

## The teens that mean business

By Francesco Guerrera in New York

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Two years ago, nearly all Jasmine Lawrence's hair fell out after a chemical perm went horribly wrong. Today, partly because of that accident, she is at the helm of a haircare products group whose sales could top \$1m this year.

Not a bad achievement for someone who cannot yet drive, drink alcohol or sign most legal documents: Ms Lawrence, the founder and chief executive of Eden Body Works, is 15 years old.

Standing in the basement of her home, in jeans and socks, it is hard to believe that this teenager fussing over dosing beakers and empty bottles recently persuaded Wal-Mart to sell her line of all-natural hair and skin products in its stores.

But as she settles into her "office" - the spare room of her New Jersey family home - and begins to explain Eden's history and business model, the qualities that caught the eye of the US retail giant, among others, become apparent.

Sitting at a desk dominated by a wooden plaque of the company's logo, a gift from a supplier, Ms Lawrence recalls that as her hair regrew after the accident, so did her confidence in a starting a business.

"The accident hit home for me," she says. "I looked for natural hair products and could not find them, so I decided to make them myself and found out I have got unique qualities that I could develop."

For all her talents, though, Ms Lawrence is not in-fact unique. She is one of more than 150,000 kids from low-income communities targeted by the National Foundation for Teaching Entrepreneurship, a US charity, over the past 20 years.

By offering schools in poorer neighbourhoods special modules to teach entrepreneurship, NFTE, whose donors include the Goldman Sachs Foundation and Microsoft, was initially set up mainly

to keep problem teenagers off the streets.

Steve Mariotti, who founded the charity while working in a Bronx classroom in 1987, says he originally saw business teaching as an "anti-drop-out device". "I was teaching a problem class and I had trouble getting their attention by conventional methods," he says. "I started talking about different ways of selling a watch and the class just listened."

But now, in the current global business environment, US teen entrepreneurs also embody a hope that goes beyond their own social redemption. Threatened by the rise of low-cost countries, and weakened by the disappearance of vast tracts of its manufacturing base, the status of the US as an economic superpower depends more than ever on supremacy in the realm of ideas.

In this respect, a supply of young entrepreneurs serves to reassure America of its enduring business vitality and banish the spectre of inexorable decline towards an economy made up of low-skilled services and cheap imports - "the mass capital of the world", as Jeffrey Immelt, chief executive of General Electric, has put it.

"If you focus on an entrepreneurially literate society, it becomes a global competitive advantage," argues Mr Mariotti. "In the long run, such countries will end up growing much faster than those focused on direct labour."

When it comes to operating such a scheme for teenagers, certain elements must be balanced. On one hand such courses must be effective at both keeping the kids out of trouble and giving at least some of them enough technical ability and confidence to become successful.

At the same time, they must guard against the danger that thrusting youngsters into the unforgiving world of business will create additional pressures and dislocations later in life.

On NFTE's original mission - helping pupils not to stray - the evidence suggests that the success of Mr Mariotti's watch-selling tips was not a fluke: business classes do help teenagers to focus on productive activities.

A 1998 study of more than 500 students in New York City found more than three-quarters of those who had attended NFTE's training saw starting a small business as a "realistic way out of poverty". Less than half of those who had not been through an entrepreneurship course held that view.

Andrew Kutches belongs in the former camp. A 19-year-old who last night was due to be honoured as one of the 10 best Young Entrepreneurs of 2007, Mr Kutches founded his construction business after attending a course in a facility run by San Francisco's Juvenile Probation Department.

"I have done things to survive that I am not proud of," he told the awards' organisers. "[But] I learned about the importance of a business plan to help you focus and manage a business idea that you have."

But only two of the 35 young people he did his carpentry apprenticeship with are still in work - a sign, perhaps, that, like other teenage passions, interest in business could turn out to be short-lived.

Especially so if their entrepreneurial duties end up eating away at their spare time. It is disconcerting to hear a 15-year-old like Ms Lawrence, the hair care mogul, describe herself as a "workaholic" and regretting she had to leave her basketball team due to work pressures.

But supporters of an early start to an entrepreneur's working life maintain the ingenuity and creativity of youth are difficult to replicate later. "If you wait until you are 30 to start in business, you have wasted a couple of decades in an entrepreneur's development," says one long-time supporter of NFTE.

Others argue that even if the kids give up, their knowledge will not be wasted. "Whether or not these students go on to start their own companies, they will use these skills, be it in corporate America or even their own homes," says Anne Marie Agnelli, vice-president of community and public affairs at CA, the software group, which has donated \$500,000 to NFTE.

Perhaps the most important outcome of the drive to nudge more young people into business is the opportunity to empower ethnic minorities.

Two Harvard University studies on the effects of entrepreneurship courses in Boston public schools found a "Latino effect": pupils from that ethnic group derived greater benefits from their business studies than their white or African-American counterparts.

According to the researchers, the Latino lead could be explained by the fit between entrepreneurship and self-motivation, and immigrants' idealism and hunger to succeed.

Back in rural New Jersey, Ms Lawrence is expounding on her future plans for Eden Body Works.

"We are planning Eden International," Ms Lawrence says. "Then Eden Universal and" - with just a hint of a smile - "soon we will have Eden Inter-Galactic".

Impractical as a business proposition, perhaps, but a reassuring sign that, for her all her business acumen, she is still firmly rooted in her teenage years.

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