within the next 20 years.

NFTE now has a \$1.5 million annual budget. In 10 years it has helped about 2,000 young people start companies. According to Mariotti, 14 percent of these companies are still operating.

One young man in New York City, Mariotti said, took \$100 of seed capital and built it into a \$118,000 a year company that makes women's clothing.

Michael Freeman, owner of Freeman Enterprises, a gift and novelty-item re-



The National Foundation for Teaching Entrepreneurship has helped Doug McWilliams and others to build the self-esteem needed to operate successful small businesses.

tailer in Brooklyn, N.Y., had "a 300 percent return on my investment in just one week," he said.

A fourth-grader in the NFTE program already has started one company that brings him about \$5,700 a year, and he is about to launch a second company.

In Newark, N.J., Mariotti bought an abandoned restaurant and turned it over to a group of young people who had been serving time in jail. They fixed it up and have been successfully operating it for the past two years.

"You have to give a child a vision," Mariotti said, "and entrepreneurship does that."

LOCAL & STATE

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Who may water today?

People with addresses ending in 14 to 31.

Restrictions do not apply to gardens, new lawns or shrubbery.

Urban League saluting good works

Volunteer, pair of programs to be honored at dinner tonight

By Joe Rodriguez

The Wichita Eagle

A company that gives children a chance to start their own businesses, a schoolteacher who volunteers her time to stress the importance of cultural heritage, and a group of men who serve as role models for children will be honored tonight at the Urban League of Wichita's 39th anniversary dinner.

The Spirit of Excellence Award will be given to Koch Industries for its support of the Young Entrepreneurs of Wichita program, which was launched last year. It teaches business skills to poor or disadvantaged children and encourages them to start businesses.

Darlene Webb-Cooper will receive the Up With

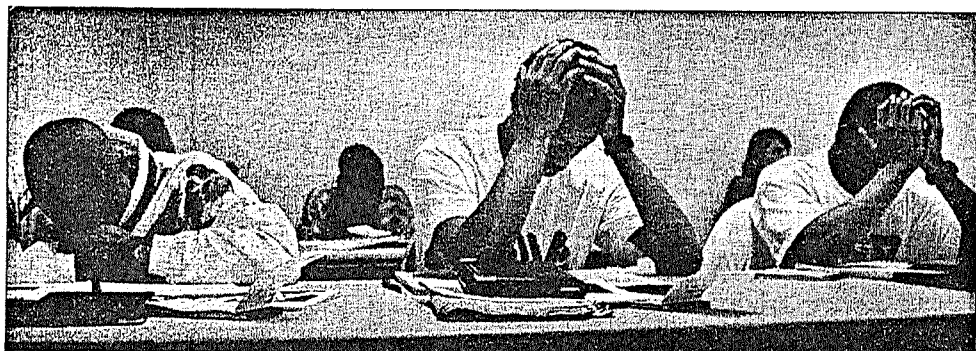
People Award for her work as a volunteer. Webb-Cooper, a teacher at Field Elementary School, does a variety of volunteer work such as coordinating youth activities at Calvary Baptist Church and stressing ethnic heritage at workshops, plays and song festivals.

The Jubilee Citation Award for organizations will be presented to Making a Better Tomorrow, a group of black men who serve as role models for kids ages 8 to 18. The group's members offer volunteer services including tutoring, college entrance-exam review sessions and field trips to job sites.

Patricia Russell-McCloud, the founder of a personal development and leadership training firm in Atlanta, Ga., will be the keynote speaker.

The dinner begins at 7 p.m. at the Marriott, 9100 E. Corporate Hills Drive. Tickets are \$35. For tickets or other information, call the Urban League of Wichita office at 262-2463.

METRO



Learning the ins and outs of business can be taxing, as these D.C. teenagers in a National Foundation for Teaching Entrepreneurship workshop show.

At-Risk Teens Try Getting Down to Business

By Brooke A. Masters
Washington Post Staff Writer

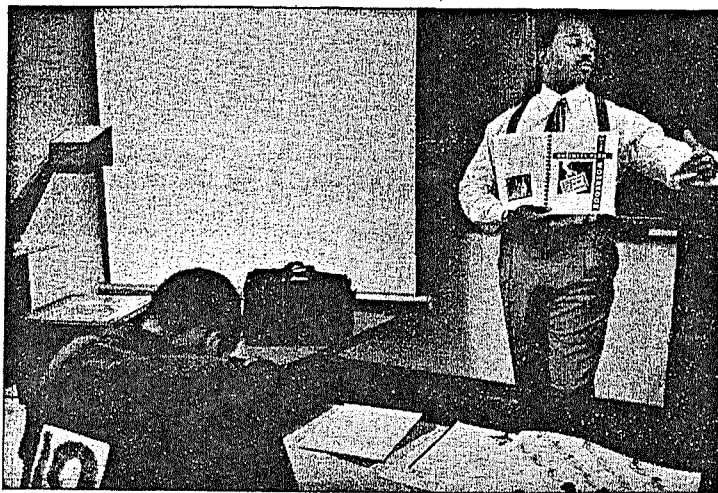
"You own part of Reebok?"
"You mean I'm giving you my money when I buy shoes? Can I get it back?"
"Can I own Nike?"

The questions and comments flew thick and fast as the concept of stock ownership dawned on the class of eight youths, all of them residents, by court order, of District-funded halfway houses.

These are teenagers for whom the system has failed or who, perhaps, have failed the system. Several are waiting for their drug cases to go to court. Two brothers have been in a shelter for three years because their parents abused them. Some are awaiting sentencing or a place in a group home.

All of them have developed their own systems for survival, and most know more about dealing drugs (several admit to squirreling away hundreds of dollars in profits) than earning a legal dollar.

Now the National Foundation for Teaching Entrepreneurship, a New York-based nonprofit group, is trying to rechannel their sales acumen with a 10-day intensive course on starting a business. Twenty-two of the most promising youths from among 40 residents of two shelters are learning the rudiments—how to take inventory, keep a ledger and buy wholesale—along with a smattering of training in self-esteem, personal hygiene and basic study habits.



Kevin Wortham stresses the basics of business operation in the workshop he's directing at Howard University.

"These kids have never been challenged before," said instructor Kevin Wortham, who has taught the workshops for three years. "If there had been something challenging in their lives, they would have gravitated to it."

A 17-year-old Northeast Washington resident who has been sentenced to six months for a probation violation said he jumped at

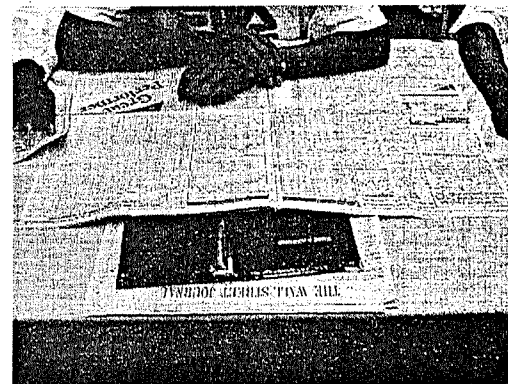
the chance. "I've been getting in trouble too much selling drugs," he said. "I have a daughter, and my mother said it's time to straighten up or you ain't going to be there for her."

"I've got money, from when I was into drugs, I could put it into something," the young father said. "I want to sell T-shirts or have a little hot dog stand. . . .

I'm tired of going back and forth to jail."

That kind of capital is not what the program sponsors have in mind. Calvin Shingler, who directs the two shelters involved, said the youths' foundation-sponsored bank accounts will be monitored to make sure that they deposit only profits derived from the

See BUSINESS, B6, Col. 1



Students learn how to check prices of stocks they are following in workshop.

For At-Risk D.C. Teenagers, A Businesslike Alternative

BUSINESS, From B1

\$50 in seed money they receive in the program.

Founded in 1987 by Steve Mariotti, the foundation trained about 1,500 boys and girls last year. Wortham estimates that 14 percent of the graduates go on to own businesses, and he says the proportion rises to 25 percent for students who, like those in this week's course, are assigned mentors from the local business community.

The course, held at Howard University, is the first the foundation has offered locally. But public schools in Fairfax and Prince George's counties, and Howard University's own Small Business Development Center, offer entrepreneurship programs to at-risk students.

At a cost of \$900 per student, paid by the Charles G. Koch Foundation, the program gives each would-be entrepreneur the trappings of a business owner—a canvas briefcase, a calculator, a portfolio, a receipt book and a digital watch—and six hours of classes a day.

Even better, according to the students, each received \$50 to spend during a field trip to a wholesaler and the chance to sell their purchases at a Prince George's County flea market this weekend.

A 17-year-old with a pending drug case said he plans to ask for 30 extra days in the shelter so he can finish the course and learn more about what he calls "bizmanship."

