

## My Jewish Merchant Family

*My home town was never home.*

*Thank heaven for Life magazine.*

Long before I was old enough to vote or drive, I was dreaming up new businesses. They were the kinds of things a kid would think up, like a business that made airplanes kids could fly or healthy sodas kids could drink whenever they wanted. Like most other little kids with big ideas, I didn't believe my childhood fantasies would come true. Looking back, though, I realize some of my ideas were eerily similar to the businesses I have started as an adult.

## **My Business Roots**

I have my paternal grandfather, Simon Skorman, to thank for both my entrepreneurial spirit and my Ohio roots. As a teenager in 1914, Simon left Russia to join relatives in Cleveland. His first job was peddling pots and pans from a horse-drawn wagon. Before long, he'd saved enough money to open a small store. Although he went on to lose his first store in the depression of 1921, he wasn't dissuaded. Eventually he opened a second, larger store in Ravenna, Ohio, twenty miles east of Akron. Simon chose his location carefully. Ravenna was a burgeoning town but had few businesses to cater to its growing population. Its residents drove to Akron to buy necessities, like clothes and shoes. My grandfather saw a need, and he filled it.

In addition to having a knack for choosing a great location, my grandfather was a creative problem solver. When his store was struggling, he knew his customers should remain unaware, so he shelved empty boxes to make his inventory look more robust. Luckily, he didn't stock empty boxes for long; his business soon grew into a thriving small-town department store.

A tall man with a dignified presence, Simon prided himself on his ability to converse with his customers in their native lan-

guages despite the fact that they came from all over the world. He had only three years of formal schooling, but he spoke eight languages. He could chat with his Amish customers in German, speak Polish to the farmers, and pontificate in Yiddish and Hebrew at the synagogue on Saturdays.

## **Growing Up in Retail**

I was born in 1948 and spent my childhood in Akron. My father and his brothers owned a chain of discount stores called Miracle Mart. He believed discount was the future of retailing, and he was right. Twice a month, my father visited New York City's Garment District. He brought back mountains of cheap goods, stacked them from floor to ceiling in his stores (which were converted warehouses), and sold them to Akron's exploding lower-middle class. His customers spilled out of the nearby tire factories and into his stores every afternoon, snatching up everything from bras to bundt pans. Everything looked like a bargain, whether it was or not.

The men in my family were geniuses at brand building and marketing. For instance, to make sure their customers knew Miracle Mart was the cheapest store in town, they charged only a nickel for a bottle of Coca-Cola when the same bottle was a dime everywhere else. Deeply discounting Coke, a product everyone knew the price of, gave customers the impression that everything in the store was a steal.

My father's nickname was Schetzel (Yiddish for *the thinker*), and he spoke to my family in business stream-of-consciousness. In restaurants, he spent mealtimes speculating on the proprietor's profit margins, payroll expenses, and rent. At gas stations,

he quizzed the attendants about what grade of gas people bought. If, while driving down the street, we passed a vacant lot, he'd say, "That'd make a great spot for a hamburger place," or "I haven't seen a car wash for five miles. That's what this neighborhood needs: a car wash." He was always right. To talk to my father was to talk business. Like learning how to chew gum or walk, I don't remember a time when I wasn't designing businesses as a means to communicate with him.

My father's sense of humor shone through in everything he touched. One time when he and his brothers were designing a new store, the manager put the pet department next to the fresh meat department. My father saw the black humor in the juxtaposition and left the two side-by-side until the last minute, just to see if anyone else would catch the joke. His humor could also be seen on the store's signs. They read, "Attention shoplifters: Please do your lifting in the big, fancy stores. Our prices are so low, even you can afford to pay cash."

### **Being Honest Is More Important Than Being Rich**

My father exacted a deep pleasure from making people happy. He'd come home from work with stories about how excited customers were with his bargains. Similarly, he went out of his way to help other businessmen. He knew when he opened a new Miracle Mart that it inevitably put someone else's small store out of business. Feeling terrible, he'd go to the doomed establishment and offer the employees jobs at the new Miracle Mart. Then he'd offer to buy the store's inventory at a fair price. He wanted Miracle Mart to be a win-win for everyone.

