



In tight job market, some teens start their own businesses

By Laura Petrecca, USA TODAY

Eric Cieslewicz has spent the last couple of months drumming up business.

Faced with dismal employment prospects at traditional teen-friendly employers, the 18-year-old has turned his passion for percussion into a money-making venture.

The Milford, [Ohio](#), high school senior set up a website promoting his services as a drum instructor, printed business cards and spread the word that he was open for business.

He has eight students, ranging in age from 8 to 50. He hopes to pull in more than \$400 a month from lessons, as well as earn more money from performing.

Amid shrinking job opportunities (the 16-to-19-year-old unemployment rate in April was 21.5%), many of his peers also are embracing their inner industrialist. The Small Business Administration's Office of Advocacy doesn't break out statistics for teens and tweens, but says in 2006, there were 492,000 people younger than 25 who were self-employed. Figures for that year are the latest available.

But experts say this year's number will likely rise due to job scarcity.

Already, the rough employment market has led kids to increasingly sign up for the entrepreneurial programs offered by youth-oriented groups such as [Junior Achievement](#) and the [National Foundation for Teaching Entrepreneurship](#).

"Kids are actively considering starting their own businesses," says Junior Achievement [USA](#) President Jack Kosakowski.

"It might be out of necessity, since there aren't a lot of jobs out there. But they're also seeing parents and other adults that have been loyal to companies for years ... getting laid off, so these kids might be thinking, 'Hey, I might be better off being my own boss.' "



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From tiny acorns ...

Many entrepreneurial kids will use their businesses to scrape together summer spending money, but the fledgling firms can blossom into something much bigger.

As a teenager, [Tommy Hilfiger](#) sold customized clothes in his Elmira, [N.Y.](#), hometown. [Microsoft](#) maven [Bill Gates](#) co-founded a data business that focused on traffic counts, Traf-O-Data, when he was in high school.

Today, consider Leanna Archer and Jasmine [Lawrence](#).

As a grade-schooler, Archer, 13, often was asked about what product she used in her long, dark hair. She soon began to sell that all-natural hair-conditioning pomade, which comes from a family recipe. She officially launched Leanna's Inc. from her family's home in Central Islip, N.Y., in 2005.

Business has gone so well, she's expanded her line of hair and body products to more than a dozen. Her website: www.leannashair.com. Imal [Wagner](#), a public relations consultant who works for Archer pro bono, says the firm pegs 2008 revenue at \$110,000, and is on track to bring in more than \$150,000 in 2009. A Dun & Bradstreet report puts annual sales at \$140,000.

The impetus for Lawrence, who also founded a body-care company, was an unpleasant experience.

At age 11, her locks fell out after she used a chemical relaxer. Soon after, she was mixing up her own natural products.

At age 13, with savings from her allowance and a \$2,000 loan from her parents, she started her small business, now called Eden BodyWorks.

Lawrence, now 17, says her company sells more than 20,000 units a month through a website alone. The products, which are produced at a facility in Harvey, [Ill.](#), have also been sold at retailers such as [Wal-Mart](#).

She won't disclose sales numbers, but Dun & Bradstreet puts them at \$740,000, and [Hoover's](#) pegs revenue at \$700,000.

Lawrence's mother, April, won't reveal revenue figures, either, but said overall sales have declined of late as the company contends with issues such as increased ingredient and transportation costs.



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Organization skills prove vital

The young businesswomen both cited a crucial tool that lets them run a successful firm yet still have teenage fun: an organized schedule.

Planning allows Archer to keep on top of homework and chores, yet have time to play sports and instruments such as piano and guitar. She checks orders on the computer after school, then makes adjustments to her schedule based on the daily demand for her product.

Lawrence, a high school senior in [Williamstown, N.J.](#), is involved in activities such as student council, tutoring and managing a basketball team.

"I'm still active like a normal teenager," Lawrence says. "But there are some times that I have to sacrifice time to do what I want for business needs."

Both also rely on a network of others to help them — including parents, siblings, teachers and paid help that includes family members as well as outside accountants. Non-profit group NFTE helped connect Lawrence with pro bono legal and financial advisers, whom she eventually hired.

That advisory squad is critical for success, says Bo Fishback, vice president of entrepreneurship at the Ewing [Marion](#) Kauffman Foundation, a group that focuses on entrepreneurship activities.

Archer says her family has given her fantastic feedback, as well as physical help as she concocts her beauty creams.

"When we make products in the basement as a family, it's kind of like a bonding time," Archer says.



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On-the-job learning

Of course, selling can be tough work, Fishback says. But it teaches lessons. "If you get rejected 50 times as a 13-year-old, you get over it a lot faster than at 40. Trying and failing is one of the greatest learning lessons. ... It breeds perseverance." That "experiential learning" — from successes and failures — will be valuable throughout life, he says.

Lawrence has had her ups and downs. A few years ago, she met a Wal-Mart contact at an entrepreneur-focused conference. That connection eventually led to her products being sold in 280 of the retailer's stores, she says. But that didn't work out for the long haul. Wal-Mart says it's no longer stocking Eden BodyWorks.

Drum instructor Cieslewicz says he's learning his share of lessons — such as how to keep an organized schedule and save receipts for tax write-offs — as he earns money for college.

"The hardest thing is lack of experience," he says. "It's all trial and error." Yet, he also says he's gleaning more than he would at a typical summer job.

"This is just the foundation for learning how to be a businessman," he says. "I couldn't learn this just working at a restaurant."