"I know how to do a lot of things I never thought I'd do," he said. Even "if I don't get my own business, I want to learn about getting me a job besides going to a store and filling out an application."

Only four days into the class, changes in the students are apparent. Two of the original 22 participants have dropped out. The others are tucking in their shirts. These are young men who, on the first day, mumbled and studied the floor when asked to stand at a podium and say their names. Now

they are practicing sales pitches and tossing around terms like wholesaler, partnership and dividend. Some who could not name five long-term goals are coming up with elaborate visions of success.

"By the time I'm 30 or so, I'll get me \$20,000 or \$30,000" from a T-shirt concession "and open up a corner store," said an 18-year-old Anacostia resident awaiting trial on drug charges. "I'll be there 7:30 sharp so if the kids going to school want to buy candy, I'll be there."

Still, the class is no quick fix. It's tough to figure out stock prices when you can't remember how to use the decimal point on your calculator. A Wall Street Journal article about the bull market has nothing to do with Michael Jordan, despite what one student thinks. The group came back from lunch break one day nearly half an hour late after getting into an altercation in the university cafeteria.

"I thought you guys were men. I was wrong," Wortham said. "I understand where you guys come from, but it ain't about that any more. Just walk away. That's businesslike."

"He got in my face," one of the latecomers said, refusing to look up from his desk.

Eventually the class settled down. What are fixed costs? The answer is USAIR, the acronym for Utilities, Salaries, Advertising, Interest, Insurance and Rent.

Name the five types of businesses. Sole proprietor, partnership, nonprofit, corporation, Subchapter S.

"I don't like sitting on my front porch seeing people get shot," said a 17-year-old Cardozo Senior High School senior who is awaiting trial for riding in a stolen car. "Every time I go on my home visit [from the shelter], something bad always happens." At lunch, he stays near the instructors, avoiding trouble.

"My life is very precious to me. I don't want to lose it," he said. "I want to grow up and be somebody. Somebody who's important, loved."

THE WALL STREET JOURNAL.

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★★ SOUTHWEST EDITION

TUESDAY, APRIL 27, 1993

OKLAHOMA CITY, OKLAHOMA

At Risk in the Marketplace Instead of the Streets

School reform, apprenticeships, better parenting — even the good ideas for avoiding another lost generation of young wash-outs in America won't help with the present plight. It is this: In addition to bored and often boorish legions of no-goal teens in the suburbs, the U.S. has more than a million under age 25 in its urban centers who are unemployed and unenrolled — many of them armed for mayhem or pregnant with the next bundle of trouble.

Remediation, summer jobs and national service are liberal palliatives for this crisis. None is likely to change the fundamental dynamics of city streets. The only way, short of a mass spiritual conversion, for transforming lives in a hurry is a flowering of licit entrepreneurship.

Business World

By Tim W. Ferguson

Dozens of small efforts around the country are trying to encourage enterprise where it has been rare, but only a handful target the young. One of those held an all-day session recently at Loyola Marymount University in Los Angeles. The project is called *An Income of Her Own* and, as that Woolfish title suggests, it has a narrower aim still: To get high-school girls thinking about starting businesses.

It's a brainchild of Joline Godfrey, author of a book on women-owned companies and an entrepreneur herself. It has no socioeconomic stratum in mind. Ms. Godfrey, now of Ojai, Calif., believes that for her sex, "poverty cuts across class" when male breadwinners leave the scene. Where women have plunged into business, it's usually happened well into adulthood, when circumstances permitted or forced it.

The message of *Income* is that ownership is a good place to start out and not just to end up.

In reaching out to about 600 teens at conferences in this inaugural year, Ms. Godfrey and partner Karen Schafer have drawn on schools and youth groups in a half-dozen major cities and one or two Indian reservations. They've welcomed wards of the courts and unwed mothers. So, despite its potential appeal to daughters of affluence, the program is heavier on pigment than pearls. (Separately, they've advertised in *Sassy* magazine a contest for designing business plans and have received 5,000 inquiries.)

Through group discussions, games and inspirational talks by small-business women, the sessions attempt to overcome inhibitions about risking a buck to make a few. One of the first drills involves simply finding and claiming hidden cash, after which the group chants, "People like to give me money." The obvious message is not to be shy about seeking and realizing gain. Presumably this would not be necessary in a roomful of boys.

Money is celebrated, but as a basis for independence. (The gatherings have a distinct feminist flavor.) And responsibility to a community is also stressed. But there are no guidelines for living, or any other form of values education. "We deal with what's real," says Ms. Godfrey. "That means accepting behaviors that 'the whole right half of the country' might consider self-destructive."

"This is about building hope rather than giving a model," she adds. "Life has a lot of unexpected twists and turns."

Uncertainty is a particular fact of urban life. But the founder of a slightly older and bigger program thinks the very unsteadiness that is commonly blamed for poor scholastic performance there actually gives youngsters an edge in the world of enterprise.

Steve Mariotti got his first grant for the

National Foundation for Teaching Entrepreneurship from capitalist-humanitarian Ray Chambers five years ago. Now the New York-based operation is putting 2,500 kids a year, some as young as first grade and 88% of them on welfare, through 80-hour "mini MBA" courses. They are to set up shop and abide by three maxims: Buy Low, Sell High and Keep Good Records. Underneath that glibness, the accent is on deferred gratification and respect for property rights that makes saving and planning worthwhile.

NFTE ("Nifty") student entities range from simple accessory lines to a restaurant and a construction firm. Field trips go first to a wholesale mart

and then a flea market to see the low-high cycle in action, to the government building where start-ups must register and to an actual place of business. If the program, which is now in several cities, is near a stock exchange, an excursion there attempts to tie its activities to the world of sidewalk merchandising.

Mr. Mariotti oversees a few dozen faculty selected from schoolteachers most adept at working with "at risk" children. Those who, like him, can boast of both business and classroom experience, are most in demand, but half of NFTE's best instructors lack a practical background, he says. What's most important is their orientation. "We look for people who are pro the market system," he explains. "It's very difficult to take people who are basically socialist and have them teach this system. It'd be like me teaching the piano — I'm tone-deaf."

The teachers are empowered to run

what are effectively minor profit centers, and thus enjoy stature that a bureaucratic school system frequently denies them. For many of their charges, also, the NFTE arrangement is a chance to escape a stifling hierarchy in the schools that Mr. Mariotti says engenders rage by failing to gauge real potential. The marketplace offers inner-city youths a chance to redefine their status.

"What's called *street smart* we call *business smart*," says Mr. Mariotti. "People who live under stress and ambiguity become comfortable with risk, which is the hallmark of the entrepreneur."

NFTE enrollees are staked with \$125 and expected to maintain proper accounts, file business plans and advertise their wares. A recent survey of graduates found 15% of the businesses still alive. All along, they must also report income to the IRS, which is unsparing, according to Mr. Mariotti.

The 39-year-old founder complains that tax codes at each level of government are unfathomable, yet the program participants cannot afford an accountant or lawyer to help them. They are also confounded by state and local regulations and permits, which Mr. Mariotti is convinced are written to hold down competition from barely capitalized upstarts.

The best government policy for invigorating urban enterprise would be one that simplified tax and other laws, he argues. Beyond that, a general emphasis on the opportunities spotlighted by endeavors such as his and Ms. Godfrey's could bring about the sort of "cultural changeover," he says, that the personal-computer revolution has brought to most rungs of society in less than a decade.

Some innovative foundations and even a couple of federal agencies thus far have gotten behind these undertakings. So there is a basis for short-term hope, amid the irrelevancies of the debate over the nation's most dangerous domestic problem.



Joline Godfrey

METROPOLITAN

COMICS
START ON PAGE B4

Traffickers taught legitimate business

By Darryl Lynette Figueroa
THE WASHINGTON TIMES

Inside every drug-dealing teenager lurks a budding legitimate businessman.

So says Calvin Shingler, program director at the Tricom Training Institute, a community organization that runs three group homes for youths who have been sentenced by the criminal justice system in the District.

"They've got the salesmanship. They know how to talk to people," Mr. Shingler said. "All the same principles used in business."

That's the theory behind a nine-day entrepreneurial workshop that began yesterday at Howard University. More than 20 youths, many of them former drug dealers, will learn the legal side of such business basics as opening new markets, buying low and selling high, and filing tax returns.

Tricom is providing the youths. The class is run by the National Foundation for Teaching Entrepreneurship (NFTE), based in New York, with funding provided by the

Charles G. Koch Charitable Foundation.

The financial possibilities of the workshop sparked a glint in one former drug dealer's eyes.

"I've been thinking about opening my own business for a long time," said 18-year-old Nathaniel. "That's every man's dream."