My father also taught me about good values. When he learned that a store manager was selling huge numbers of fans by demonstrating them in front of the air-conditioners, he fired the man for deceiving customers. With that lesson, among others, he taught me that being a good person was more important than making money. He also wanted me to believe in something bigger and more powerful than my bank account.

My father encouraged me to pursue a career focused on helping people instead of making money. He believed wealthy people should share their good fortune. And, besides, he thought he'd made enough for his children to live out our lives in comfort. In the end, it was a promise he couldn't keep.

## **My First Business Trip**

Desperate for my father's attention, I loved what he loved. I paid homage to Miracle Mart by going to work with him every Saturday. My job was to give away the free popcorn. I sat on a tall wooden stool and poured metal tins of pre-popped kernels into a whirring popcorn machine. Every five minutes, I scooped hot, salty kernels into small paper bags and passed them out to anyone who asked and some who didn't. I delighted in the surprised expression on shoppers' faces when they got something for free.

When I turned thirteen in 1961, my father took me to New York City. The trip was my baptism into a business world far removed from smiles and popcorn. He wanted to toughen me up. Like a faithful mutt, I tagged along at his heels while he wheeled and dealed in the backrooms of sweatshops. My clearest memory of the trip is how sore my feet were by the end. My

second-truest memory is of the backroom bribes. I slouched on the outskirts of conversations listening to fast-talking men tempt my father with free dinners at swanky restaurants, free front-row seats to sold-out shows, and free sexual favors from their so-called secretaries. His intent was to show me the dark side of business. After the trip, his advice to me was, “Don’t take any shit; never owe a salesman a favor; and always get the best deal.”

### **There’s No Algebra in Accounting**

That trip was the most time I ever spent one-on-one with my father. For the most part, he avoided me. He was afraid of me, afraid of the smell of failure. His fear wasn’t without merit. I was a failure at the only thing that matters when you’re a kid: school. If I’d grown up today, I would have been put in a special class for kids with learning disabilities. Instead, I was labeled an under-achiever, and most people just gave up on me. School is filled with subjects like spelling, grammar, and history, all requiring a knack for memorization and an eye for detail—two skills I sorely lacked. I could design a complex business plan, but I couldn’t diagram a simple sentence. I was perpetually on the verge of flunking every class and was held back a year in junior high.

Luckily, I’m a math whiz. Like my father, I can calculate profits, returns, and risk ratios without putting pen to paper. As a child, numbers were my saving grace. I took solace in math. I’ve always solved elaborate equations in my head by working the math backward. My technique is unusual but effective.

The only time my math skills failed me was in high school—freshman algebra, to be exact. Looking back, I realized that the

problem was that no one explained the theoretical concepts of algebra to me, which rendered my technique useless. My concerned parents hired an algebra tutor—a move that led to one of the biggest revelations of my life.

I was in the living room with my tutor while, unbeknown to me, my mother was eavesdropping from the kitchen. My tutor, a patient, well-meaning graduate student, explained how I would need algebra when I grew up to solve difficult business problems. I told her she was wrong. I could figure out what I needed to know without using a single algebraic formula. Assuming I was just being obstinate, she gave me a complicated business problem and challenged me to figure it out. I ticked off the correct answer. She got flustered. She lobbed harder and harder problems at me, and I came up with the correct answer every time (without using any algebra). She eventually gave up.

After she left, my mother told me she'd overheard the exchange. I braced myself for her wrath, but instead she said, "The last thing in the world you need is a math tutor. I think we should just leave you alone. You're going to be okay." It was an amazing thing for her to say. Until that point, I had considered myself a failure. No one had ever told me that I would be okay. With five simple words, my mother turned my life around.

But knowing I was going to be okay and getting through high school were two different things. I would have dropped out if my mother hadn't bribed me to finish. Here's the deal we struck: I told her I would do what it took to graduate if she gave me one day off a week. I could pick a day to play hooky, and she wouldn't bug me. On the other four days, I would go to school without a fight. She

agreed. From that day on, every time I wanted a day off, she wrote a letter to the principal telling him I had a cold, and I spent the day looking for adventure. Without my mother's acceptance of my need to roam, I doubt I would have finished high school.

