

The Baby Warbucks Convene

Young entrepreneurs gather in Los Angeles to establish contacts

Mark David McKee, bigwig of a customized Bermuda-shorts biz that grosses \$2 million annually, meet Jennifer Cherney, real-estate whiz who has just closed \$100 million in deals. Steve Schaffer, computer-products magnate who expects to ring up \$1.2 million in sales this year, say howdy to Kim Merritt, who hopes her Kim's Khocolate, Inc., will make a bundle. Do you all have business cards? Of course, you all have business cards. Can you say, "entrepreneur"? Of course, you can say entrepreneur. You're all here in Universal City, Calif., for the third international conference of the Association of Collegiate Entrepreneurs and Young Entrepreneurs Organization (ACE/YEO).

They came. They saw. They networked. More than 200 emerging capitalists converged on Los Angeles to meet budding millionaires and establish contacts with the well-heeled, under-30 set. During their two days together, they met for power breakfast, power lunch and power dinner, not to mention power drinks. They pitched ideas in the corridors, and their wares from booths. From his display, Steve Schaffer, vice president of MacProducts in Austin, Texas, told people how his company undercuts the University of Texas's stores when selling supplies to Macintosh computer users. "University-owned stores are bureaucratic," Schaffer explained. "They have to make a certain percentage of profit on their sales... They can't compete as we can."

'Finest and best': Entrepreneurial spirit runs free in the economy, and no age group is immune. The ACE/YEO estimates that the top 100 firms run by entrepreneurs under 30 gross an average of more than \$21 million a year, and this economic clout has not gone unnoticed. During the ACE/YEO conference, Los Angeles Mayor Tom Bradley declared an "Entrepreneur Day," and said, "What we see in this room represents the finest and best in our society." And in a welcoming telegram Ronald Reagan enthused, "If we ever doubted that the United



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They came, they saw, they networked: Pushing Bermuda shorts to budding capitalists

States is a land of opportunity, the last two years have erased that doubt."

But the Baby Warbucks in Los Angeles were more awed by a message from the godfather of young entrepreneurs—Steve Jobs. The cofounder of Apple cautioned the assembly not to get carried away by greed. Observing wryly that he would have been too scruffy for this gray-suit-and-rep-tie crowd when he was starting out, Jobs preached: "Passion must drive entrepreneurs, not a longing for wealth. You must convince others to invest in your vision. When I think of entrepreneurs—which, indeed, I cannot even spell—this is what I think of." The group was also addressed by Brett Davis, 26, whose real-estate firm in Dallas grossed \$790 million last year. "Society shies away from risk," he warned. "We're incapable of catching our second wind because we're afraid to run the risk of losing our breath!"

So sweet: Kim Merritt (left) of Kim's Khocolate



Russell Simmons heard all this, but also maintained his own agenda. "Networking is the name of the game," said Simmons, president of ACE at Ohio State and president of Oasis Spas, which sells spas in Columbus. "To be an entrepreneur," Simmons asserted, "you can do one of two things: break into a new industry—and that's very difficult—or offer a service that's already available and do it better." Two other conferees, Bill Medley and Micha Anderson, agreed that service opportunities could be most lucrative. University of Kentucky Student Agencies, which the two operate, runs a full-service copy center, a photo center and a discount-coupon service, entirely staffed by students. Last year their agencies grossed \$150,000.

Selling advice: For those who wanted to experience the thrill of success without risking the agony of failure, Venture magazine offered Business Simulator. This computer software "puts you in the seat of the president of a new company and lets you try to run it," says programmer Mark Goldstein. And for those who wanted more serious preparation for the world of venture capitalism, there were representatives from graduate business schools. "USC is the Harvard of entrepreneurial programs," said Brigid Brahe, an M.B.A. candidate at USC who pitched her school, even though she was there to network on her own behalf: "You learn how to keep a business going, how to make a business plan, how to run a business." On the increasingly crowded fast track for college entrepreneurs, why shouldn't colleges themselves join the competition?

RON GIVENS with KAREN GOLDBERG in Los Angeles