Nathaniel, who's last name cannot be used because he is a ward of the city, used to make between \$300 to \$500 a day selling drugs, he said.

He'd like to use the next nine days to learn how to run an athletic attire store.

Steve Mariotti, NFTE president, said the illicit drug trade has introduced a whole generation of teenagers to the principles of sales. Redirecting that talent into the legal business, he believes, is the hope for the future.

NFTE boasts of having trained some 2,000 youths a year in five cities since it was founded in 1987. It is operating in the District for the first time this year.

Some 14 percent of the teens who

see YOUTHS, page B3

YOUTHS

From page B1

have participated in the program have gone on to found and operate businesses, Mr. Mariotti said.

NFTE works with inner-city youths, most of whom are high school dropouts. About 15 percent of the trainees have been in trouble with the law.

The class will have a major impact on only three to five of the 22 youths in the Howard program, said Mr. Mariotti. "But we've got to do something," he said, adding that those few represent a potential savings of millions of dollars in incarceration costs.

Mr. Mariotti said he would like to raise enough money to finance a full-year District program that would reach 300 at-risk youths annually.

How much of a turning point the workshop might be for Jerome, 18, remains to be seen.

Jerome said he's been in and out of the Cedar Knoll youth detention facility for years.

Though he had been dealing crack cocaine and "love boats" — marijuana cigarettes laced with PCP — since he was 12 years old, he said, he was arrested more recently for carrying a semiautomatic weapon.

He said he'd like to open a clothing store.

"I'm tired of looking behind my back for the police," said Jerome.

Those youths who complete the workshop will work this summer under Mayor Sharon Pratt Kelly's "Summerworks '92" program, which yesterday received an estimated \$3.2 million in additional funds under emergency legislation signed by President Bush.

Strategies

Underground Sound up and running

By Guy Boulton
The Wichita Eagle

Find a niche. Keep your overhead low. Seek out good advice. Hire a skilled employee. Pick a good location. Do what you enjoy.

Daniel Harris has shown good instincts in starting Underground Sound.

He is just one of tens of thousands of people starting a small business. But Harris is starting earlier, and probably with less, than most.

Underground Sound sells and installs car stereos. Harris started the job a year ago while still in high school. It was a part-time effort that evolved from his interest in car audio systems. Since May 1992, Underground Sound has posted sales of \$6,000.

Now graduated from high school, Harris hopes to build the business into a full-time job — a challenge that he has tackled with more resourcefulness than resources.

The 19-year-old businessman doesn't have the money for his own shop, for instance, so he struck a deal with Ahmad Haidar, owner of Auto-Mec, to rent a portion of the garage at 4615 E. 13th.

"I'm starting small so I can keep my costs low," Harris said. "I don't want to jump into something that I can't handle."

Keeping costs low also enables him to compete against larger and more established competitors.

Harris — soft-spoken, articulate, professional — started Underground Sound after becoming involved in Young Entrepreneurs of Wichita, a program designed to teach business skills to junior-high and high school students.

The 10-week program, taught in schools and youth organizations, is coordinated by the National Foundation for Teaching Entrepreneurship and funded by the Charles G. Koch Charitable Foundation.

Harris said that he wanted to own a business since he was in sixth grade but did not know what an entrepreneur was before becoming involved with the program.

"They asked me what an entrepreneur was," he recalled, "and I looked at them like they were crazy."

NFTE encourages students to start their own businesses. Harris didn't need much encouraging. He had long been interested in car stereos and had been working on friends' cars for free.

What had been a hobby became a part-time business. His business plan won him a \$500 grant through the Young Entrepreneurs program. Harris used the money to buy tools. Kevin Greaney, coordinator of the program, helped him register the business's name, get an employee tax number and deal with other hassles that are part of starting any business.

Harris started putting flyers on windows in the school parking lot and advertising in the school newspaper. Word of mouth did the rest.



Anthony Reed/The Wichita En

Daniel Harris, owner of Underground Sound, checks out one of his newest stereo installations.

"A lot of business started coming," Harris said, "and I could not do it myself."

He also needed someone with more experience installing stereos and hired Mike Clevanger.

It can be frustrating work.

"That's why most people don't do it," Harris said. "You have to have patience."

A good chunk of Underground Sound's first-year sales came from one job — installing an 800-watt amplifier, nearly 2 feet long, and speakers, 15 inches across, into a Ford Escort.

It had to be done without drilling any holes into the car's interior. Underground Sound found a way. And the car — perhaps the loudest Ford Escort in the country — now doubles as Underground Sound's demo car.

The owner, one of Harris' friends, lets him use the car for demonstrations in exchange for discounted equipment.

The car shows that Underground Sound — its motto is "Trust Your Sound to Underground" — can provide customized service. "I treat people the way I want to be treated," Harris said.

Underground Sound has only a small inventory. But Harris can get equipment from a wholesaler within two days. And not having the carry-

ing costs of an inventory enables him to offer competitive prices.

Customers can buy a \$120 stereo or a \$2,000 stereo. "I give them the best sound for their budget," he said.

Underground Sound isn't an established business yet. Harris needs to buy an outdoor sign for the garage. And, for now, business is by appointment — though Harris has an answering and paging service.

Nor is it a full-time job yet. In fact, Harris will study business administration at Butler County Community College this fall. Depending on the business's success, he may have to hire another part-time employee when he begins school.

Eventually, he hopes to add to Auto-Mec's garage. And he said that Haidar, the business's owner, might pay for part of the cost if Underground Sound does well.

Harris hopes Underground Sound and Auto-Mec will both benefit by sharing the location. Cars sometimes need larger batteries and alternators, for instance, to power large stereo systems. And Harris hopes to diversify into hydraulics — those devices that make a car pop up and down.

It's a market niche that would probably be overlooked by anyone over 30.

Harris found a wholesaler by

reading Low Rider magazine — one of several trade magazines he reads — and plans to start selling the devices this summer.

"I've got a lot of people asking for them already," he said.

Underground Sound would sell the hydraulic lifters and Auto-Mec would install them. Both benefit. Moreover, the combination — stereos and hydraulics — is a natural.

"You have to have music to have hydraulics," Harris said. "It fits in."

Another potential market is car dealers. Underground Sound struck a deal with Don Hattan Chevrolet-Geo-Subaru to install stereos in used cars after Harris and Clevanger made a presentation to Jim Hattan, president of the dealership.

"I was impressed with Dan when I first met him, and I was impressed with his installation," Hattan said. "It looks like he has a good product, and they know what they are doing."

Small businesses face long odds, of course, but Harris is confident.

"People like to deal with me because I am an honest person," he said.

He also knows the market's potential.

"Everyone," he said, "loves stereos."

Underground Sound

Address: 4615 E. 13th, Wichita

Telephone: 292-0020

Employees: Daniel Harris and one part-time employee

Business: Car stereo sales and installation

Sales: \$6,000, since business started

History: Daniel Harris, a student at Wichita Southeast High, started Underground Sound in May 1992 after becoming involved in the Young Entrepreneurs of Wichita, a program that teaches business skills and encourages students to start their own businesses. Harris, who graduated from high school this month, plans to build the business into a full-time job.

The Wichita Eagle

Established 1872

Incorporating The Wichita Beacon

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EDITORIALS

A winner Southeast High School junior is judged outstanding in business

Monique Landers is a 15-year-old sophomore at Wichita Southeast High School, and she already has her own business. She's owner and president of A Touch of Class, a hair and nail salon and retailer of beauty products. She learned her entrepreneurial skills from her participation in classes sponsored by the the National Foundation for Teaching Entrepreneurship.

She learned her business lessons so well that she has won the 1993 Outstanding High School Entrepreneur Award, which will be presented to her tonight at the Association of Collegiate Entrepreneurs convention in New York City.

Ms. Landers and other NFTE students start off with textbooks and other materials, plus \$50 each to invest in their businesses. With the help of teachers at Southeast, North and Metro-Boulevard Alternative High Schools — teachers trained by NFTE — the students face the same kinds of ups and downs that any new business owner

faces. Many are successful. Some use what they've learned in their businesses to get the money to further their education. And some, like Monique Landers, get national recognition for their efforts.

In fact, joining her in New York will be three other Wichitans. Eddie Rivera, 16, is a junior at North High School and owns a compact-disc player service center. Daniel Harris, 17, a senior at Southeast, has a car stereo retail and installation business. Barbara White, 18, a senior at Metro Boulevard Alternative High School, operates a hair-care business. Both Mr. Harris and Ms. White already have graduated from the NFTE program.

Wichita has long been known as a center for entrepreneurship. And these young Wichitans are continuing in that tradition. They are to be congratulated for their hard work and their successes. And that is particularly true of Ms. Landers, the 1993 ACE award winner.