## **My Summer of Love**

After graduating from high school in June 1967, I couldn't wait for college to start so I could escape from Ohio. I found out about the summer of love from an article in *Life* magazine. Sitting in my parents' living room, I read and reread the descriptions of San Francisco streets, then teeming with free love, marijuana, and psychedelics. Haight Street sounded as far from Akron, Ohio, as I could imagine. I had a trip in the works to visit my mother's father in Tacoma, Washington, so I hatched a plan to spend a few days in San Francisco to check out the hubbub for myself.

A few weeks later, I stepped off the bus and into the Summer of Love. Just like the photos in the magazine, people were singing, dancing, and partying in the streets. I saw hippies making love in the parks and police smoking marijuana. Like any other social movement, you couldn't just observe the Summer of Love; you had to participate. A natural at chess, I quickly settled into the dynamic chess scene in the Haight Street coffee houses. It didn't take long for me to meet people I never would have crossed paths with in Ohio—people like J.J.

I knew I was in trouble the minute J.J. sat down at my table. He was a tall, black man with sun-eclipsing hair and steel-toed boots. The hull of a hunting knife protruded from a sash at his hips. His first words to me were, "I'm going to kick your ass, white boy." And he did.



He mopped the chessboard with me and gave me a verbal lashing to boot. He played brilliantly, but he barely looked at the chessboard because he was so busy lecturing me. He accused me of being a racist, abusing poor people, instigating war in Vietnam, and ruining the environment. When he got up to leave, he spat, “You are just an arrogant, rich, white kid.”

I responded with the only argument I could think of: “It’s not my fault I’ve never met a black person who wasn’t a maid. You’re the one who is racist and prejudiced.”

He sat back down. “All right, white boy, you say you want to learn a thing or two, but you better be serious. If you waste my time, I’m going to kick your ass.”

J.J. was twenty-five when we met. He’d grown up in San Francisco and graduated from law school at the University of California at Berkeley. He taught me about chess, politics, revolution, racism, and Marxist economics. He was right: I had a lot to learn. He transformed an idealistic kid with good intentions into a nascent revolutionary. He knew everyone on Haight Street, from newspaper editors to poets. Over the next few weeks, he introduced me to dozens of people, including Bob Dylan. I was having so much fun, I called my parents and convinced them to let me stay in San Francisco for a month.

I’ve never seen as much heart and soul in my life as I saw on Haight Street in 1967. Everything was definite; everything was strong: the brightly colored clothes, the smell of incense and marijuana, and the lyrics of Joan Baez and Bob Dylan. Being yourself was the focus of life. I had the heart, and I learned the soul—how to project personality; how to be authentic; how to

reach people; how to take the color, energy, and personality of the movement and channel it into something tangible.

I developed my business philosophy on Haight Street. To this day, I can't think of a better phrase than "gentle capitalism" to describe how I run my business life. It captures both my entrepreneurial spirit and the heart and soul of the hippie generation. It's no coincidence that many years later, I would settle and start businesses in San Francisco.

### **"I Think I Went to College"**

Back in Akron, my parents considered my graduation from high school a miracle. I was ambivalent about higher education but eager to escape the Midwest and desperate to avoid the draft. I'd applied to schools in Colorado and California and at the last minute added Boston University to the list because it had a reputation for favoring high SAT scores over grade point averages. My SAT scores were terrific, but I'd graduated near the bottom of my class. As the spring wore on and the rejection letters accumulated, Boston University was the only school to accept me. Ironically, I'd applied to and was accepted by the business school. The choice was deliberate: I was more interested in poetry, but the business school was most likely to admit an underachieving high school senior with great test scores.

### **In Business, You Can't Accept the Status Quo**

I found college far easier than high school, and being a good writer helped. I remember my first big assignment—a paper for Business 101, a survey class covering business theory under dif-

ferent economic systems. The grade from this assignment would equal one-third of my total grade in the course. The task was to explain why the industrial revolution wouldn't have happened without capitalism.

My gut reaction was to question the question. "Capitalism doesn't have a corner on economic growth," I thought. "Stalin, for one, accomplished a lot economically without capitalism." So I based my paper on the argument that no one could say whether capitalism was responsible for the industrial revolution. A week later, I handed in the paper thinking I'd probably get an F.

The next class period, the professor made a fuss over delivering our grades. He started off by saying the papers were terrible. Almost everybody scored a C, D, or F. But, he said, one person got an A. Then he read excerpts from the A paper. I was shocked to hear my words echo through the lecture hall. He finished by calling my name and asking me to come to the front of the auditorium.

