

## Some entrepreneurs thrive on quick launches

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'There's a thrill in building from zero,' says Maria Elena Ibanez, a serial entrepreneur whose El Latino brand now includes 256 products.

Launching a company need not be daunting. Just ask serial entrepreneur Maria Elena Ibañez.

While in the beauty parlor one Saturday, Ibañez got to chatting with a woman experienced in the Hispanic food business. That's when she decided to launch Intermark Foods and hired that woman to start the following Monday.

Ibañez moved so quickly she even forgot to tell her husband, who came back from his morning workout to find a stranger in their home office. Ibañez is a big believer in learning as you go.

Ibañez had already built two successful international computer distribution companies, selling the second one just before the tech bubble

burst. So in 2002, after failing at her second try at retirement -- she was bored -- Ibañez knew she wanted to start a low-tech company where her tech skills would be a competitive advantage. Her goal: to compete on authenticity and quality, not price.

The fragmented domestic Hispanic food industry, with its promising growth potential, was a logical choice.

That was it. No business plan in the beginning; no extensive research. Though this may not be the best route for every entrepreneur, Ibañez has always launched her companies quickly, spurred on by belief in herself and her nose for opportunity.

She bought two cases of books from Amazon on the grocery business and quickly read them. Then she researched the grocery aisles and learned where the Hispanic foods market leader was missing -- dairy products.

Ibañez launched her brand, El Latino, with just four cheeses, and the first year she brought in \$1 million in sales.

Now she carries 256 products, including all the national favorites Hispanics grew up with. There are dozens of cheeses in various styles, as well as sausages, frozen fruits and vegetables -- such as yucca, guava and tamarind -- and, of course, traditional sweets. While the industry has been growing on average 8 percent to 9 percent annually, Ibañez's revenues have been zipping along at 30 percent year over year, she said.

“You have to go where the market is,” she said, adding that her products were in Publix within three months and in Wal-Mart within a year. “If you have an idea you are passionate about, follow your instincts and see what the market wants. You can polish your idea based on the market response.”

Ibañez also never let a poor economy be a deterrent. She launched all three of her businesses during recessions or downturns. “You can get deals on offices and warehouse space and pick up great talent the big companies are trimming,” she said. “It’s the best time to start a company.”

This is a good time to get started and there’s nothing wrong with the learn-as-you-go approach, said Tim Berry, technology entrepreneur and author of *3 Weeks to Startup*. Not all businesses can be started this fast, but many can, he said.

“You don’t wait ‘til all the lights are green before you leave your driveway,” the founder of Palo Alto Software told the audience at Entrepreneur Magazine’s Growth 2.0 conference in Miami Beach. “You don’t worry about making mistakes -- you will make mistakes. The idea is to fail fast, learn from it and move on.”

Fortunately, there are lots of local resources to help. SCORE chapters offer workshops on each aspect of launching a business, including the business plan, funding, marketing, cash flow, website set-up and more. The University of Miami’s Launch Pad helps hundreds of entrepreneurs as does FIU’s Pino Global Entrepreneurship Center. See the box on this page for more.

Raju Mohandas, a counselor with SCORE Miami who has launched and financed companies, led a recent workshop called “Start Your Own Business.” To evaluate your business idea, he said, look at your personal goals, your own skill sets and knowledge base, and most importantly, whether your idea solves a problem in the marketplace. Be ready to commit at least five years.

“Not everyone can be a head coach; some people are fine being an assistant coach. This is where passion comes in, and your goal mentality,” Mohandas said.

Start-up market research should include your own Internet research, talking and listening to prospective customers, and assessing the competition’s strengths and weaknesses, pricing and distribution, he said.

As you are setting up your company, this is also the time to get your professional team lined up. Experts recommend a lawyer, accountant and insurance agent, for starters.

“There may be a big difference between a good friend and a good attorney. This goes for CPAs too,” said Mike Tomás, founder of The ASTRI Group, which assists and funds start-ups.

“Allocate resources and invest in professional services up front. You will either pay now or pay later. Trust me -- now is better.”

Another important step: If you have a partner in the business, figure out who should get which part of the business pie, Berry said. Start-ups put this off because there is not much money in the business yet, but they shouldn’t.

“This isn’t lawyering; this is talking,” Berry said. “Lives change, people have different needs, people break up. Write it down and sign it.”

Other steps to launch:

- Prepare your initial sales forecast, expense budget and estimated starting costs. Monitor cash flow to make sure you don't run out of money.

“Cash flow is like the blood running through your body to keep it moving,” Mohandas said. “On a start-up you need to look at it on a daily basis.”

- Start focusing on marketing strategy. (Read more about this in coming weeks.)
- Begin registering and protecting your name and intellectual property.
- Secure your domain name and get on the Web. You want a .com name if possible, otherwise you are marketing your competitor, said Berry. Find a great webmaster to whom you can outsource.
- Set up your legal entity -- LLC, C-Corp. or S-Corp -- based on the recommendation of your lawyer and accountant. Apply for any licenses needed. MyFlorida.com (click on Business) has a good explainer on this.

What about a business plan? If you are going after bank or investor financing, a business plan at this early stage is critical, experts say. If you are self-financing, it is still a terrific tool to map out your strategy, timeline and goals and keep you focused, and you will likely need it later. Ibañez, too, wrote plans when she needed them for financing or the sales of her companies.

Ibañez' first venture was selling software and then hardware in Latin America in the 1980s. When she sold that company, she signed a noncompete clause. So she looked at a map for her next opportunity and pointed to Africa, a place she had never been. “My vendors thought I was crazy. They thought I had lost my mind. They said there's no business in Africa. I said, ‘Whatever business there is is going to be mine.’ ”

And she was right. There was no computer distributor there at that time. Her business grew 4,600 percent in seven years, Ibañez said.

Today, at Intermark Foods/El Latino in Doral, she enjoys product development and is always adding new product lines, such as drinkable yogurts and fresh sausages.

“There's a thrill in building from zero,” Ibañez said. “The idea that you create something from nothing is very exciting.”