Young Entrepreneur Wins Award in Big Apple

Monique Landers, a sophomore at Southeast High School is one of five young business owners across the country to win the 1993 Outstanding High School Entrepreneur Award. She received the award last month at the Collegiate Entrepreneurs International Convention in New York City.

Landers, 15, is a student in the Young Entrepreneurs of Wichita Program, coordinated by the National Foundation for Teaching Entrepreneurship (NFTE) and funded by the Charles G. Koch Charitable Foundation, Wichita. NFTE teaches disadvantaged young people how to start and run their own businesses.

Landers is the owner and president of **A Touch of Class**, a hair and nail salon and retailer of high-end beauty products. She has been in the NFTE program at Southeast since last year and hopes to attend cosme-



WICHITA'S AWARD-WINNING YOUNG ENTREPRENEURS prepare to leave for New York City. Left to right are: Eddie Rivera, Barbara White, Daniel Harris, and Monique Landers. Monique was named 1993 Outstanding High School Entrepreneur.

tology school in Greensboro, North Carolina, after graduation.

"NFTE has taught me so many skills

that will be with me for the rest of my life," Landers said. "Because of the program, I will be able to continue to

run a successful business."

Joining Landers in New York were three other students: **Eddie Rivera**, 16, a junior at North High and owner of **Eddie's CD Repair and CD Cleaning**, a compact-disc player service center; **Daniel Harris**, 17, a senior at Southeast and owner of **Underground Sound**, a car stereo retail and installation business; and **Barbara White**, 18, a senior at Metro Boulevard and owner of **Express! Hair Braiding and Accessories**, a hair-care business. Harris and White are NFTE graduates and continue to operate their small businesses.

"We're very proud of our Wichita students," said **Kevin Greaney**, NFTE's Wichita Program Director. "Wichita continues to be the top program in the country. It's a thrill for our kids to attend the ACE Convention, where they have the opportunity to meet a variety of highly successful entrepreneurs."

KANSAS

SUNDAY

Young bird-feeder maker's hobby takes flight

By KEENER A. TIPPIN II

The Capital-Journal

Shawn Blakely's business is for the birds. Literally.

Blakely, 16, Wichita, began building bird feeders as a hobby. But through an entrepreneurship program he discovered he could make more than chicken feed.

Blakely now makes between \$4,000-5000 a month and allows him to employ five people. It's a hobby that definitely has taken flight.

Blakely is one of over 300 graduates of the Young Entrepreneurs program. He and other program participants were at the Capitol Thursday to receive a proclamation from Gov. Joan Finney declaring the week Young Entrepreneurs Week.

The program is a 10-week course run by the National Foundation for Teach-

ing Entrepreneurship, based in New York. NFTE sponsors the program in eight cities. Plans may include the establishment of a similar program in Topeka.

NFTE's goal is to bring at-risk youths into the mainstream of the free-enterprise system, according to Kevin Greaney, director of the Wichita program. It provides about 140 students each school term the tools and education to encourage students to participate in the market, own private property and to create jobs.

Participants select jobs based on business skills and interests. They receive \$50 in seed money to purchase merchandise wholesale and sale it at a NFTE-sponsored flea market, turning a profit in the process.

Students also are required to develop a business plan, design their own business and establish a bank account.

"A lot of these kids' parent don't even have bank accounts," Greaney said. "We're trying to break that cycle at a young age of not putting money in the bank; that the bank will pay them to keep their money and they don't have to keep money under the mattress."

Greaney describes the program as a graduate business degree program broken down to a sixth-grade reading level. Its hands-on approach teaches students how to start, run, manage and finance a small business. Ethics, record keeping, bookkeeping and accounting procedures also are covered.

The lower comprehension level also helps students get around mental roadblocks and fears of math.

"We have a lot of kids who when they hear the word 'math' tighten up and can't do it," Greaney said. "We say 'OK, we're not going to do math.' We call it other words — inventory, mark-up,

profit and final outcome."

Participation also increases students' vocabulary and self-esteem. Greaney said many can walk into a room full of CEOs from major corporations and not be intimidated.

Many lack self-respect, decision making and communication skills. The program offers a chance to succeed.

Blakely said it has given him the opportunity to have his own career and money and taught him respect.

And, he represents the solution to problems of gang violence, drugs and limited employment opportunities for disadvantaged youths, Greaney said.

"Not everyone can be a Michael Jordan," he said. "The odds are you are more likely to become a neurosurgeon than a starter in the NBA. We teach them, they can do something they like to do, make a living and make money doing it."



STATE OF KANSAS

PROCLAMATION
BY THE
GOVERNOR

TO THE PEOPLE OF KANSAS, GREETINGS:

WHEREAS, Young Entrepreneurs of Kansas under the sponsorship of the Charles G. Koch Charitable Foundation, and the National Foundation for Teaching Entrepreneurship, is an innovative program designed to introduce at-risk youth to the world of business; and

WHEREAS, Young Entrepreneurs of Kansas taps into the potential that youth have and encourages them to work hard. In the end, it may uncover and strengthen talents that many times are hidden; and

WHEREAS, Young Entrepreneurs of Kansas teaches youth basic business and entrepreneurial skills while being introduced to the opportunity to learn how to start, finance and manage their own business; and

WHEREAS, Young Entrepreneurs of Kansas students, during this week, graduate from the course ready to build a future entrepreneurial empire of their own:

NOW, THEREFORE, I, JOAN FINNEY, GOVERNOR OF THE STATE OF KANSAS, do hereby proclaim the week of May 17, 1993 as

YOUNG ENTREPRENEURS OF KANSAS WEEK

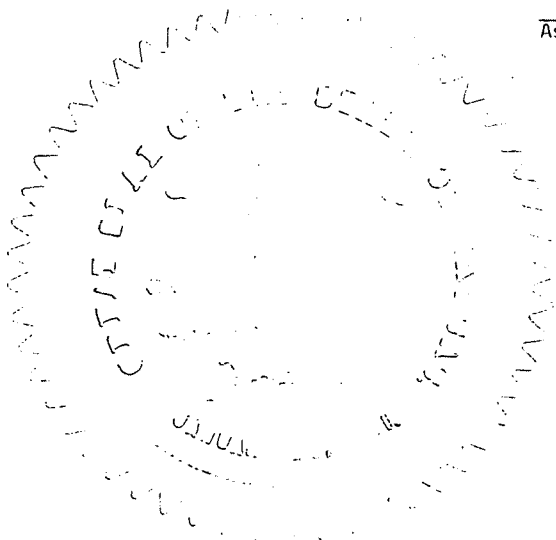
in Kansas.

DONE at the Capitol in Topeka
Under the Great Seal of the
State this 20th day of
May, A.D. 1993

BY THE GOVERNOR

Joan Finney
Bill Graves
Secretary of State

Kathy A. Martin
Assistant Secretary of State



PROCLAMATION

of

The City of WICHITA, KANSAS

Founded in 1870

Whereas , Young Entrepreneurs of Wichita, under the sponsorship of the Charles G. Koch Charitable Foundation and the National Foundation for Teaching Entrepreneurship, is an innovative program designed to introduce at-risk youth to the world of business; and

WHEREAS, Young Entrepreneurs of Wichita taps into the potential that youth have and encourages them to work hard, and may uncover and strengthen talents that many times are hidden; and

WHEREAS, Young Entrepreneurs of Wichita teaches youth basic business and entrepreneurial skills while being introduced to the opportunity to learn how to start, finance and manage their own business; and

WHEREAS, Young Entrepreneurs of Wichita assists students in building a future entrepreneurial empire of their own;

NOW, THEREFORE, BE IT RESOLVED, that I, Elma Broadfoot, Mayor of the City of Wichita, Kansas, do hereby proclaim December 12-18, 1993, as

NATIONAL FOUNDATION FOR TEACHING ENTREPRENEURSHIP WEEK

in an effort to acknowledge the positive benefits of partnerships between businesses and schools.

December 14, 1993

Date



Elma Broadfoot
Mayor - City of Wichita



The National Foundation for Teaching Entrepreneurship

to Handicapped and
Disadvantaged Youth, Inc



NAME: Shawn Blakely

AGE: 17

SCHOOL: North High

GRADE: Senior

BUSINESS: "Cheep" Bird Feeders

HOW HE GOT INVOLVED WITH NFTE:

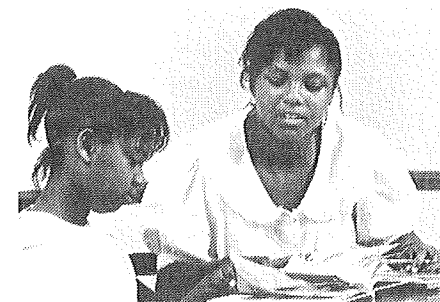
The course was offered at North and Shawn was interested in starting his own business.