"I'm giving you an A because you were the only student who questioned the question," he said. "In business, you can't accept the status quo. When something doesn't add up, you have to delve deeper in search of the answer."

## **Growing Up**

In college, my social life also took a dramatic upturn. I'd been a loner for eighteen years, yet on my first day in the dorm, I fell into an unlikely friendship. I heard guitar music and went looking for the source. Four doors down, I stopped outside Jesse Brown's room. I walked in and said, "I betcha that's a Joan Baez

song.” From that moment on, our friendship was off and running. I soon found out that Jesse and a group of his high school friends had come to Boston from a closely knit Italian community in Rhode Island.

Over the course of the year, they adopted me as one of their own. They made me an “honorary Italian” and christened me Vinnie. I spent school holidays in Rhode Island with them and their families. I even tagged along to their high school reunion, where they introduced me as a member of the class.

We’ve remained close. One of the kids in the group was Anthony Russo, now a world-famous illustrator and my dearest friend. The late Jesse Brown, the guitar player, went on to become the road manager for the J. Geils Band. And Uncle Lou (so called because he was the only one among us who had nieces and nephews) is a successful talent agent in New York City.

They all came from working-class backgrounds, and I stuck out as the rich kid. They gave me a hard time about my privilege and how little I understood about life. But the teasing ended when they needed money. I believe in helping folks out, so I’d loan them money without any expectation of being paid back. Bankrolling my friends helped me feel less guilty about my privileged background and got them through college a little easier. My father referred to this as “Stuart’s college scholarship fund” and good-naturedly gave me all the money I needed for my friends and me.

My new friends introduced me to Vermont. The summer of Woodstock we rented a house in Putney. Vermont felt like a magical kingdom. It was known for its nice people, clean environment, and low crime rates. I liked the fact that the state had a

history of harboring intellectuals and poets because I considered myself on the verge of becoming both.

That summer my friends worked part time in town or on construction sites. I stayed home and wrote poetry, grocery shopped, and cooked. On weekends, we smoked marijuana and read Jack Kerouac and Kurt Vonnegut. I felt so at home in Vermont that I returned the following summer and stayed through the fall, dropping out of college before the start of my senior year. Although it would be several more years before I accepted my destiny of becoming a businessman like my father, I eventually chose Vermont as the backdrop for my first intentional business venture.

## THE IMPORTANCE OF MENTORS

Entrepreneurship is not easy. There is no formal degree to earn or established ladder to climb. The best way to learn what it takes to be an entrepreneur is to find a mentor. Mentors can teach you the ins and outs of a business, and they can be role models. I was fortunate to have several role models in my family, but being born into a business family isn't the only way to secure a mentor. Consider these tips:

- Know you need a mentor. The more ambitious you are, the more help you'll require.
- Prioritize a mentoring relationship. Seek out a good mentor just as you'd seek out a great location, a favorable contract, or a business partner. Make a list of the qualities you'd like to find in a mentor, and don't settle for the first person who comes along.

- Show your appreciation. The best mentoring blossoms from a mutually beneficial relationship. What can you do to return the favor? Your contribution may be something as simple as cleaning your mentor's office or doing errands—look for a need your mentor has and fill it. For years, I repaid one of my mentors by acting as his family's personal movie adviser.
- Always be on the lookout for mentors; they may be in unlikely places. Join a professional organization. The more you circulate in your chosen field, the more likely you are to bump into potential mentors. But keep an open mind; anyone can be a mentor. Surprisingly, my psychotherapist became one of my most influential business mentors.
- Be specific. Don't approach a potential mentor with a vague cry for help. Be confident, and state your needs clearly. For example, don't say, "I want to be an entrepreneur. Tell me everything you know." Instead, focus your request—for example: "I want to be in the pharmacy business, and I know you are an expert in the field. Could you give me feedback on the viability of my business plan?"
- Do your homework. Before approaching a potential mentor, find out as much as you can about him or her. Question people who know this person. Familiarize yourself with his or her background. Your goal is for your potential mentor to see your due diligence as a sign of respect and an indication of your seriousness.
- Mentor others. People who go out of their way to help others attract people who want to help them. And sometimes the best way to repay a mentor is to pay it forward.