BENEFITS NFTE BROUGHT HIM:

NFTE taught Shawn to write a business plan and manage his affairs. He is currently selling homemade birdfeeders wholesale to eight stores in Wichita and to various states across the country.

FUTURE PLANS:

Shawn envisions opening his own store with the help of his grandfather and uncle. He plans to overcome any barriers that might impede his progress.



NAME: April Shelton

AGE: 16

SCHOOL: North High

GRADE: Junior

BUSINESS: A & S Tutoring Service

HOW SHE GOT INVOLVED WITH NFTE:

A friend and motivating teachers interested April in becoming an entrepreneur.

BENEFITS NFTE BROUGHT HER:

NFTE provided April with the opportunity to start a successful business while making the future more clear and promising. Although tutoring takes a lot of time outside of school, the business has not prevented April from strengthening her track skills which she works on every morning.

FUTURE PLANS:

April plans to continue her tutorial program through college and then become a secretary at a large advertising company. She hopes to eventually work her way up through the company.



NAME: Heather Rivera

AGE: 17

SCHOOL: Metro Boulevard

GRADE: Sophomore

BUSINESS: Victoria Forget-me-Nots

HOW SHE GOT INVOLVED WITH NFTE:

Heather heard about an opportunity to start her own business from her teachers at Metro and became interested.

BENEFITS NFTE BROUGHT HER:

Heather loved the idea of working independently for a profit but did not know where to start. She began by designing t-shirts, brooches, and tie tacks, but quickly discovered her tacks and brooches were in greatest demand. Heather's pin selling business boosted her self-esteem as well as her pocketbook.

FUTURE PLANS:

Heather will continue selling pins to her main buyer, Chance Manufacturing, and developing new customers.



NAME: Daniel Harris

AGE: 18

SCHOOL: Southeast High

GRADE: Graduate

BUSINESS: Underground Sound

HOW HE GOT INVOLVED WITH NFTE:

Daniel had wanted to start his own business for several years before hearing about the NFTE program but had no idea how to begin. His chance to learn what entrepreneurship was about arose through the NFTE classes offered at Big Brothers/Big Sisters.

BENEFITS NFTE BROUGHT HIM:

NFTE enabled Daniel to turn his hobby and enjoyment, fixing car stereos, into a profitable business by offering him a grant to start his own business. Daniel's success with Underground Sound has won him recognition at a variety of national entrepreneurial conventions. Not only did Daniel succeed in starting his own business, but he was a model for future entrepreneurs as well. He enticed a staggering number of students into enrolling in the NFTE program with his successful and profitable business.

FUTURE PLANS:

Daniel is working on opening his own store while studying business at Butler County Community College.



NAME: Amanda Preston

AGE: 19

SCHOOL: Metro Boulevard

GRADE: Graduate

BUSINESS: Sweet Things

HOW SHE GOT INVOLVED WITH NFTE:

Amanda's principal at Metro knew she was looking into business as a college major. He informed Amanda about the NFTE program and she jumped at the opportunity to learn the fundamentals of the business world.

BENEFITS NFTE BROUGHT HER:

NFTE provided Amanda with the skills necessary to follow through with her baking business idea and to make this plan a reality. The program also showed Amanda how to market and promote her product in the community.

FUTURE PLANS:

Amanda envisions selling her baked goods from a building in Kechi. She is aware of the many tourists that pass through that particular area and plans to go after their business. A nearby restaurant is also a prospective customer.

PURPOSE

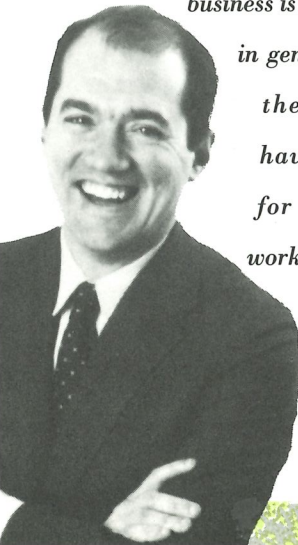
NFTE's mission is to introduce at-risk, inner-city youth, including the physically challenged and those in detention, to the world of business. Through specialized training, NFTE teaches the basics of entrepreneurship and how to start and maintain a small business.

NFTE's mission is predicated on the belief that inner-city youth have extraordinary potential for business success and possess qualifications characteristic of many successful entrepreneurs: **mental toughness, ability to take risks, resiliency and a natural sales ability.**

By taking the mystery out of business and making it interesting, NFTE seeks to encourage inner-city youth to become **participants** — in their local communities as well as the larger society. Through their own initiative as entrepreneurs, they can begin to realize some of their dreams.

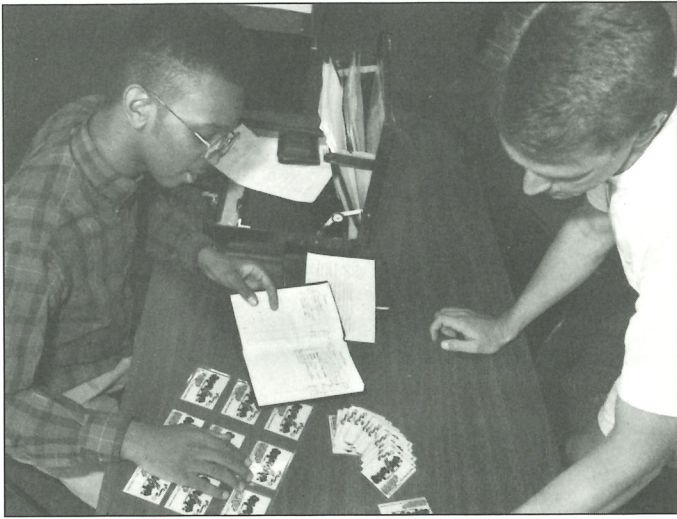
"I t's not that you're going to take one hundred kids and expect to get one hundred successful businesses. You may only end up with six successful businesses. But those other 94 kids will at least understand how a business is run and how business works in general. Once they understand the concepts, they end up having a greater appreciation for how the economic system works and how they, as individuals, fit into it. **"**

Steve Mariotti
Founder & President



**"IT IS NEVER TOO LATE
TO BE WHAT YOU
MIGHT HAVE BEEN"**

-GEORGE ELIOT



For more information:

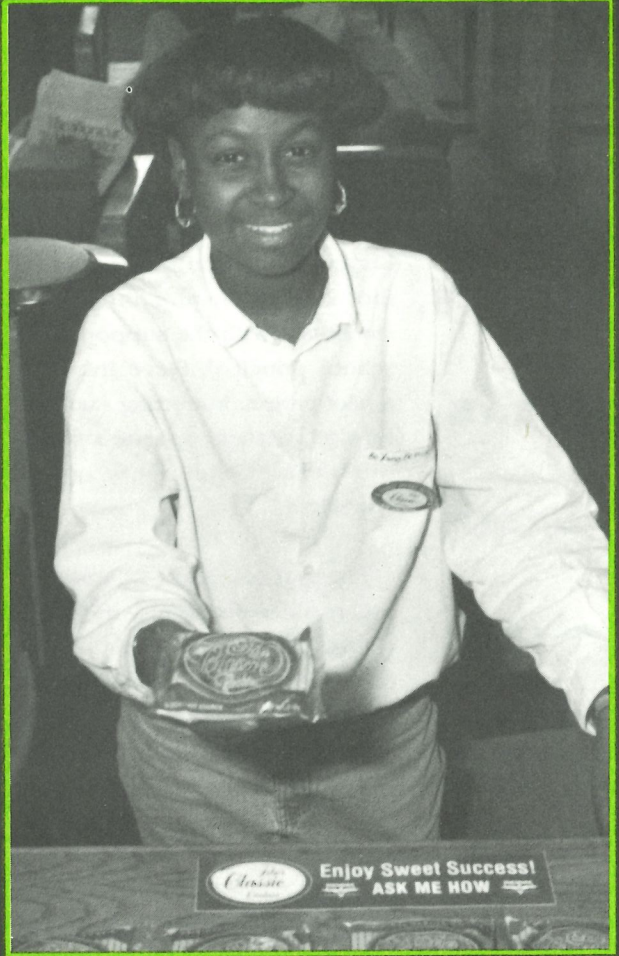
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**The National
Foundation for
Teaching
Entrepreneurship**
to Handicapped and Disadvantaged Youth, Inc.



*Rebuilding our inner cities:
one entrepreneur —
one business at a time.*

hISTORY

The National Foundation for Teaching Entrepreneurship to Handicapped and Disadvantaged Youth, Inc. (NFTE) is a national, nonprofit organization founded in 1987 by Steve Mariotti, a businessman turned high school teacher.

"THINK, BELIEVE, DREAM, DARE"

After teaching at several New York City public high schools, he discovered that the existing business curriculum did not motivate or inspire inner-city students. With the support of a school principal, Steve initiated a pilot project: instructing students how to start and operate a small business of their very own. It worked.

WALT DISNEY

Entrepreneurship — with its potential for economic and psychological independence — not only sparked the students' interest in the world of business but greatly improved their reading, writing and public speaking skills. More importantly, it developed and strengthened their confidence and self-esteem.

Since then NFTE has taught thousands of inner-city youth the basics of business and entrepreneurship and provided seed capital for hundreds of small business ventures. Starting with one program in the South Bronx, NFTE now has programs in ten states.

SERVICES

• YOUTH ENTREPRENEURSHIP PROGRAMS (one-day seminars to five-month programs)

NFTE's comprehensive programs guide young entrepreneurs through the entire range of skills, strategies and techniques needed to start and maintain a successful business.

• TEACHER TRAINING (one to five-day training workshops)

Teachers and youth workers are trained to teach NFTE's curriculum and conduct an NFTE youth entrepreneurship program.

• CONSULTING SERVICES

NFTE advises youth-service organizations and others involved in youth entrepreneurship education.

• SPEAKER'S BUREAU

NFTE representatives are available to speak at your company, school or organization.

• All programs can be adapted to accommodate sponsor's special needs.

PRODUCTS

• STUDENT MATERIALS

- ▶ BIZBAG™ (student business start-up kit)
- ▶ *How to Start and Operate a Small Business* (curriculum workbook)
- ▶ *Entrepreneurs in Profile* (profiles of successful entrepreneurs)
- ▶ Software

• TEACHER MATERIALS

- ▶ Lesson Plans
- ▶ Transparencies
- ▶ WIZBAG™ (invention lesson kit)
- ▶ Field Trip Guide
- ▶ Award Certificates
- ▶ Software

• NFTE T-SHIRT ("What is an Entrepreneur?")

Please call for prices and ordering information or return the enclosed card.

NFTE publishes a quarterly newsletter, *The Entrepreneurial Spirit*, and an annual report.

fUTURE

Inner-city youth face extraordinary challenges and risks. To survive, many become entangled in destructive, and potentially dangerous, activities. Yet, inner-city communities have enormous potential to be thriving and vibrant places in which to live, work, and grow.

Entrepreneurship can be the catalyst for change, breaking the cycle of despair and hopelessness so prevalent within these communities. It offers inner-city youth possibilities for the future. It encourages them to stay in school and channels their tremendous energy into positive activities. It uncovers and strengthens hidden talent and provides the motivation to work hard, thus enabling them to create their own wealth.

Entrepreneurship *can* be taught and through it, we can rebuild our inner cities.

**"OUR ASPIRATIONS
ARE OUR POSSIBILITIES"**
— ROBERT BROWNING



BIZBAG™



THE ENTREPRENEURIAL SPIRIT

THE NEWSLETTER OF THE NATIONAL FOUNDATION FOR TEACHING ENTREPRENEURSHIP

VOL. 2 • NO. 2



THE INSIDE SCOOP

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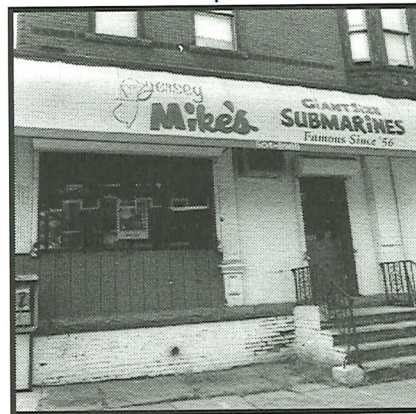
by Patricia Burkhardt

Running any business is hard stuff. Running a restaurant is harder still. The days are long, the work never ends, and the competition is fierce. New restaurants open up every day; success demands a special blend of ingredients, including luck. But running a fast-food restaurant that doubles as a classroom for inner-city teenagers?

Now that takes guts — courage, tenacity and the ability to see beyond tomorrow, next week — or even next year. It takes hanging on to a dream long after others have given up. And, at Jersey Mike's, NFTE's fast-food franchise and yes — classroom — located in Newark, these ingredients are offered up in huge portions. Steve Mariotti, NFTE's founder and president and the driving force behind the restaurant, knows all about not giving up. Years ago, when he first founded NFTE, and was teaching his entrepreneurship course in a South Bronx classroom (and trying to convince funders of the merits of his then fledgling organization) Steve only looked ahead. Eight years later, NFTE has programs in ten states.

Jersey Mike's is a one-of-a-kind place, where teenagers learn, hands on, all facets of the restaurant business as well as the fundamentals of running any small business. Before they can train or work in the restaurant, students are required to complete NFTE's basic business and entrepreneurship course

but, once there, they learn how to plan a menu, prepare and wrap food, manage money, market and advertise.



This particular franchise is even more unique, in that of twenty-three locations in New Jersey, it is the only one that provides a

service to the community while, at the same time, providing training and jobs to neighborhood youth. In addition, since the beginning of the year, it is being managed solely by students. Chris Meenan, a senior instructor with NFTE, as well as divisional director for New Jersey programs, guides the overall program at Jersey Mike's. But, as Steve says, "I don't know of another store like it in the United States, run completely by young people. It is very special."

Continued on page 2...

NFTE

The National Foundation for Teaching Entrepreneurship to Handicapped and Disadvantaged Youth, Inc. is a national, nonprofit organization founded in 1987 to introduce inner-city youth, including the physically challenged and those in detention, to the world of business. Through special training programs, NFTE teaches the fundamentals of entrepreneurship and how to start and maintain a small business.

NFTE believes that inner-city youth have extraordinary potential for business success and possess many of the qualifications characteristic of successful entrepreneurs, such as mental toughness and resiliency. By taking the mystery out of business and making it interesting, NFTE seeks to encourage the economic participation of inner-city youth in their local communities as well as the larger society. Through their own initiative as business owners and entrepreneurs, they can begin to make changes — in their own lives as well as in their neighborhood.

NFTE seeks to rebuild America's inner cities through youth training, teacher training, curriculum research and development, and public education and information forums.

Administrative Staff:

Steve Mariotti, President & C.E.O. Doug Fawley, Executive Assistant

Louis Sussan, Executive Director & C.O.O.

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Duane Moyer, and Ed Pacheco.

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So is its history. In 1989, The Boys' and Girls' Clubs of Newark (which had just hired NFTE to teach after-school entrepreneurship courses at various club sites) purchased a Jersey Mike's franchise. It was to be used as a training center for its members, most of whom are from the Newark area. Since then, 90 young people have gone through its training program, including youth from the Odgen Residential Center, a state-operated halfway house for juvenile offenders. For some 75% of these young people, Jersey Mike's is their first real job.

The restaurant hasn't always thrived, has had many obstacles to overcome and, like any daring endeavor, has had to win over some skeptics. In March 1992, NFTE became co-owner of Jersey Mike's, taking over the training and instruction aspect of the project, the benefits of which are obvious, but with the added responsibility of trying to make a profit as well. That has been much more difficult. But through it all, Steve has refused to give up and continues to look for ways to keep it going.

As for Jersey Mike's three young managers, they, too, aren't daunted by the enormous challenge the restaurant offers. In fact, they relish it. One of these young managers is Darnell Jones, 20, born and raised in Newark. In a recent *Sunday Star-Ledger* article written about Jersey Mike's, Darnell said that it wasn't long ago he was selling drugs instead of sandwiches, and that it is Jersey Mike's, and the skills he has learned there, that have kept him off the streets and out of trouble. He says he now believes that there are possibilities and choices and has even been inspired to write a business plan to help him start his own snack-food supply company.

Darnell's two partners, Torron Crawey and Joe Kelley, both 20 and also from Newark, agree that working at Jersey Mike's is different. Torron, an assistant manager, now spends a lot of time making sandwiches and learning everything about how to run a restaurant.



▲ Jersey Mike's, easy to reach by car or public transportation, is located on the corners of Sussex and Central Avenues, across from St. Michael's Medical Center and near the Rutgers University campus. Darnell, Torron and Joe hope to see you there soon.

He admits it wasn't long ago he was stealing cars. It may not be next week or even next year but in time, the young people that train at Jersey Mike's, will head back to finish high school, enroll in college or even start their own restaurants. This is not just any corner store.

***"Our greatest glory
is not in never falling,
but in rising
every time we fall."***

—Confucius

Patricia Burkhart is a part-time staff editor at NFTE and a freelance writer. She is currently working on her first collection of poetry.

Postscript: As this newsletter went to press, NFTE was forced to temporarily close Jersey Mike's due to inadequate reserve funds with which to support it. NFTE will retain ownership of the franchise and lease, as well as all furniture and equipment. It is seeking commitments from corporate sponsors and financial support from the local community, so that we might reopen the restaurant by Thanksgiving. If you, or anyone you know, would be interested in supporting Jersey Mike's, please contact Steve Mariotti at 212-233-1777 or write to him at: NFTE, 64 Fulton Street, Suite 700, New York, NY 10038.

What's doing in NEW ENGLAND

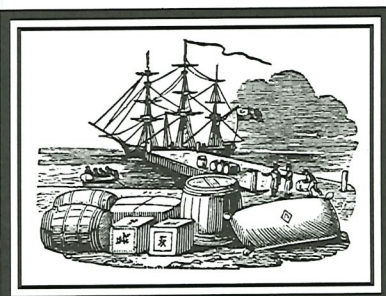
by Ed Pacheco

Hello, fellow entrepreneurs! It's me, Ed Pacheco, bringing you the latest news from NFTE New England. Some fantastic things have happened since our last update that I would like to share with you.

First, congratulations are in order for NFTE New England director Julie Silard and Junior Teacher Midaglia Morales, who recently conducted a thirteen-week program consisting of seventeen students at the New Bedford Westside Alternative High School. The graduates are Lee Tate, Randall Henry Jr., Ellis Sisson, Todd Oliver, Christine Medeiros, Timmy Duarte, Johnny Sanchez, Michael Cruz, Kevin Reposa, Billy Matthew Bilodeau, Thomas Estella, Jarrod Bennett, Joshua Wordell, Adolpho Barbosa, Angel Gonzalez, Nathan Lyons, and Robert McWilliams. Welcome to the NFTE Alumni Network!

Next, NFTE New England would like to welcome two new teachers, Jim McGonigle and Ted Tyson. Jim and Ted will be joined by Michelle Araujo (NFTE alumna and Junior Teacher as well as owner of A La Mode Clothing) and me to teach fifty young people all

about entrepreneurship. This six-week program, a collaborative effort between New Directions, a government-funded agency, and

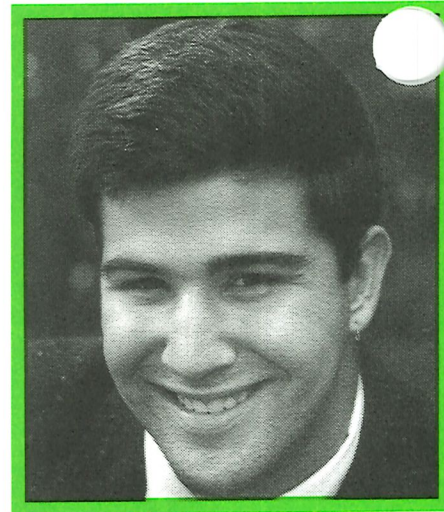


The lure of the
distant and difficult
is deceptive.
The great opportunity
is where you are.

—John Burroughs

the University of Massachusetts at Dartmouth will take place on the university's campus. Both continue to be very helpful to NFTE New England and we would like them to know it is greatly appreciated.

Speaking of universities...Harvard Business School recently hosted a



Ed Pacheco is a 1991 graduate of NFTE's New Bedford program. He is owner of Clown 'n Around, a children's party and entertainment service, and Ed's Snacks, as well as an NFTE Junior Teacher.

cocktail party for NFTE President Steve Mariotti and some fifty Boston-area entrepreneurs. We are deeply grateful for this effort, for it will greatly help in establishing NFTE New England programs throughout the Boston-Roxbury area.

Finally, Julie Silard and Midaglia Morales are making magic again as they train fifteen entrepreneurs at the Brockton Boys and Girls Club in Brockton, Mass. Good luck Julie and Midaglia!

Last but not least, NFTE New England would like to send its best wishes to all NFTE teachers and junior teachers throughout the United States.

We would like to hear from you! If you have a question, comment or suggestion, please write to:
Ed Pacheco

c/o NFTE New England,
1 County Road, Mattapoisett, MA 02747

NAMES & FACES

Julie Silard, director of NFTE's New England division, as well as an instructor, has been with NFTE since November 1992. She is responsible for the development and expansion of NFTE's New England programs. Julie worked as distribution and fulfillment manager and marketing assistant for Inc. Publishing before joining NFTE. Originally from Washington, D.C., she now lives in Brookline.



We are glad to have Julie on our staff!

On May 24th at 7:45 A.M., Virginia and **Jack Mariotti** became the proud, new parents of a baby girl. Siena Mariotti (named after the beautiful Italian city) weighed 5 pounds, 16 ounces. She is their first child. Jack Mariotti is a member of NFTE's business development team. Siena and her parents reside in Branford, Connecticut.

Congratulations, Jack and Virginia. Welcome, Siena.

Maximo Blake,

founder and executive director of NFTE Solutions, Inc. (originally Urban Solutions, Inc.), joined NFTE last December. Max was founder and executive director of the Court

Employment Project, a nonprofit agency dedicated to providing rehabilitation services to youth. He was born and raised in Newark and holds masters degrees from Harvard and Columbia Universities.

NFTE welcomes Max and wishes him continued success.

news flash: NFTE alumni

Eighteen-year-old **Freddie Osorio** and his brother Xavier, 17, recently formed a business partnership with their father. Osorio's Boutique, a clothing boutique for women, is located on the Brooklyn side of the Williamsburg Bridge and is now open for business. Freddie and Xavier completed NFTE's entrepreneurship program at the Boys Club of New York last December.

Shawn Woodley, 17, a graduate of the Evander Childs High School entrepreneurship program in New York City (funded by the Bodman/Achelis Foundation), recently traveled to Kansas City with NFTE president Steve Mariotti. Shawn addressed the attendees of the Duds 'n Suds Convention, a meeting of more than 56 of the successful laundromat chain's franchise owners. He received a standing ovation.



BRIGHT IDEAS FROM WICHITA

Having your cake and eating it too.

Amanda Preston, 19, a graduate of the NFTE program conducted at the Metro Boulevard Alternative High School in Wichita, is president of Sweet Things, a business that features desserts for people who have diet restrictions.



It's for the birds!

Shawn Blakely, 17, a senior at Wichita High School North is president of Cheep Bird Feeders, a company that designs, constructs and wholesales decorative bird feeders.

Grants Update! AS OF JUNE '93



oundation support has come from the TIGER Management Corporation through three separate grants of \$100,000, \$20,000 and \$15,000; the MCJ Foundation continues its generous support with a grant of \$67,000; Koch Refining Company renewed a grant of \$16,000 to support NFTE's Minneapolis/St. Paul program for a second year; the Ben & Jerry's Foundation awarded NFTE a first-time grant of \$10,000 to support this newsletter; the Weyerhaeuser Foundation contributed \$10,000 to NFTE's "CEO's Under Seventeen" program in Detroit; the Price Institute for Entrepreneurial Studies awarded NFTE \$36,500 to conduct two symposia; and the Barker Welfare Fund awarded NFTE a grant of \$5,500 to support a summer program at the Portledge School on Long Island.

Other grants include \$2,500 from the Manley Foundation; \$2,000 and \$500 from the Chase Manhattan Bank for programs at New York City high schools; the W W Group, Inc. and the Kenneth A. Dishell Philanthropic Fund awarded NFTE first-time grants of \$1,500 and 1,000 respectively, to support NFTE's program in Detroit; Mr. William B. Cornell of Dallas made a first-time contribution of \$1,000; the Vermont Teddy Bear Company awarded NFTE a first-time grant of \$500 to support programs in NYC.



In October of last year, Duane Moyer, after two years as NFTE's Executive Director, left The Big Apple and headed 3,000 miles west—to sunny California.

Although he left NYC (and the weather he so detested) behind, he took NFTE with him. To places like San Francisco, San José and Los Angeles—cities that are home to Duane—with the hope of establishing a new NFTE division.

Nine months later, Duane is pleased to report that NFTE West is progressing nicely and, although program sponsors and funders are still needed, the division recently received its first major contribution of \$10,000. In addition, two programs have been successfully completed. The first one, completed in February, consisted of thirteen eighth-grade students and was sponsored by the Fellowship Academy in San Francisco.

The second program, a collaborative effort between HUD and One to One, consisted of 108 students recruited from Locke and Jordan High Schools in South Central Los Angeles and the Los Angeles Achievement Center. The students ranged in age from fifteen to eighteen. The program began in March and ended on June 19th, with a formal awards ceremony acknowledging the accomplishments of the young entrepreneurs.

NFTE's president Steve Mariotti, along with Duane, trained the program's six teachers, who each then taught eighteen students. Duane also conducted a teacher-training seminar at South Bay Community Services in Chula Vista to introduce teachers and youth

workers there to NFTE's program, as well as train them to teach NFTE's curriculum. One of the seminar's participants, a staff member of South Bay Community



NFTE HEADS WEST



Services, continues to teach entrepreneurship programs, using NFTE's methods and curriculum.

NFTE West plans to conduct two entrepreneurship workshops in conjunction with Girls Inc. and the Oakland Leadership Conference later this summer, as well as another full program at the Fellowship Academy and a new program at Columbia Park Boys Club in San Francisco in September. Duane hopes that with continued interest and support (*hint, hint!*) NFTE West will expand to include neighboring Western states—in the not too distant future.

NFTE West has already been featured in various media, including an article in the *San Francisco Chronicle* and a Channel 7 (ABC) "Marketplace" spot in April of this year. Channel 2 (CBS) plans to air a public-service announcement about the program several times throughout the month of September. We hope you will be listening.

If you are interested in this program and would like more information, or if you would like to make a donation and help with the program's expansion, please write to:

Duane Moyer, Director
NFTE West,
910 Ruth Avenue
Belmont, CA 94002

Information for this article was compiled by Duane Moyer and written by Patricia Burkhardt.

**NFTE West says thank you!
to its friends and supporters in...**

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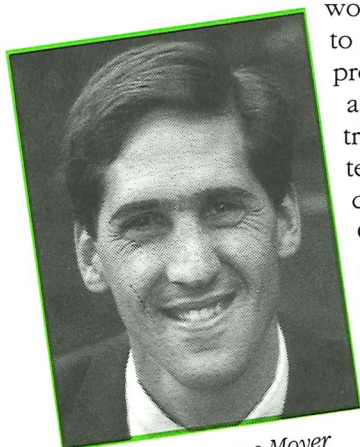
Katherine and Roland DeMott

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***"The greatest
mistake a man
can make
is to be afraid
of making one."***

— Elbert Hubbard



Duane Moyer

NFTE PRODUCTS: They mean business!

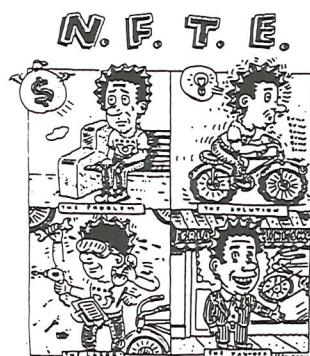


Inspiration on cotton for all ages and sizes !

A big part of an entrepreneur's success is believing in an idea and sticking with it, no matter what. NFTE's T-shirt spells out what an entrepreneur is and illustrates the process whereby determination, hard work, imagination and creativity can lead to big payoffs! An inspiration to aspiring entrepreneurs of all ages.

Makes a great gift!

Black graphics on white cotton blend. Large or Extra Large only. \$8.95 plus \$2.00 shipping and handling.



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(ã^n-tr -p(r) -ner) n.
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BIZBAG™



Tools to get started and keep going

To help young, would-be entrepreneurs develop their ideas into thriving businesses, NFTE created the BIZBAG™ — a business start-up kit developed especially for students who participate in NFTE programs. (It is now available to the general public.) The BIZBAG™ provides young entrepreneurs with some basic tools for starting and maintaining a small business. Teachers use the BIZBAG™ as an integral part of NFTE's entrepreneurial youth education program.

The BIZBAG™ is made of durable black canvas and is available for purchase at \$124.95 plus shipping & handling.

CONTENTS:

Workbook (*How to Start & Operate A Small Business*)

Inspirational
Biographical Profiles
(*Entrepreneurs in Profile*)

Calculator

Business Portfolio

Calendar

Address and Date Book

Pencils and Sharpener

Highlighter Marker

Ruler

Graphics-Stencil

Dictionary

Mortgage Calculator

Sales-Receipt Book

Record-Keeping Book

Spiral Notebook



Books that help young dreams become reality.

Entrepreneurship: How to Start and Operate a Small Business

A Guide for the Young Entrepreneur

by Steve Mariotti with Tony Towle (\$34.95) Plus shipping & handling

is a student workbook containing the "NIFTY fifty" lessons and exercises. Also included is the NFTE Business Plan Workbook.

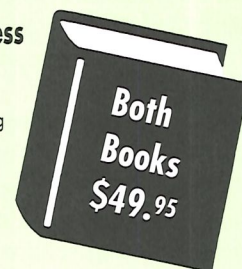
Entrepreneurs in Profile

by Steve Mariotti and Jenny Rosenbaum (\$24.95) Plus shipping & handling

is a compilation of short but interesting profiles of most successful entrepreneurs. Profiles highlight each entrepreneur's accomplishments and offer lessons that students might apply to their own lives. Vocabulary and business exercises are found at the end of each chapter. Both books are used in conjunction with the BIZBAG™ for NFTE's youth-training programs.

NFTE Business Plan Booklet (\$5.95) Plus shipping & handling

A comprehensive business plan outline to help young entrepreneurs plan and bring to reality a small business.

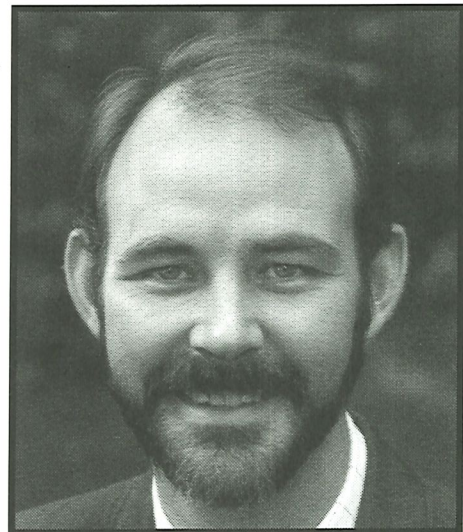


**To order any of these products, please call (212)233-1777,
or write: NFTE, 64 Fulton Street, Suite 700, New York, NY 10038**

PROFILING...

Frank Kennedy

by Peter Cott



Frank Kennedy, heeding the call of pioneering Americans, has "gone west." Well as far west as Chicago, where Frank has begun NFTE's newest division.

Actually, Frank is an Easterner by birth and education: he was born in Philadelphia and grew up in the suburb of Narberth where he attended public school and graduated from Lower Merion High School. He received his B.A. in Religion from Haverford College in 1983 and his M.B.A. from Eastern College in St. David's in 1988. That same year he began his commitment to entrepreneurship training in Southern India where, during a winter semester, he taught children in an orphanage. Frank speaks proudly of one of his trainees, Henry, who started a small furniture factory that still thrives today.

Upon his return to the States, Frank started working for the Evangelical Association for the Promotion of Education as Director of Economic Development, at which post he remained for more than two years. This laid the groundwork for his association with NFTE because his responsibilities included teaching children living in public housing the fundamentals of starting and running a business. He also founded the Passyunk T-shirt company, as well as running a weekly business club. Then, in early 1991, Frank read an article about NFTE and called Steve Mariotti. He began working with Murray MacTavish (former director of NFTE's Detroit program), took NFTE's first teacher-training course, held at

New Jersey's Morris County College, and worked at Jersey Mike's, NFTE's fast-food restaurant in Newark, as a consultant.

These, as well as many other activities, helped Frank to eventually become director of a full program. He has also taught classes at the International Center for the Disabled, the Wharton School of the University of Pennsylvania, and San Jose Youth Program with City Team.

*To be what we are,
and to become what
we are capable
of becoming,
is the only end in life.*

—Robert Louis Stevenson

Now, another, bigger challenge faces him: to develop and establish a program in Chicago and Frank is poised to achieve yet another NFTE success here. He has already established a training relationship with two public schools and will train Chicago-area teachers to teach NFTE's entrepreneurship course to young people assigned by the Cook County Juvenile Justice System, whose school,

The Factory, conducts classes half the day, and then sends the students out to do piecework the other half. He is also negotiating with four other youth-service organizations, including Lawndale Christian Development Corporation, the Circle Urban Ministries, Bethel New Life, and LaSalle Street Cycle.

NFTE is pleased to announce that the following donations have been received so far The Coleman Foundation has contributed \$80,000, and NFTE board member Bart Breighner has generously donated \$14,000 towards this effort.

If you are interested in this program and would like more information, or would like to become involved in its successful expansion, please write to:

Frank Kennedy, Director
NFTE - Chicago
575 W. Madison St., #4603-2
Chicago, IL 60661

Peter Cott is a public relations counsel to NFTE. He is president of Peter Cott Associates, located in New York City.



*This newsletter
was made possible
by a generous
grant from
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friends and colleagues.*

We thank you!

